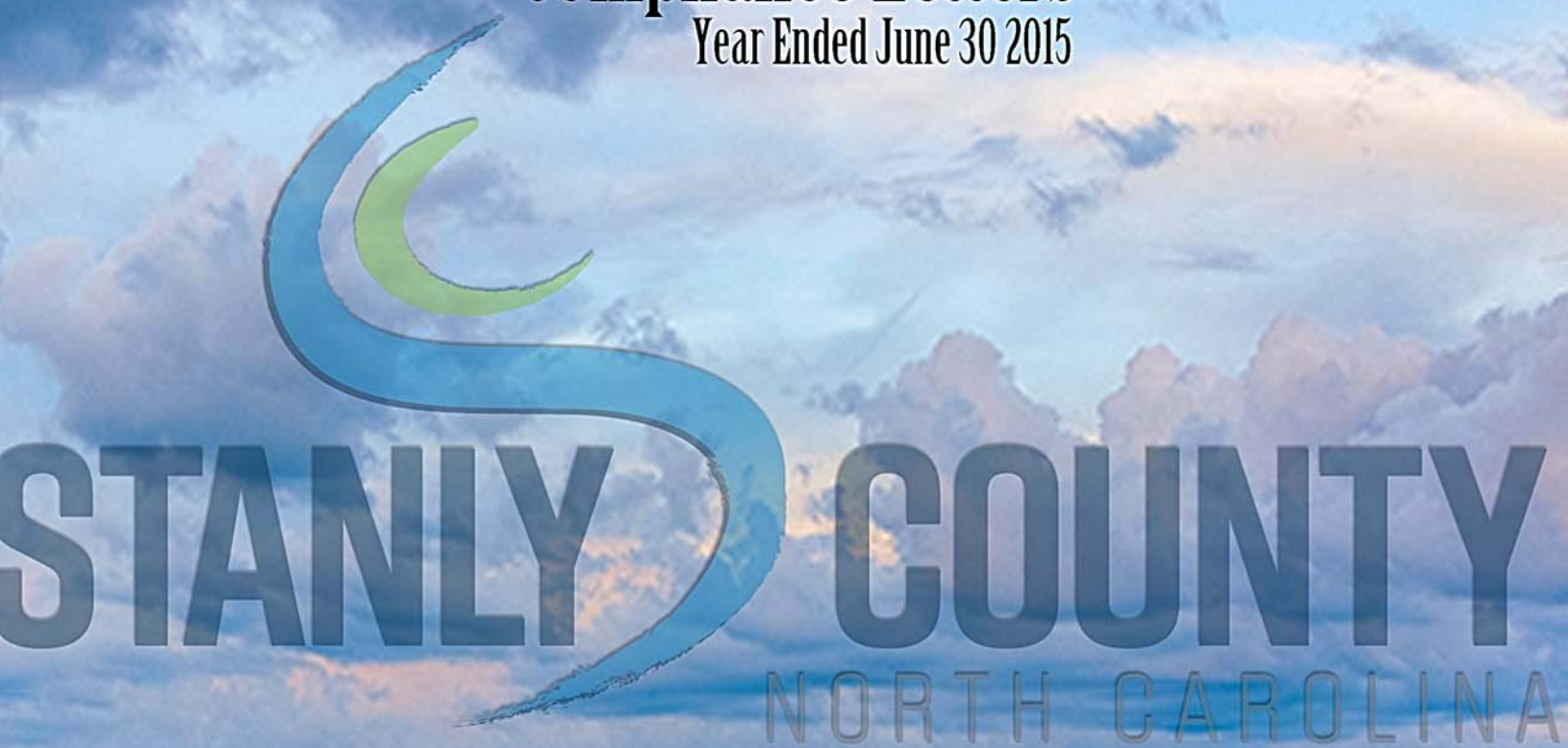


# 2015

Compliance Letters  
Year Ended June 30 2015



*Water. Air. Land. Success.*

STANLY COUNTY  
NORTH CAROLINA

COMPLIANCE LETTERS

For Fiscal Year Ended  
June 30, 2015



**STANLY COUNTY, NORTH CAROLINA**  
**COMPLIANCE LETTERS**  
**For Fiscal Year Ended June 30, 2015**  
**TABLE OF CONTENTS**

---

<b>COMPLIANCE SECTION</b>	<u>Page No.</u>
Report On Internal Control Over Financial Reporting And On Compliance And Other Matters Based On An Audit Of Financial Statements Performed In Accordance With <i>Government Auditing Standards</i>	1-2
Report On Compliance For Each Major Federal Program; Report On Internal Control Over Compliance; Report On The Schedule Of Expenditures Of Federal And State Awards Required By OMB Circular A-133 And The State Single Audit Implementation Act	3-5
Report On Compliance For Each Major State Program; Report On Internal Control Over Compliance; And Report On The Schedule Of Expenditures Of Federal And State Awards As Required By OMB Circular A-133 And The State Single Audit Implementation Act	6-8
Schedule of Findings and Questioned Costs	9-10
Summary Schedule of Prior Year's Audit Findings	11
Schedule of Expenditures of Federal and State Awards	12-17

# MARTIN ♦ STARNES & ASSOCIATES, CPAs, P.A.

*"A Professional Association of Certified Public Accountants and Management Consultants"*

## **Report On Internal Control Over Financial Reporting And On Compliance And Other Matters Based On An Audit Of Financial Statements Performed In Accordance With Government Auditing Standards**

### **Independent Auditor's Report**

To the Board of Commissioners  
Stanly County  
Albemarle, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Stanly County, North Carolina, as of and for the year ended June 30, 2015, not presented here, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated November 12, 2015. The financial statements of the Stanly Water & Sewer Authority were not audited in accordance with *Government Auditing Standards*.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Stanly County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Stanly County's internal control. Accordingly, we do not express an opinion on the effectiveness of Stanly County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Stanly County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, non-compliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Martin Starnes & Associates, CPAs, P.A.*

Martin Starnes & Associates, CPAs, P.A.  
Hickory, North Carolina  
November 12, 2015



# MARTIN ♦ STARNES & ASSOCIATES, CPAs, P.A.

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## **Report On Compliance For Each Major Federal Program; Report On Internal Control Over Compliance; Report On The Schedule Of Expenditures Of Federal And State Awards As Required By OMB Circular A-133; And The State Single Audit Implementation Act**

### **Independent Auditor's Report**

To the Board of Commissioners  
Stanly County  
Albemarle, North Carolina

### **Report on Compliance for Each Major Federal Program**

We have audited Stanly County, North Carolina's compliance with the types of compliance requirements described in the OMB *Circular A-133 Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of Stanly County's major federal programs for the year ended June 30, 2015. Stanly County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

### ***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of Stanly County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and the State Single Audit Implementation Act. Those standards, OMB Circular A-133, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Stanly County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Stanly County's compliance.

730 13th Avenue Drive SE ♦ Hickory, North Carolina 28602 ♦ Phone 828-327-2727 ♦ Fax 828-328-2324  
13 South Center Street ♦ Taylorsville, North Carolina 28681 ♦ Phone 828-632-9025 ♦ Fax 828-632-9085  
Toll Free Both Locations 1-800-948-0585 ♦ Website: [www.martinstarnes.com](http://www.martinstarnes.com)

### ***Opinion on Each Major Federal Program***

In our opinion, Stanly County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

### **Report on Internal Control over Compliance**

Management of Stanly County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Stanly County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program, and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Stanly County's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, non-compliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance such that there is reasonable possibility that material non-compliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of Federal and State Awards Required by OMB Circular A-133 and the State Single Audit Implementation Act**

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Stanly County, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Stanly County's basic financial statements, and have issued our report thereon dated November 12, 2015, which contains unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Stanly County's basic financial statements. The accompanying Schedule of Expenditures of Federal and State Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the State Single Audit Implementation Act, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain other procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal and State Awards is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

*Martin Starnes & Associates, CPAs, P.A.*

Martin Starnes & Associates, CPAs, P.A.  
Hickory, North Carolina  
November 12, 2015



# MARTIN ♦ STARNES & ASSOCIATES, CPAs, P.A.

*"A Professional Association of Certified Public Accountants and Management Consultants"*

## **Report On Compliance For Each Major State Program; Report On Internal Control Over Compliance; Report On The Schedule Of Expenditures Of Federal And State Awards As Required By OMB Circular A-133 And The State Single Audit Implementation Act**

### **Independent Auditor's Report**

To the Board of Commissioners  
Stanly County  
Albemarle, North Carolina

#### **Report on Compliance for Each Major State Program**

We have audited Stanly County, North Carolina's compliance with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of Stanly County's major State programs for the year ended June 30, 2015. Stanly County's major State programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

#### ***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its State programs.

#### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of Stanly County's major State programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Governmental Auditing Standards* issued by the Comptroller General of the United States; applicable sections of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, as described in the *Audit Manual for Governmental Auditors in North Carolina*, and the State Single Audit Implementation Act. Those standards, OMB Circular A-133, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major State program occurred. An audit includes examining, on a test basis, evidence about Stanly County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major State program. However, our audit does not provide a legal determination of Stanly County's compliance.

### ***Opinion on Each Major State Program***

In our opinion, Stanly County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major State programs for the year ended June 30, 2015.

### **Report on Internal Control over Compliance**

Management of Stanly County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Stanly County's internal control over compliance with the requirements that could have a direct and material effect on a major State program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major State program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Stanly County's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, non-compliance with a type of compliance requirement of a State program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material non-compliance with a type of compliance requirement of a State program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a State program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of Federal and State Awards Required by OMB Circular A-133 and the State Single Audit Implementation Act**

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Stanly County as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Stanly County's basic financial statements, and have issued our report thereon dated November 12, 2015, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise Stanly County's basic financial statements. The accompanying Schedule of Expenditures of Federal and State Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the State Single Audit Implementation Act, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain other procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal and State Awards is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

*Martin Starnes & Associates, CPAs, P.A.*

Martin Starnes & Associates, CPAs, P.A.  
Hickory, North Carolina  
November 12, 2015

# STANLY COUNTY, NORTH CAROLINA

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2015

### 1. Summary of Auditor's Results

#### *Financial Statements*

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
• Material weakness identified?	No
• Significant deficiency(ies) identified not considered to be material weakness(es)?	None reported
Non-compliance material to financial statements noted?	No

#### *Federal Awards*

Internal control over major federal programs:	
• Material weakness identified?	No
• Significant deficiency(ies) identified not considered to be material weaknesses?	None reported
Type of auditor's report issued on compliance for major federal programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133?	No

Identification of major federal programs:

<b><u>Program Name</u></b>	<b><u>CFDA#</u></b>
Medicaid Cluster	93.775, 93.777, 93.778

Dollar threshold used to distinguish between Type A and Type B programs	<u>\$1,938,862</u>
Auditee qualified as low-risk auditee?	Yes

**STANLY COUNTY, NORTH CAROLINA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

**1. Summary of Auditor's Results (continued):**

**State Awards**

Internal control over major State programs:

- |  |               |
|--|---------------|
| • Material weakness identified?  | No            |
| • Significant deficiency(ies) identified not considered to be material weaknesses? | None reported |

Type of auditor's report issued on compliance for major State programs	Unmodified
--	------------

Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act?	No
---	----

Identification of major State programs:

Medicaid Cluster  
State/County Special Assistance for Adults  
E-911 PSAP Consolidation Grant  
NC Office of Management and Budget Grant

**2. Findings Related to the Audit of the Basic Financial Statements**

None reported

**3. Findings and Questioned Costs Related to the Audit of Federal Awards**

None reported

**4. Findings and Questioned Costs Related to the Audit of State Awards**

None reported

**STANLY COUNTY, NORTH CAROLINA**  
**SUMMARY SCHEDULE OF PRIOR YEAR'S AUDIT FINDINGS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

No prior year findings.



## STANLY COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED JUNE 30, 2015

Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	State/ Pass-Through Grantor's Number	Expenditures	
			Federal	State
Federal Awards:				
U.S. Department of Agriculture:				
Direct program:				
Water and Waste Program Cluster (Note 5):				
Water and Waste Disposal Systems for Rural Communities	10.760	XXXX	\$ 732,064	\$ -
Passed-Through N.C. Department of Health & Human Services				
Division of Social Services:				
Administration:				
Supplemental Nutrition Assist. Program Cluster				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	XXXX	390,865	21
Passed-Through N.C. Department of Health & Human Services				
Division of Public Health:				
Administration:				
Special Supplemental Nutrition Program for Women, Infants, & Children	10.557	XXXX	308,779	-
Direct Benefit Payments:				
Special Supplemental Nutrition Program for Women, Infants, & Children	10.557	XXXX	1,340,265	-
Administration:				
WIC Grants to State (WGS)	10.578	XXXX	1,728	-
Child Nutrition Cluster:				
Summer Food Service Program for Children (SFSPC)	10.559	XXXX	555	-
Total U.S. Department of Agriculture			2,774,256	21
U.S Department of Justice:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	Proj009344	20,000	-
U.S. Department of Transportation:				
Passed-Through N.C. Department of Transportation				
Airport Improvement Program	20.106	XXXX	39,081	-
Airport Improvement Program	20.106	XXXX	33,394	-
Formula Grants for Rural Areas - Admin	20.509	36233.96.15.1	15,354	960
Formula Grants for Rural Areas - Admin	20.509	36233.96.16.1	159,310	9,957
Formula Grants for Rural Areas - Capital	20.509	36233.96.16.3	42,340	5,292
Formula Grants for Rural Areas - Capital	20.509	36233.96.15.3	444	55
Highway Planning and Construction Cluster:				
Highway Planning and Construction - Rocky River Rural Planning Organization	20.205-8	WBS 45439.1.16	88,033	-
Total U.S. Department of Transportation			377,956	16,264
Environmental Protection Agency:				
Office of Water				
Passed-Through N.C. Department of Environment and Natural Resources				
Drinking Water State Revolving Fund Cluster (Note 5):				
Capitalization Grants for Drinking Water State Revolving Funds	66.468	XXXX	472	-
U.S Department of Homeland Security:				
Passed-Through N.C. Department of Emergency Management				
Homeland Security Grant Program	97.067	XXXX	78,518	-
Passed-Through N.C. Department of Public Safety				
Division of Emergency Management:				
Emergency Management Performance Grants	97.042	EMPG-2010-37167	38,220	-
Total U.S. Department of Homeland Security			116,738	

## STANLY COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED JUNE 30, 2015

Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	State/ Pass-Through Grantor's Number	Expenditures	
			Federal	State
<b>U.S. Department of Health and Human Services:</b>				
<b>Administration on Aging:</b>				
<b>Division of Aging and Adult Services</b>				
Passed-Through Centralina Council of Governments				
Aging Cluster:				
Special Programs for the Aging - Title III B				
Grants for Supportive Services and Senior Centers	93.044	XXXX	231,482	65,756
Special Programs for the Aging - Title III C				
Nutrition Services	93.045	XXXX	99,256	17,516
Total Aging Cluster			330,738	83,272
Passed-Through Centralina Council of Governments				
<b>Division of Social Services:</b>				
Nutrition Services Incentives Program	10.570	XXXX	38,793	-
Senior Center-General	XXXX	XXXX	-	11,680
Fan/Heat Program	XXXX	XXXX	-	275
Special Programs for the Aging - Title III, Part D				
Disease Prevention and Health Promotion Services	93.043	XXXX	995	176
Title III E (Caregiver)	93.052	XXXX	22,447	1,496
Total Administration on Aging			392,973	96,899
<b>Administration for Children and Families:</b>				
Passed-Through the N.C. Department of Health and Human Services				
<b>Division of Social Services:</b>				
Foster Care and Adoption Cluster (Note 4):				
Administration:				
Adoption Assistance - IV-E Optional Adoption Training	93.659	XXXX	546	-
Title IV-E Foster Care	93.658	XXXX	148,206	53,584
Foster Care	93.658	XXXX	74,408	-
Direct Benefit Payments:				
Title IV-E Foster Care	93.658	XXXX	128,782	33,554
Adoption Assistance - IV-E Adoption Subsidy & Vendors	93.659	XXXX	211,039	54,797
Total Foster Care and Adoption Cluster (Note 4)			562,981	141,935
Passed-Through the N.C. Department of Health and Human Services				
<b>Division of Social Services:</b>				
Temporary Assistance for Needy Families Cluster:				
Administration:				
Work First	93.558	XXXX	471,731	-
Direct Benefit Payments:				
TANF / Work First - Direct Benefit Payments	93.558	XXXX	236,470	-
<b>Division of Public Health:</b>				
Temporary Assistance for Needy Families	93.558	XXXX	5,083	-
Total TANF Cluster			713,284	-
Passed-Through the N.C. Department of Health and Human Services				
<b>Division of Social Services:</b>				
SSBG - Other Service and Training	93.667	XXXX	195,492	18,174
Stephanie Tubbs Jones Child Welfare Services Program:				
Permanency Planning - Families for Kids	93.645	XXXX	12,409	-
Low-Income Home Energy Assistance				
Administration	93.568	XXXX	312,713	-
Crisis Intervention Program	93.568	XXXX	206,606	-
Child Support Enforcement	93.563	XXXX	581,670	-
Promoting Safe and Stable Families	93.556	XXXX	12,405	-
Administration:				
Chafee Foster Care Independence Program	93.674	XXXX	6,122	1,531
Direct Benefit Payments:				
Chafee Foster Care Independence Program	93.674	XXXX	1,654	-

## STANLY COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED JUNE 30, 2015

Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	State/ Pass-Through Grantor's Number	Expenditures	
			Federal	State
Passed-Through the N.C. Department of Health and Human Services				
Subsidized Child Care (Note 4)				
<u>Child Care Development Fund Cluster:</u>				
<b>Division of Social Services:</b>				
Child Care Development Fund - Administration	93.596	XXXX	78,404	-
<b>Division of Child Development:</b>				
Child Care Development Fund - Discretionary	93.575	XXXX	527,885	-
Child Care Development Fund - Mandatory	93.596	XXXX	157,175	-
Child Care Development Fund - Match	93.596	XXXX	511,364	242,535
Total Child Care Development Fund Cluster			1,274,828	242,535
Temporary Assistance for Needy Families	93.558	XXXX	130,565	-
Foster Care Title IV-E	93.658	XXXX	9,358	4,846
State Appropriations		XXXX	-	131,183
TANF - MOE		XXXX	-	167,596
Total Subsidized Child Care Cluster			1,414,751	546,160
Total Administration for Children and Families			4,020,087	707,800
<b>Centers for Medicare and Medicaid Services:</b>				
Passed-Through the N.C. Department of Health and Human Services				
<b>Division of Medical Assistance:</b>				
Medicaid Cluster:				
Direct Benefit Payments:				
Medical Assistance Program	93.778	XXXX	54,487,009	29,386,609
<b>Division of Social Services:</b>				
Administration:				
Medical Assistance Program	93.778	XXXX	1,068,252	2,513
DMA Equipment County	XXXX	XXXX	10,818	-
Total Medicaid Cluster			55,566,079	29,389,122
<b>Division of Social Services:</b>				
Administration:				
State Children's Insurance Program - N.C. Health Choice	93.767	XXXX	24,693	2,479
<b>Division of Medical Assistance:</b>				
Direct Benefit Payments:				
State Children's Insurance Program - N.C. Health Choice	93.767	XXXX	1,065,671	335,898
Total State Children's Insurance Program - N.C. Health Choice			1,090,364	338,377
Total Centers for Medicare and Medicaid Services			56,656,443	29,727,499
<b>Centers for Disease Control and Prevention:</b>				
Passed-Through the N.C. Department of Health and Human Services				
<b>Division of Public Health:</b>				
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	XXXX	33,520	-
Project Grants and Cooperative Agreement for Tuberculosis Control Program	93.116	XXXX	28	-
Immunization Grants	93.268	XXXX	16,068	-
Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF)	93.758	XXXX	16,676	-
Cooperative Agreements for State-Based Comprehensive Breast and Cervical Cancer Early Detection Programs	93.919	XXXX	5,865	-
Preventive Health Services_Sexually Transmitted Diseases Control Grants	93.977	XXXX	175	-
Total Centers for Disease Control and Prevention			72,332	-
<b>Health Resources and Services Administration:</b>				
Passed-Through the N.C. Department of Health and Human Services				
<b>Division of Public Health:</b>				
Maternal and Child Health Services Block Grant	93.994	XXXX	82,799	62,106

## STANLY COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED JUNE 30, 2015

Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	State/ Pass-Through Grantor's Number	Expenditures	
			Federal	State
<b>Office of Population Affairs</b>				
Passed-Through NC Dept. of Health and Human Services				
Office of Population Affairs				
Family Planning Services	93.217	XXXX	39,224	-
Total U.S. Department of Health and Human Services			61,263,858	30,594,304
<b><u>U.S. Department of Housing and Urban Development:</u></b>				
Passed-Through N.C. Department of Commerce				
Division of Community Assistance				
CDBG - State - Administered CDBG Cluster:				
Community Development Block Grant / State's Program and Non-Entitlement Grants in Hawaii	14.228	11-C-2299	5,324	-
Community Development Block Grant / State's Program and Non-Entitlement Grants in Hawaii	14.228	12-C-2430	53,264	-
Total CDBG - State - Administered CDBG Cluster			58,588	-
Passed-Through N.C. Housing Finance Agency:				
HOME Investment Partnerships Program	14.239	XXXX	16,855	-
Total U.S. Department of Housing and Urban Development			75,443	-
<b>Total Federal Awards</b>			\$ 64,628,723	\$ 30,610,589
<b>State Awards:</b>				
<b><u>N.C. Department of Cultural Resources:</u></b>				
Division of State Library				
State Aid to Public Libraries	XXXX	XXXX	-	109,004
<b><u>N.C. Department of Public Safety:</u></b>				
DWI Safe Ride	XXXX	XXXX	-	4,382
Drug seizure	XXXX	XXXX	-	10,956
Forfeiture Property	XXXX	XXXX	-	617
NC Tier 2 grant	XXXX	XXXX	-	1,104
Juvenile Crime Prevention Counseling Schools	XXXX	XXXX	-	15,735
Juvenile Crime Prevention Counseling Refunds	XXXX	XXXX	-	7,119
Juvenile Crime Prevention Counseling Restitution	XXXX	XXXX	-	70,800
SC Lift Academy	XXXX	XXXX	-	82,504
Office of Juvenile Justice administration	XXXX	XXXX	-	1,000
Sex Offender Program	XXXX	XXXX	-	4,031
Total N.C. Department of Public Safety			-	198,248
<b><u>N.C. Department of Environmental &amp; Natural Resources:</u></b>				
<b>Division of Soil and Water Conservation:</b>				
Soil & Water Conservation	XXXX	XXXX	-	26,018
<b>Division of Waste Management:</b>				
Scrap Tire Fund - SWMG	XXXX	XXXX	-	76,596
Total N.C. Department of Environmental & Natural Resources			-	102,614
<b><u>N.C. Department of Health and Human Services:</u></b>				
<b>Division of Aging and Adult Services</b>				
<b>Division of Social Services:</b>				
State/County Special Assistance for Adults - Direct Benefit Payment	XXXX	XXXX	-	446,853

## STANLY COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED JUNE 30, 2015

Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	State/ Pass-Through Grantor's Number	Expenditures	
			Federal	State
<b>Division of Social Services:</b>				
Administration:				
DCD Smart Start	XXXX	XXXX	-	21,869
AFDC Incentive/Program Integrity	XXXX	XXXX	-	215
ST Child Welfare/CPS/CS LD	XXXX	XXXX	-	133,627
Direct Benefit Payments:				
CWS Adopt Subsidy & Vendor	XXXX	XXXX	-	94,174
SFHF Maximization	XXXX	XXXX	-	19,769
State Foster Home	XXXX	XXXX	-	14,836
Total Division of Social Services			-	731,343
<b>Division of Public Health:</b>				
Other Receipts/State Supported Expenditures				
General Aid to Counties	XXXX	XXXX	-	76,978
Food & Lodging Fees	XXXX	XXXX	-	17,104
Public Health Nursing	XXXX	XXXX	-	600
General Communicable Disease Control	XXXX	XXXX	-	2,732
Women's Health Service Fund	XXXX	XXXX	-	7,175
Tuberculosis	XXXX	XXXX	-	2,871
TB Medical Service	XXXX	XXXX	-	1,034
Risk Reduction / Heath Promotion	XXXX	XXXX	-	6,286
School Nurse Funding Initiative	XXXX	XXXX	-	50,000
Breast and Cervical Cancer Program	XXXX	XXXX	-	6,375
Child Health	XXXX	XXXX	-	1,328
HMHC- Family Planning	XXXX	XXXX	-	1,776
Maternal Health (HMHC)	XXXX	XXXX	-	4,373
HIV/STD State	XXXX	XXXX	-	400
HIV/STD SSBG Aid	XXXX	XXXX	-	100
Sexually Transmitted Diseases	XXXX	XXXX	-	706
Total Division of Public Health			-	179,838
Total N.C. Department of Health and Human Services			-	911,181
<b><u>N.C. Dept. of Public Instruction</u></b>				
Public School Building Capital Fund:				
Lottery Proceeds (Note 3)	XXXX	XXXX	-	566,000
<b><u>N.C. Department of Transportation:</u></b>				
Rural Operating Assistance Program (ROAP) Cluster				
ROAP Elderly and Disabled Transportation Assistance Program	XXXX	36220.10.5.1	-	62,998
ROAP Rural General Public Program	XXXX	36228.22.5.1	-	69,039
ROAP Employment	XXXX	36236.11.3.1	-	19,066
Total ROAP Cluster			-	151,103
NC DOT Reimbursement	XXXX	XXXX	-	5,804
Total N.C. Department of Transportation			-	156,907
<b><u>N.C. Department of Insurance:</u></b>				
Division of Seniors' Health Insurance Information Program	XXXX	XXXX	-	4,881
<b><u>N.C. Rural Economic Development Center, Inc.:</u></b>				
Rural Center Grant	XXXX	XXXX	-	87,385
<b><u>N.C. Housing Finance Agency:</u></b>				
NC Housing Trust Fund/Urgent Repair Program	XXXX	XXXX	-	87,500
<b><u>N.C. Office of Management and Budget</u></b>				
Tarheel Challenge Academy - Stanly County Campus	XXXX	XXXX	-	2,479,652

## STANLY COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED JUNE 30, 2015

Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	State/ Pass-Through Grantor's Number	Expenditures	
			Federal	State
<b><u>N.C. 911 Board</u></b>				
911 PSAP Consolidation Grant	XXXX	XXXX	-	650,000
<b><u>Golden Leaf Foundation</u></b>				
Economic Catalyst Grant Program	XXXX	XXXX	-	131,919
<b><u>N.C. Department of Recreation and Parks Association</u></b>				
Blue Cross Blue Shield of NC NNC grant	XXXX	XXXX	-	500
<b><u>N.C. Department of Agriculture and Consumer Services</u></b>				
Pesticide Recycling grant	XXXX	XXXX	-	4,492
<b>Total State Awards</b>			\$ -	\$ 5,490,283
<b>Total Federal and State Awards</b>			\$ 64,628,723	\$ 36,100,872

**Notes to the Schedule of Expenditures of Federal and State Financial Awards:****1. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal and State awards (SEFSA) includes the federal and State grant activity of Stanly County under the programs of the federal government and the State of North Carolina for the year ended June 30, 2015. The information in this SEFSA is presented in accordance with the requirements of Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and the State Single Audit Implementation Act. Because the SEFSA presents only a selected portion of the operations of Stanly County, it is not intended to and does not present the financial position, changes in net position, or cash flows of Stanly County.

**2. Summary of Significant Accounting Policies**

Expenditures reported in the SEFSA are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments or cost principles contained in the Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursements. Pass-through entity identifying numbers are presented where available.

**3. Subrecipients**

Of the federal and State expenditures presented in the schedule, Stanly County provided federal and State awards to subrecipients as follows:

Program Title	CFDA Number	Grantor's Number	Federal Expenditures	State Expenditures
Public School Building Capital Fund	N/A	N/A	\$ -	\$ 566,000

**4. Cluster of Programs**

The following are clustered by the N.C. Department of Health and Human Services and are treated separately for state audit requirement purposes:

Subsidized Child Care and Foster Care and Adoption

**5. Loans Outstanding**

Stanly County had expenditures in the current year for the Drinking Water State Revolving Fund 66.468 and the Water and Waste Disposal Systems for Rural Communities 10.760 as presented above in the schedule. Balances and transactions related to these programs are also included in the County's basic financial statements. However, at June 30, 2015, no draw downs have occurred in either program so the loan outstanding balance was zero for both.