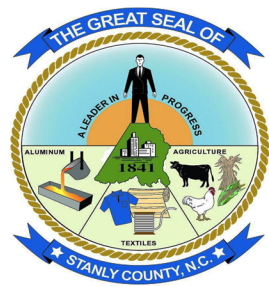


Stanly County, NC



Compliance Letters Year Ended June 30, 2012



STANLY COUNTY NORTH CAROLINA

COMPLIANCE LETTERS

***For Fiscal Year Ended
June 30, 2012***



STANLY COUNTY, NORTH CAROLINA
COMPLIANCE LETTERS
For Fiscal Year Ended June 30, 2012
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"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

To the Board of Commissioners
Stanly County, North Carolina

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, North Carolina, as of and for the year ended June 30, 2012, not presented here, which collectively comprise Stanly County's basic financial statements and have issued our report thereon dated October 25, 2012. We conducted our audit in accordance with 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.

Internal Control Over Financial Reporting

Management of Stanly County is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over financial reporting 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 financial reporting that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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*.

This report is intended for the information and use of management, others within the organization, members of the Stanly County Board of Commissioners, federal and State awarding agencies, and pass-through entities, and is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in dark ink that reads "Martin Starnes & Associates, CPAs, P.A." The signature is written in a cursive, flowing style.

Martin Starnes & Associates, CPAs, P.A.
October 25, 2012

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

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

Report On Compliance With Requirements That Could Have A Direct And Material Effect On Each Major Federal Program And On Internal Control Over Compliance In Accordance With OMB Circular A-133 And The State Single Audit Implementation Act

Independent Auditors' Report

To the Board of County Commissioners
Stanly County, North Carolina

Compliance

We have audited Stanly County's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (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 the County's major Federal programs for the year ended June 30, 2012. The County's major Federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings, Responses, and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

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; and 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 the 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. Our audit does not provide a legal determination of the County's compliance with those requirements.

In our opinion, Stanly County complied, in all material respects, with the 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, 2012.

Internal Control Over Compliance

Management of Stanly County is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to Federal programs. In planning and performing our audit, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and the State Single Audit Implementation Act, 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 the 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 a 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.

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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Schedule of Expenditures of Federal and State Awards

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, North Carolina, as of and for the year ended June 30, 2012, which collectively comprise the County's basic financial statements and have issued our report thereon dated October 25, 2012, which contained an unqualified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise Stanly County, North Carolina'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 Expenditure of Federal and State Awards is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended for the information and use of management, others within the organization, members of the Stanly County Board of Commissioners, federal and State awarding agencies, and pass-through entities, and is not intended to be, and should not be, used by anyone other than these specified parties.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
October 25, 2012

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

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

Report On Compliance With Requirements That Could Have A Direct And Material Effect On Each Major State Program And On Internal Control Over Compliance In Accordance With Applicable Sections of the OMB Circular A-133 And The State Single Audit Implementation Act

Independent Auditors' Report

To the Board of County Commissioners
Stanly County, North Carolina

Compliance

We have audited Stanly County's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (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 State programs for the year ended June 30, 2012. The County's major State programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings, Responses, and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major State programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

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; applicable sections of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the State Single Audit Implementation Act. Those standards, applicable sections of 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 the 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. Our audit does not provide a legal determination of the County's compliance with those requirements.

In our opinion, Stanly County complied, in all material respects, with the 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, 2012.

Internal Control Over Compliance

Management of Stanly County is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to State programs. In planning and performing our audit, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major State program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with applicable sections of OMB Circular A-133 and the State Single Audit Implementation Act, 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 the 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.

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 deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Schedule of Expenditures of Federal and State Awards

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, North Carolina, as of and for the year ended June 30, 2012, which collectively comprise the County's basic financial statements and have issued our report thereon dated October 25, 2012, which contained an unqualified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion 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 Expenditure of Federal and State Awards is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended for the information and use of management, others within the organization, members of the Stanly County Board of Commissioners, federal and State awarding agencies, and pass-through entities, and is not intended to be, and should not be, used by anyone other than these specified parties.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
October 25, 2012

STANLY COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2012

1. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified? _____ Yes X None reported

Non-compliance material to financial statements noted? _____ Yes X No

Federal Awards

Internal control over major Federal programs:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified? _____ Yes X None reported

Type of auditors' report issued on compliance for major Federal programs Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? _____ Yes X No

Identification of major federal programs:

Federal Program/Cluster Name

CFDA#

Medicaid Cluster	93.720, 93.775, 93.777, 93.778
Child Care Development Fund Cluster	93.575, 93.596
National Guard Military Construction Projects	12.400
Airport Improvement Program/State Block Grant Program	20.106

STANLY COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2012

Dollar threshold used to distinguish
between Type A and Type B Programs:

\$ 1,767,440

Auditee qualified as low-risk auditee?

_____ Yes X No

State Awards

Internal control over major State
programs:

• Material weakness(es) identified?

_____ Yes X No

• Significant deficiency(ies) identified?

_____ Yes X No

Type of auditors' report issued on
compliance for major State programs

Unqualified

Any findings disclosed that are required to
be reported in accordance with the State
Single Audit Implementation Act?

_____ Yes X No

Identification of major State programs:

Medicaid Cluster
Subsidized Child Care Cluster
State/County Special Assistance for Adults
NC One Fund

2. Financial Statement Findings

None

3. Federal Award Findings

None

4. State Award Findings

None

STANLY COUNTY, NORTH CAROLINA
SUMMARY SCHEDULE OF PRIOR YEAR'S AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2012

There were no findings from the prior year.

STANLY COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2012

Grantor / Pass-Through Grantor / Program Title	Federal CFDA	State/ Pass-Through Grantor's	Expenditures	
	Number	Number	Federal	State
Federal Awards:				
U.S. Department of Agriculture:				
Food and Nutrition Service				
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	\$ 328,743	\$ -
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	291,636	-
Direct Benefit Payments:				
Special Supplemental Nutrition Program for Women, Infants, & Children	10.557	XXXX	1,278,877	-
Total U.S. Department of Agriculture			1,899,256	-
U.S Department of Justice:				
Bureau of Justice Assistance				
JAG Program Cluster:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	084107003BH486	9,051	-
U.S. Department of Transportation:				
Passed-Through N.C. Department of Transportation				
Federal Aviation Administration:				
Airport Improvement Program - State Block Grant Program	20.106	36237.50.13.1	2,121,458	-
Airport Improvement Program - State Block Grant Program	20.106	XXXX	22,505	-
Airport Improvement Program - State Block Grant Program	20.106	XXXX	85,549	-
Airport Improvement Program - State Block Grant Program	20.106	XXXX	51,385	-
Total Federal Aviation Administration			2,280,897	-
Passed-Through N.C. Department of Transportation:				
Federal Transit Administration:				
Formula Grants for Other than Urbanized Areas - Admin	20.509	36233.96.13.1	153,915	35,195
Formula Grants for Other than Urbanized Areas - Capital	20.509	36233.96.13.3	67,943	8,493
Total Federal Transit Administration			221,858	43,688
Passed-Through N.C. Department of Transportation:				
Federal Highway Administration:				
Highway Planning and Construction Cluster:				
Rocky River Rural Planning Organization	20.205-8	WBS 45439.1.16	83,295	-
Total U.S. Department of Transportation			2,586,050	43,688
U.S Department of Homeland Security:				
Passed-Through N.C. Department of Crime Control and Public Safety				
Division of Emergency Management:				
Emergency Management Performance Grants	97.042	EMPG-2010-37167	35,260	-

STANLY COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2012

Grantor / Pass-Through Grantor / Program Title	Federal	State/ Pass-Through	Expenditures	
	CFDA	Grantor's	Federal	State
	Number	Number		
<u>U.S. Department of Health and Human Services:</u>				
Administration on Aging:				
Division of Aging and Adult Services				
Passed-Through Centralina Council of Governments				
Division of Aging:				
Aging Cluster:				
Special Programs for the Aging - Title III B				
Grants for Supportive Services and Senior Centers	93.044	XXXX	92,645	172,055
Special Programs for the Aging - Title III C				
Nutrition Services	93.045	XXXX	83,286	48,914
Total Aging Cluster			175,931	220,969
Division of Social Services:				
USDA Supplement	10.570	XXXX	37,919	-
Senior Center-General	XXXX	XXXX	-	16,273
Fan/Heat Program	XXXX	XXXX	-	225
DP/HP (90%)	93.043	XXXX	4,839	309
Title III E (Caregiver)	93.052	XXXX	22,914	1,461
Total Administration on Aging			241,603	239,237
Administration for Children and Families:				
Passed-Through the N.C. Department of Health and Human Services				
Division of Social Services:				
Foster Care and Adoption Cluster (Note 3):				
Title IV-E Foster Care - Administration	93.658	XXXX	197,596	29,307
Foster Care - Direct Benefit Payments	93.658	XXXX	235,216	62,237
Adoption/Foster Care	93.658	XXXX	108,984	-
IV-E Optional Adoption Training - Administration	93.659	XXXX	1,125	-
Adoption Subsidy & Vendors - Direct Benefit Payments	93.659	XXXX	220,894	59,154
Total Foster Care and Adoption Cluster			763,815	150,698
Passed-Through the N.C. Department of Health and Human Services				
Division of Social Services:				
Temporary Assistance for Needy Families Cluster				
Temporary Assistance for Needy Families (TANF) / Work First	93.558	XXXX	527,715	-
TANF / Work First - Direct Benefit Payments	93.558	XXXX	285,573	-
Division of Public Health:				
Division of Social Services				
Temporary Assistance for Needy Families	93.558	XXXX	2,574	-
Total TANF Cluster			815,862	-
Passed-Through the N.C. Department of Health and Human Services				
Division of Social Services:				
N.C. Child Support Enforcement Section	93.563	XXXX	574,894	-
Low-Income Home Energy Assistance Block Grant:				
Administration	93.568	XXXX	163,296	-
Crisis Intervention Program	93.568	XXXX	323,260	-
Child Welfare Services - State Grants -				
Permanency Planning - Families for Kids	93.645	XXXX	16,412	-
SSBG - Other Service and Training	93.667	XXXX	136,020	18,277
LINKS - Administration	93.674	XXXX	8,372	2,093
Independent Living Grant - Direct Benefit Payments	93.674	XXXX	8,504	-
Family Preservation - Administration	93.556	XXXX	2,146	-
AFDC Payments and Penalties	93.560	XXXX	(132)	(36)
Refugee Assistance Payment	93.566	XXXX	543	-

STANLY COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2012

Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	State/ Pass-Through Grantor's Number	Expenditures	
			Federal	State
Division of Aging and Adult Services:				
Division of Social Services:				
SSBG - State In Home Service Fund	93.667	XXXX	79,280	-
Division of Child Development:				
Subsidized Childcare (Note 3)				
Child Care Development Fund Cluster:				
Division of Social Services:				
Child Care Development Fund - Administration	93.596	XXXX	80,010	-
Division of Child Development:				
Child Care Development Fund - Discretionary	93.575	XXXX	580,034	-
Child Care Development Fund - Mandatory	93.596	XXXX	198,359	-
Child Care Development Fund - Match	93.596	XXXX	645,232	321,899
Total Child Care Development Fund Cluster			1,503,635	321,899
Temporary Assistance for Needy Families	93.558	XXXX	231,138	-
ARRA - Emergency Contingency Fund for Temporary Assistance				
for Needy Families State Programs	93.714	XXXX	47,697	-
Foster Care Title IV-E	93.658	XXXX	5,779	-
Smart Start		XXXX	-	(3,254)
State Appropriations		XXXX	-	183,387
TANF - MOE		XXXX	-	134,103
Total Subsidized Child Care (Note 3)			1,788,249	636,135
Total Administration for Children and Families			4,680,521	807,167
Centers for Medicare and Medicaid Services:				
Passed-Through the N.C. Department of Health and Human Services				
Division of Medical Assistance:				
Direct Benefit Payments:				
Medical Assistance Program	93.778	XXXX	45,805,527	26,893,031
Division of Public Health:				
Division of Medical Assistance				
Medical Assistance Program	93.778	XXXX	40,719	15,710
Division of Social Services:				
Administration:				
Medical Assistance Program	93.778	XXXX	560,149	15,359
Total Medicaid Cluster			46,406,395	26,924,100
State Children's Insurance Program - N.C. Health Choice	93.767	XXXX	25,051	2,318
Total Centers for Medicare and Medicaid Services			46,431,446	26,926,418
Centers for Disease Control:				
Passed-Through the N.C. Department of Health and Human Services				
Division of Public Health:				
Public Health Emergency Preparedness	93.069	XXXX	40,521	-
Immunization Grants	93.268	XXXX	15,321	-
Centers for Disease Control and Prevention Investigations and				
Technical Assistance	93.283	XXXX	1,276	-
ARRA Preventing Healthcare - Associated Infections	93.717	XXXX	459	-
Cooperative Agreements for State-Based Comprehensive Breast				
and Cervical Cancer Early Detection Programs	93.919	XXXX	14,800	6,375
Total Centers for Disease Control			72,377	6,375

STANLY COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2012

Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	State/ Pass-Through Grantor's Number	Expenditures	
			Federal	State
Administration of Children and Families:				
Passed-Through the N.C. Department of Health and Human Services				
Division of Public Health:				
Division of Social Services				
Social Service Block Grant	93.667	XXXX	-	500
Health Resources and Services Administration:				
Passed-Through the N.C. Department of Health and Human Services				
Division of Public Health:				
Maternal and Child Health Services Block Grant	93.994	XXXX	95,407	121,563
Office of Population Affairs:				
Passed-Through NC Dept. of Health and Human Services				
Office of Population Affairs				
Family Planning Services	93.217	XXXX	48,324	-
Total U.S. Department of Health and Human Services			51,569,678	28,101,260
<u>U.S. Department of Defense:</u>				
Office of the National Guard Bureau:				
National Guard Military Construction Projects	12.400	W91242-10-2-2101	2,378,702	-
National Guard Military Operations and Maintenance Projects	12.401	XXXX	112,125	-
Total U.S. Department of Defense			2,490,827	-
<u>U.S. Department of Energy:</u>				
N.C. Department of Commerce State Energy Office				
Energy Efficiency and Conservation Block Grant - ARRA	81.128	XXXX	50,144	-
<u>U.S. Department of Housing and Urban Development:</u>				
Passed-Through N.C. Department of Commerce				
Division of Community Assistance				
CDBG - State - Administered Small Cities Program Cluster:				
Community Development Block Grant - Small Cities Program ARRA	14.255	XXXX	144,090	-
Community Development Block Grant - Small Cities Program	14.228	04-C-2200	120,548	-
Community Development Block Grant - Small Cities Program	14.228	09-C-2006	9,766	-
Total CDBG - State - Adm Small Cities Program Cluster			274,404	-
Total Federal Awards			58,914,670	28,144,948
State Awards:				
<u>N.C. Department of Administration:</u>				
Veterans Service	XXXX	XXXX	-	1,452
<u>N.C. Department of Cultural Resources:</u>				
Division of State Library				
State Aid to Public Libraries	XXXX	XXXX	-	105,547

STANLY COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2012

Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	State/ Pass-Through Grantor's Number	Expenditures	
			Federal	State
<u>N.C. Department of Crime Control and Public Safety:</u>				
DWI Safe Ride	XXXX	XXXX	-	4,812
Drug seizure	XXXX	XXXX	-	10,852
Total N.C. Department of Crime Control and Public Safety			-	15,664
<u>N.C. Department of Environmental & Natural Resources:</u>				
Division of Soil and Water Conservation:				
Soil and Water - Agricultural Cost Share	XXXX	XXXX	-	26,263
Division of Waste Management:				
Scrap Tire Fund - SWMGT	XXXX	XXXX	-	74,588
Division of Environmental Assistance and Outreach:				
Abandoned Manufactured Homes Program	XXXX	XXXX	-	18,484
Total N.C. Department of Environmental & Natural Resources			-	119,335
<u>N.C. Department of Health and Human Services:</u>				
Division of Aging and Adult Services				
Division of Social Services:				
State/County Special Assistance for Adults - Direct Benefit Payment	XXXX	XXXX	-	558,620
Division of Social Services:				
CWS Adopt Subsidy & Vendor	XXXX	XXXX		86,196
AFDC Incentive/Program Integrity	XXXX	XXXX	-	6
TANF Incentive/Program Integrity	XXXX	XXXX	-	1,153
Foster Care At-Risk Maximization	XXXX	XXXX	-	699
SFHF Maximization	XXXX	XXXX	-	46,877
Energy Assistance and Private Grants	XXXX	XXXX	-	3
DCD Smart Start	XXXX	XXXX	-	18,273
State Foster Home	XXXX	XXXX	-	16,887
Total Division of Social Services			-	728,714
Division of Public Health:				
General Aid to Counties	XXXX	XXXX	-	89,051
Food & Lodging Fees	XXXX	XXXX	-	8,098
Environmental Health	XXXX	XXXX	-	4,000
Lead Prevention Aid to County Funds	XXXX	XXXX	-	1,248
General Communicable Disease Control	XXXX	XXXX	-	2,732
WHSF	XXXX	XXXX	-	6,585
Tuberculosis	XXXX	XXXX	-	2,871
TB Medical Service	XXXX	XXXX	-	1,034
Risk Reduction / Health Promotion	XXXX	XXXX	-	5,445
General Aid-to-County	XXXX	XXXX	-	6,372
Total Division of Public Health			-	127,436
N.C. Office of Emergency Medical Services:				
Office of Assistant Secretary for Preparedness and Response	XXXX	HP-12-2319	-	14,986
Total N.C. Department of Health and Human Services			-	871,136

STANLY COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2012

Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	State/ Pass-Through Grantor's Number	Expenditures	
			Federal	State
<u>N.C. Dept. of Public Instruction</u>				
Public School Building Capital Fund:				
Lottery Proceeds (Note 2)	XXXX	XXXX	-	970,547
<u>N.C. Department of Transportation:</u>				
Rural Operating Assistance Program (ROAP)				
ROAP Elderly and Disabled Transportation Assistance Program	XXXX	36220.10.4.1	-	69,818
ROAP Rural General Public Program	XXXX	36228.22.4.1	-	68,380
ROAP Work First Transitional - Employment	XXXX	36236.11.3.1, 2.1	-	24,268
Total ROAP			-	162,466
Rural Capital Program - Cap Facility	XXXX	36226.91.5.3	-	13,674
State Aid to Airports Program	XXXX	36244.62.3.1	-	214,329
Total N.C. Department of Transportation			-	390,469
<u>N.C. Department of Correction:</u>				
Criminal Justice Partnership Program	XXXX	XXXX	-	68,541
Juvenile Crime Prevention Counseling Rest	XXXX	XXXX	-	84,688
SC Lift Ac	XXXX	XXXX	-	98,757
Office of Juvenile Justice	XXXX	XXXX	-	3,000
Total N.C. Department of Correction			-	254,986
<u>N.C. Department of Insurance:</u>				
Division of Seniors' Health Insurance Information Program	XXXX	XXXX	-	4,372
Safe Kids Seat	XXXX	XXXX	-	1,980
Total N.C. Department of Insurance			-	6,352
<u>N.C. Rural Economic Development Center, Inc.:</u>				
Rural Center Grant 2010-166-60501-107	XXXX	XXXX	-	2,606
Rural Center Grant 2010-293-60501-107	XXXX	XXXX	-	195,649
Rural Center Grant 2011-073-60701-107	XXXX	XXXX	-	138,659
Total N.C. Rural Economic Development Center, Inc.			-	336,914
<u>N.C. Housing Finance Agency:</u>				
NC Housing Trust Fund/Urgent Repair Program	XXXX	XXXX	-	27,500
<u>N.C. Department of Commerce:</u>				
Fiscal Management Division Commerce Finance Center:				
One NC Fund (Note 2)	XXXX	O-2010-6155	-	620,000
Total State Awards			-	3,719,902
Total Federal and State Awards			\$ 58,914,670	\$ 31,864,850

STANLY COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2012

Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	State/ Pass-Through Grantor's Number	Expenditures	
			Federal	State

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 includes the Federal and State grant activity of Stanly County and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and the State Single Audit Implementation Act. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements. Benefit payments are paid directly to recipients and are not included in the County's basic financial statements. However, due to the County's involvement in determining eligibility, they are considered federal awards to the County and are included on this schedule.

2. 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	\$ -	\$ 970,547
One NC Fund	N/A	N/A	-	620,000

3. 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