



Stanly County

North Carolina

Compliance Letters

Year Ended June, 2013



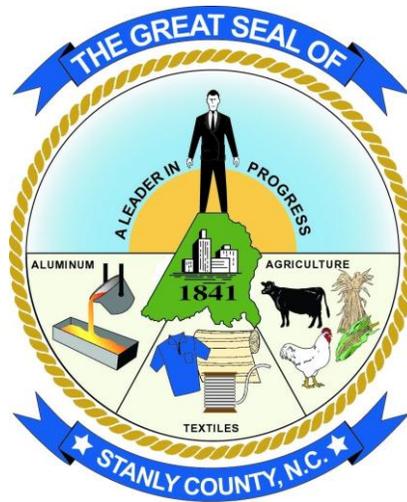
A Place to Visit, A Place to Live,
A Place to Love



**STANLY COUNTY
NORTH CAROLINA**

COMPLIANCE LETTERS

***For Fiscal Year Ended
June 30, 2013***



STANLY COUNTY, NORTH CAROLINA
COMPLIANCE LETTERS
For Fiscal Year Ended June 30, 2013
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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

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, 2013, 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 October 30, 2013.

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 is 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, NC
October 30, 2013

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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'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, 2013. 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; and 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 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.

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, 2013.

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, 2013, and the related notes to the financial statements, which collectively comprise Stanly County's basic financial statements, and have issued our report thereon dated October 30, 2013, which contained 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 as a whole.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, NC
October 30, 2013

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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, 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, 2013. 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 and 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, 2013.

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 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 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 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, 2013, and the related notes to the financial statements, which collectively comprise Stanly County's basic financial statements, and have issued our report thereon dated October 30, 2013, 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, NC
October 30, 2013

STANLY COUNTY, NORTH CAROLINA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013**

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:

<u>Program Name</u>	<u>CFDA#</u>
Medicaid Cluster	93.720, 93.775, 93.777, 93.778

Dollar threshold used to distinguish between Type A and Type B Programs	<u>\$1,745,460</u>
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Auditee qualified as low-risk auditee?	No
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STANLY COUNTY, NORTH CAROLINA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013**

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
Public School Building Capital Fund – Lottery Proceeds
Subsidized Child Care Cluster

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, 2013

No prior year findings.

STANLY COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	State/ Pass-Through Grantor's Number	Expenditures	
			Federal	State
Federal Awards:				
<u>U.S. Department of Agriculture:</u>				
<u>Food and Nutrition Service</u>				
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	\$ 377,545	\$ -
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	281,927	-
Direct Benefit Payments:				
Special Supplemental Nutrition Program for Women, Infants, & Children				
	10.557	XXXX	1,257,316	-
Child Nutrition Cluster:				
AGRI-SFP Food Program Meal				
	10.559	XXXX	580	-
Total U.S. Department of Agriculture			1,917,368	-
<u>U.S. Department of Transportation:</u>				
Passed-Through N.C. Department of Transportation				
Federal Aviation Administration:				
Airport Improvement Program - State Block Grant Program				
	20.106	36237.50.13.1	49,469	-
Airport Improvement Program - State Block Grant Program				
	20.106	XXXX	58,956	-
Total Federal Aviation Administration			108,425	-
Passed-Through N.C. Department of Transportation:				
Federal Transit Administration:				
Formula Grants for Other than Urbanized Areas - Admin				
	20.509	36233.96.13.1	247,071	1,504
Formula Grants for Other than Urbanized Areas - Admin				
	20.509	36233.96.14.1	167,137	10,446
Formula Grants for Other than Urbanized Areas - Capital				
	20.509	36233.96.14.3	3,425	428
Total Federal Transit Administration			417,633	12,378
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	83,738	-
Total U.S. Department of Transportation			609,796	12,378
<u>Environmental Protection Agency:</u>				
<u>Office of Water</u>				
Passed-Through N.C. Department of Environment and Natural Resources				
Drinking Water State Revolving Fund - ARRA				
	66.468	H-ARRA-09-1193	7,038	-
<u>U.S. Department of Homeland Security:</u>				
Passed-Through N.C. Department of Public Safety				
Division of Emergency Management:				
Emergency Management Performance Grants				
	97.042	EMPG-2012-37167	35,504	-

STANLY COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	State/ Pass-Through Grantor's Number	Expenditures	
			Federal	State
U.S. Department of Health and Human Services:				
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	82,027	181,902
Special Programs for the Aging - Title III C Nutrition Services	93.045	XXXX	85,515	55,745
Total Aging Cluster			167,542	237,647
Division of Social Services:				
USDA Supplement	10.570	XXXX	35,318	-
Senior Center-General	XXXX	XXXX	-	11,752
DP/HP (90%)	93.043	XXXX	2,550	150
Title III E (Caregiver)	93.052	XXXX	22,403	1,494
Total Administration on Aging			227,813	251,043
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	262,473	29,554
Foster Care - Direct Benefit Payments	93.658	XXXX	177,894	48,084
IV-E Optional Adoption Training - Administration	93.659	XXXX	2,306	-
IV-E Adoption Subsidy & Vendors - Direct Benefit Payments	93.659	XXXX	220,224	58,731
Total Foster Care and Adoption Cluster			662,897	136,369
Passed-Through the N.C. Department of Health and Human Services				
Division of Social Services:				
Temporary Assistance for Needy Families Cluster				
TANF / Work First - Administration	93.558	XXXX	477,767	-
TANF / Work First - Direct Benefit Payments	93.558	XXXX	307,633	-
Division of Public Health:				
Division of Social Services				
Temporary Assistance for Needy Families	93.558	XXXX	830	-
Total TANF Cluster			786,230	-
Passed-Through the N.C. Department of Health and Human Services				
Division of Social Services:				
IV-D Administration	93.563	XXXX	649,401	-
Crisis Intervention Program	93.568	XXXX	515,751	-
Child Welfare Services - State Grants - Permanency Planning - Families for Kids	93.645	XXXX	25,982	670
LINKS - Administration	93.674	XXXX	7,457	1,864
Independent Living Grant - Direct Benefit Payments	93.674	XXXX	3,736	-
Family Preservation - Administration	93.556	XXXX	2,810	-
AFDC Payments and Penalties	93.560	XXXX	(226)	817
Refugee Assistance - Administration	93.566	XXXX	543	-
Refugee Assistance - Direct Benefit Payments	93.566	XXXX	724	-
Division of Aging and Adult Services:				
Division of Social Services:				
SSBG - State In Home Service Fund	93.667	XXXX	204,072	18,174

STANLY COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	State/ Pass-Through Grantor's Number	Expenditures	
			Federal	State
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	80,000	-
Division of Child Development:				
Child Care Development Fund - Discretionary	93.575	XXXX	484,981	-
Child Care Development Fund - Mandatory	93.596	XXXX	198,552	-
Child Care Development Fund - Match	93.596	XXXX	685,388	323,700
Total Child Care Development Fund Cluster			1,448,921	323,700
Temporary Assistance for Needy Families	93.558	XXXX	275,108	-
Foster Care Title IV-E	93.658	XXXX	9,100	4,229
Social Services Block Grant	93.667	XXXX	4,797	-
Smart Start		XXXX	-	10,026
State Appropriations		XXXX	-	107,304
TANF - MOE		XXXX	-	164,471
Total Subsidized Child Care (Note 3)			1,737,926	609,730
Total Administration for Children and Families			4,597,303	767,624
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	47,968,391	26,633,477
Division of Social Services:				
Administration:				
Medical Assistance Program	93.778	XXXX	556,130	14,747
Total Medicaid Cluster			48,524,521	26,648,224
State Children's Insurance Program - N.C. Health Choice	93.767	XXXX	21,623	2,279
Total Centers for Medicare and Medicaid Services			48,546,144	26,650,503
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	42,432	-
Immunization Grants	93.268	XXXX	15,770	-
Centers for Disease Control and Prevention Investigations and Technical Assistance	93.283	XXXX	493	-
Cooperative Agreements for State-Based Comprehensive Breast and Cervical Cancer Early Detection Programs	93.919	XXXX	14,800	6,375
Statewide Health Promotion Program	93.991	XXXX	9,640	-
Total Centers for Disease Control			83,135	6,375
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	91,791	68,851
State Health Access Program	93.256		1,099	-
Total Health Resources and Services Administration			92,890	68,851

STANLY COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	State/ Pass-Through Grantor's Number	Expenditures	
			Federal	State
Office of Population Affairs				
Passed-Through NC Dept. of Health and Human Services				
Office of Population Affairs				
Family Planning Services	93.217	XXXX	38,878	-
Total U.S. Department of Health and Human Services			53,586,163	27,744,896
<u>U.S. Department of Defense:</u>				
Office of the National Guard Bureau:				
National Guard Military Construction Projects	12.400	W91242-10-2-2101	1,422,968	-
National Guard Military Operations and Maintenance Projects	12.401	XXXX	177,533	-
Total U.S. Department of Defense			1,600,501	-
<u>U.S. Department of Housing and Urban Development:</u>				
Passed-Through N.C. Department of Commerce				
Division of Community Assistance				
CDBG - State - Administered CDBG Cluster:				
Community Development Block Grant - Small Cities Program	14.228	04-C-2200	189,289	-
Community Development Block Grant - Small Cities Program	14.228	11-C-2299	34,194	-
Total CDBG - State - Administered CDBG Cluster			223,483	-
Passed-Through N.C. Housing Finance Agency:				
HOME Investment Partnerships Program - SFR	14.239	XXXX	202,155	-
Total U.S. Department of Housing and Urban Development			425,638	-
Total Federal Awards			\$ 58,182,008	\$ 27,757,274
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	-	106,620
<u>N.C. Department of Public Safety:</u>				
DWI Safe Ride	XXXX	XXXX	-	5,040
Drug seizure	XXXX	XXXX	-	5,897
Forfeiture Property	XXXX	XXXX	-	3,349
Total N.C. Department of Public Safety			-	14,286
<u>N.C. Department of Environmental & Natural Resources:</u>				
Division of Soil and Water Conservation:				
Soil and Water - Agricultural Cost Share	XXXX	XXXX	-	26,120
Division of Waste Management:				
Scrap Tire Fund - SWMGT	XXXX	XXXX	-	74,581
Division of Environmental Assistance and Outreach:				
Abandoned Manufactured Homes Program	XXXX	XXXX	-	19,015
Total N.C. Department of Environmental & Natural Resources			-	119,716

STANLY COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	State/ Pass-Through Grantor's Number	Expenditures	
			Federal	State
<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	-	527,925
Division of Social Services:				
CWS Adopt Subsidy & Vendor	XXXX	XXXX	-	72,659
Foster Care At-Risk Maximization	XXXX	XXXX	-	232
SFHF Maximization	XXXX	XXXX	-	42,173
Energy Assistance and Private Grants	XXXX	XXXX	-	120
DCD Smart Start	XXXX	XXXX	-	18,273
State Foster Home	XXXX	XXXX	-	21,588
Total Division of Social Services			-	682,970
Division of Public Health:				
General Aid to Counties	XXXX	XXXX	-	89,051
Food & Lodging Fees	XXXX	XXXX	-	8,592
Environmental Health	XXXX	XXXX	-	4,000
General Communicable Disease Control	XXXX	XXXX	-	2,732
Women's Health Service Fund	XXXX	XXXX	-	7,050
Tuberculosis	XXXX	XXXX	-	2,871
TB Medical Service	XXXX	XXXX	-	1,034
Risk Reduction / Heath Promotion	XXXX	XXXX	-	6,206
School Nurse Funding Imitative	XXXX	XXXX	-	50,000
Healthy Communities	XXXX	XXXX	-	749
Total Division of Public Health			-	172,285
N.C. Office of Emergency Medical Services:				
Office of Assistant Secretary for Preparedness and Response	XXXX	HP-12-2319	-	2,295
Total N.C. Department of Health and Human Services			-	857,550
<u>N.C. Dept. of Public Instruction</u>				
Public School Building Capital Fund: Lottery Proceeds (Note 2)	XXXX	XXXX	-	628,000
<u>N.C. Department of Transportation:</u>				
Rural Operating Assistance Program (ROAP)				
ROAP Elderly and Disabled Transportation Assistance Program	XXXX	36220.10.4.1	-	62,425
ROAP Rural General Public Program	XXXX	36228.22.4.1	-	77,553
ROAP Work First Transitional - Employment	XXXX	36236.11.3.1, 2.1	-	20,007
Total N.C. Department of Transportation			-	159,985
<u>N.C. Department of Public Safety:</u>				
Juvenile Crime Prevention Counseling Rest	XXXX	XXXX	-	81,285
SC Lift Ac	XXXX	XXXX	-	91,285
Office of Juvenile Justice	XXXX	XXXX	-	1,500
Total N.C. Department of Public Safety			-	174,070
<u>N.C. Department of Insurance:</u>				
Division of Seniors' Health Insurance Information Program	XXXX	XXXX	-	5,916
Safe Kids Seat	XXXX	XXXX	-	800
Total N.C. Department of Insurance			-	6,716

STANLY COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	State/ Pass-Through Grantor's Number	Expenditures	
			Federal	State
<u>N.C. Rural Economic Development Center, Inc.:</u>				
Rural Center Grant 2010-293-60501-107	XXXX	XXXX	-	187
Rural Center Grant 2012-121-40101-102	XXXX	XXXX	-	40,000
Rural Center Grant 2011-073-60701-107	XXXX	XXXX	-	156,247
Total N.C. Rural Economic Development Center, Inc.			-	196,434
<u>N.C. Housing Finance Agency:</u>				
NC Housing Trust Fund/Urgent Repair Program	XXXX	XXXX	-	37,500
Total State Awards			-	2,302,329
Total Federal and State Awards			\$ 58,182,008	\$ 30,059,603

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:

<u>Program Title</u>	<u>CFDA Number</u>	<u>Grantor's Number</u>	<u>Federal Expenditures</u>	<u>State Expenditures</u>
Public School Building Capital Fund	N/A	N/A	\$ -	\$ 628,000

3. The following are clustered by the NC Department of Health and Human Services and are treated separately for State audit requirement purposes:

Subsidized Child Care and Foster Care and Adoption