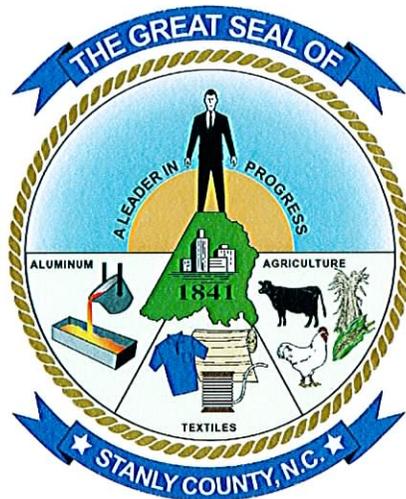


**STANLY COUNTY  
NORTH CAROLINA**

**COMPLIANCE LETTERS**

**For Fiscal Year Ended  
June 30, 2008**



**Prepared and Issued by:  
Stanly County Finance Department**

**Toby R. Hinson  
Interim Finance Director**

**STANLY COUNTY, NORTH CAROLINA  
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## Martin Starnes & Associates, CPAs, P.A.

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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, 2008, which collectively comprise the County's basic financial statements, and have issued our report thereon dated October 31, 2008. 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**

In planning and performing our audit, we considered Stanly 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 Stanly 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 control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. 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 Stanly County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance 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 noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the board of commissioners, management, and 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 31, 2008



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

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

### **Report On Compliance With Requirements Applicable To Each Major Federal Program And Internal Control Over Compliance In Accordance With OMB Circular A-133 and the State Single Audit Implementation Act**

To the Board of Commissioners  
Stanly County, North Carolina

#### **Compliance**

We have audited the compliance of Stanly County, North Carolina, 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 are applicable to each of its major federal programs for the year ended June 30, 2008. Stanly County's major federal programs are identified in the summary of auditor's 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 Stanly County's management. Our responsibility is to express an opinion on Stanly 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 Standard*, 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 noncompliance 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. Our audit does not provide a legal determination on Stanly County's compliance with those requirements.

In our opinion, Stanly County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008.

#### **Internal Control Over Compliance**

The management of Stanly County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Stanly County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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.

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13 South Center Street • Taylorsville, North Carolina 28681 • Phone 828-632-9025 • Fax 828-632-9085  
Toll Free Both Locations 800-948-0585 • Web Site: [www.martinstarnes.com](http://www.martinstarnes.com)

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the County's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the County's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the County's internal control that might be 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.

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 then ended June 30, 2008, which collectively comprise Stanly County's basic financial statements and have issued our report thereon dated October 31, 2008. Our audit was performed for the purpose of forming an opinion of 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 OMB Circular A-133 and the State Single Audit Implementation Act and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the board of commissioners, management, and 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 31, 2008



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Martin Starnes & Associates, CPAs, P.A.

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

**Report On Compliance With Requirements Applicable To Each Major State Program And  
Internal Control Over Compliance In Accordance With Applicable Sections of OMB Circular  
A-133 and the State Single Audit Implementation Act**

To the Board of Commissioners  
Stanly County, North Carolina

**Compliance**

We have audited the compliance of Stanly County, North Carolina, with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission that are applicable to each of its major State programs for the year ended June 30, 2008. Stanly County's major State programs are identified in the summary of auditor's 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 Stanly County's management. Our responsibility is to express an opinion on Stanly 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 applicable sections of OMB Circular A-133, as described in the *Audit Manual for Governmental Auditors in North Carolina*, 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 noncompliance 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. Our audit does not provide a legal determination on Stanly County's compliance with those requirements.

In our opinion, Stanly County complied, in all material respects, with the requirements referred to above that are applicable to each of its major State programs for the year ended June 30, 2008.

## Internal Control Over Compliance

The management of Stanly County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to state programs. In planning and performing our audit, we considered Stanly County's internal control over compliance with 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, 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 control deficiency in a entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a State program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a State program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a State program that is more than inconsequential will not be prevented or detected by the County's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a State program will not be prevented or detected by the County's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the County's internal control that might be significant deficiencies or material weakness. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Stanly County, North Carolina as of and for the year then ended June 30, 2008, which collectively comprise Stanly County's basic financial statements and have issued our report thereon dated October 31, 2008. Our audit was performed for the purpose of forming an opinion of 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 OMB Circular A-133 and the State Single Audit Implementation Act and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the board of commissioners, management, and 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 31, 2008

**STANLY COUNTY, NORTH CAROLINA  
SCHEDULE OF FINDINGS, RESPONSES AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**Section I - Summary of Auditors' Results**

**Financial Statements**

Type of auditors' report issued	Unqualified
Internal control over financial reporting:	
• Material weakness(es) identified	No
• Significant deficiencies identified that are not considered to be material weaknesses	No
Noncompliance material to financial statements noted	No

**Federal Awards**

Internal control over major federal programs:	
• Material weakness(es) identified	No
• Significant deficiencies identified that are not considered to be material weaknesses	No
Noncompliance material to federal awards	No
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 OMB Circular A-133	No

Identification of major federal programs:

<u>Federal Program/Cluster Name</u>	<u>CFDA#</u>
Title XIX Medicaid Cluster	93.778
Subsidized Child Care Cluster	93.575
	93.558
	93.596
	93.667
Food Stamp Cluster	10.551
	10.561

**STANLY COUNTY, NORTH CAROLINA  
SCHEDULE OF FINDINGS, RESPONSES AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**Section I - Summary of Auditor's Results (continued)**

Dollar threshold used to distinguish between Type A and Type B Programs	<u>\$1,475,811</u>
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Auditee qualified as low-risk auditee?	No
--	----

**State Awards**

Internal control over major State programs:

- |   |    |
|---|----|
| • Material weakness(es) identified  | No |
| • Significant deficiencies identified that are not considered to be material weaknesses | No |

Noncompliance material to State awards	No
--	----

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

Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act	No
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Identification of major State programs:

**Program Name:**

- Title XIX Medicaid Cluster
- State/County Special Assistance for Adults
- Subsidized Childcare Cluster
- State Children's Insurance Program

**STANLY COUNTY, NORTH CAROLINA  
SCHEDULE OF FINDINGS, RESPONSES AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**Section II - Financial Statements Findings**

None reported

**Section III - Federal Award Findings and Questioned Costs**

None reported

**Section IV - State Award Findings and Questioned Costs**

None reported

**STANLY COUNTY, NORTH CAROLINA  
SUMMARY SCHEDULE OF PRIOR YEAR  
FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

Not applicable

## STANLY COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED JUNE 30, 2008

Grantor / Pass-through Grantor / Program Title	CFDA Number	Expenditures	
		Federal	State
<b>Federal Awards:</b>			
<b>U.S. Department of Health and Human Services:</b>			
<b>Administration for Children and Families:</b>			
Passed-through the N.C. Department of Health and Human Services			
<b>Division of Social Services:</b>			
Child Support Enforcement	93.563	\$ 335,756	\$ -
Temporary Assistance for Needy Families:			
Administration	93.558	546,984	-
Direct Benefit Payment	93.558	344,092	(10)
Total Temporary Assistance for Needy Families		891,076	(10)
Foster Care and Adoption Cluster:			
Title IV-E Foster Care:			
Administration	93.658	179,792	35,794
Direct Benefit Payments	93.658	54,482	14,055
Title IV-E Adoption Assistance Program:			
Direct Benefit Payments	93.659	136,373	40,127
Total Foster Care and Adoption Cluster		370,647	89,976
Low-Income Home Energy Assistance Block Grant:			
Administration	93.568	101,155	-
Direct Benefit Payments	93.568	134,263	-
Total Low-Income Home Energy Assistance Block Grant		235,418	-
LINKS	93.674	5,787	1,000
Family Preservation	93.556	6,043	-
AFDC Payments and Penalties	93.560	(389)	(107)
Social Services Block Grant	93.667	200,432	18,174
Child Welfare Services-State Grants			
Adoption Subsidy - Direct Benefit Payments	93.645	-	93,108
Child Welfare Services-State Grants			
Permanency Planning	93.645	17,634	4,653
Sub total		229,507	116,828
Subsidized Childcare Cluster:			
Child Care Development Fund Cluster:			
<b>Division of Social Services:</b>			
CCDF-Administration	93.596	84,921	-
<b>Division of Child Care Development:</b>			
CCDF-Discretionary	93.575	619,496	-
CCDF-Mandatory	93.596	257,777	-
CCDF-Match	93.596	565,206	315,926
Total Child Care Fund Cluster:		1,527,400	315,926
Social Services Block Grant	93.667	11,203	-
Temporary Assistance for Needy Families	93.558	233,267	-
Smart Start		-	55,482
TANF - MOE		-	386,443
State Appropriations		-	74,975
Total Subsidized Childcare Cluster		1,771,870	832,826
<b>U.S. Department of Agriculture:</b>			
Passed-through N.C. Department of Health & Human Services			
<b>Division of Public Health:</b>			
Special Supplemental Nutrition Program for			
Women Infant and Children (WIC)	10.557	224,064	-
WIC - Direct Benefit Payment	10.557	96,463	-
Total Division of Public Health		320,527	-

## STANLY COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED JUNE 30, 2008

Grantor / Pass-through Grantor / Program Title	CFDA Number	Expenditures	
		Federal	State
<b>Health Care Financing Administration:</b>			
Passed-through the N.C. Department of Health and Human Services			
<b>Division of Medical Assistance:</b>			
Direct Benefit Payments:			
Medical Assistance Program	93.778	36,192,427	18,844,243
Administration:			
Medical Assistance Program	93.778	565,234	18,076
Health Choice	93.767	31,478	2,220
Total Health Care Financing Administration		<u>36,789,139</u>	<u>18,864,539</u>
<b>U.S. Department of Agriculture:</b>			
Passed-through N.C. Department of Health & Human Services			
Food and Consumer Service:			
<b>Division of Social Services:</b>			
Food Stamp Cluster:			
Administration:			
Food Stamp Training	10.561	231,023	-
Food Stamp E&T and Depend Care	10.561	860	-
Food Stamp Fraud Administration	10.561	49,041	-
Direct Benefit Payments:			
Food Stamp Program	10.551	6,649,451	-
Total Food Stamp Cluster		<u>6,930,375</u>	<u>-</u>
<b>U.S. Department of Health and Human Services:</b>			
Passed-through N.C. Department of Health and Human Services			
<b>Division of Public Health:</b>			
Family Planning Services	93.217	35,861	-
Women's Preventive Health	93.558	6,174	-
Immunization Program/Aid to County Funding	93.268	16,380	-
Preparedness & Response Bioterrorism Grants	93.283	93,030	-
Risk Reduction/Health Promotion	93.991	13,957	-
HHS-MCH Services Block Grant to the States	93.994	134,629	-
Total Division of Public Health		<u>300,031</u>	<u>-</u>
<b>Administration of Aging:</b>			
Passed-through Centralina Council of Governments			
<b>Division of Aging:</b>			
Aging Cluster:			
Access Title III B	93.044	21,152	28,911
In-Home Services:			
Title IIIB	93.044	33,334	147,925
Title IIIC1	93.045	44,363	12,021
Title IIIC2	93.045	47,666	36,863
Caregiver	93.052	20,652	1,377
USDA Supplement	10.570	39,657	-
Total Division of Aging		<u>206,824</u>	<u>227,097</u>
<b>Division of Social Services:</b>			
Senior Center Outreach		-	654
Senior Center -General		-	16,404
Fan/Heat Program		-	384
DP/HP (90%)	93.043	4,584	270
Total Division of Social Services		<u>4,584</u>	<u>17,712</u>
<b>U.S. Department of Transportation:</b>			
Passed-through N.C. Department of Transportation:			
Public transportation for non-urbanized area	20.509	257,246	22,803
WBS 33342	20.205	14,360	3,590
Total U.S. Department of Transportation		<u>271,606</u>	<u>26,393</u>

## STANLY COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED JUNE 30, 2008

Grantor / Pass-through Grantor / Program Title	CFDA Number	Expenditures	
		Federal	State
<b>Institute of Museum and Library Services:</b>			
Automated System Grant	45.310	1,558	-
Total Institute of Museum and Library Services		1,558	-
<b>U.S. Department of Housing and Urban Development:</b>			
Passed-through N.C. Department of Commerce:			
<b>Division of Community Assistance:</b>			
CDBG (06-C-1539)	14.228	400,000	-
CDBG (06-C-1575)	14.228	59,150	-
Total U.S. Department of Housing and Urban Development		459,150	-
<b>U.S Department of Justice</b>			
Passed through N.C. Department of Crime Control and Public Safety			
<b>Division of Emergency Management:</b>			
Emergency Management	97.042	28,068	-
Victims of Crime	16.575	26,577	-
Byrne Justice Assistance Grants	16.738	20,987	-
Total U.S. Department of Justice		75,632	-
<b>Total Federal Awards</b>		<b>49,193,700</b>	<b>20,175,361</b>
<b>State Awards:</b>			
<b>N.C. Department of Health and Human Services:</b>			
<b>Division of Social Services:</b>			
State/County Special Assistance for Adults-Direct Benefit Payment			594,154
State Aid to Counties			29,937
AFDC Incentive/Program Integrity			20
TANF Incentive/Program Integrity			1,081
Foster Care At-Risk			1,650
Energy Assistance & Private Grants			1,022
State Foster Home			22,255
Total Division of Social Services			650,119
<b>Division of Public Health:</b>			
Womens Preventive Health			8,368
Communicable Diseases Control			2,732
AIDS-State			500
General Aid to Counties			71,026
Smart Start			51,100
Tuberculosis			2,871
TB Medical Services			1,034
Risk Reduction / Heath Promotion			6,453
Breast and Cervical Cancer Control			4,000
Healthy Carolinas Partnership Support			10,672
Total Division of Public Health			158,756
Total N.C. Department of Health and Human Services			808,875
<b>N.C. Department of Transportation:</b>			
ROAP Elderly and Disabled Transportation Assistance Program			83,798
ROAP Work-First			15,218
ROAP Rural General Public Program			76,863
WBS 39269.16			113,097
WBS 10CR.10841.12			51
Total N.C. Department of Transportation			289,027
<b>N.C. Department of Administration:</b>			
Veterans Commission			2,000

## STANLY COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED JUNE 30, 2008

Grantor / Pass-through Grantor / Program Title	CFDA Number	Expenditures	
		Federal	State
<b>N.C. Department of Correction:</b>			
Criminal Justice Partnership Program			73,402
<b>N.C. Department of Crime Control and Public Safety:</b>			
Drug seizure			10,815
Governors Crime grant			12,618
Forfeiture property			18,968
Pre-trial			23,287
Office of Juvenile justice			
Administrative costs			7,875
Stanly Mental Health			135,500
Total N.C. Department of Crime Control and Public Safety:			209,063
<b>N.C. Department of Cultural Resources:</b>			
Direct Programs			
Aid to Public Libraries			130,291
Total N.C. Department of Cultural Resources:			130,291
<b>Total State Awards</b>			21,688,019
<b>Total Federal and State Awards</b>		\$ 49,193,700	\$ 21,688,019

**Notes to the Schedule of Expenditures of Federal and State 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, 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.

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

**2. Subrecipients**

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

Subrecipient/Program Name	CFDA	Federal	State
Public School Building Capital Fund	N/A	\$ -	\$ 986,481
Total		\$ -	\$ 986,481