



Stanly County, North Carolina
Compliance Letters
Year Ended June 30, 2011

**STANLY COUNTY, NORTH CAROLINA
COMPLIANCE LETTERS
For the Fiscal Year Ended June 30, 2011
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MARTIN ♦ STARNES & ASSOCIATES, CPAs, P.A.

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

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

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, 2011, not presented here, which collectively comprise Stanly County's basic financial statements and have issued our report thereon dated November 17, 2011. 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.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
November 17, 2011

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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

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, 2011. The County's major Federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings 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, 2011.

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, 2011, which collectively comprise the County's basic financial statements and have issued our report thereon dated November 17, 2011, 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.

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November 17, 2011

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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

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, 2011. The County's major State programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings 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, 2011.

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.

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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, 2011, which collectively comprise the County's basic financial statements and have issued our report thereon dated November 17, 2011, 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.
November 17, 2011

STANLY COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2011

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:

<u>Federal Program/Cluster Name</u>	<u>CFDA#</u>
Medicaid Cluster	93.778
Child Care Development Fund Cluster:	
Child Care Development Fund - Administration	93.596
Child Care and Development Fund - Discretionary	93.575
Child Care and Development Fund - Mandatory and Match	93.596
ARRA - Child Care and Development Block Grant	93.713
Title IV-E Foster Care - Administration/FosterCare - Direct	
Benefit Payments	93.658
Adoption Assistance - Optional Training/Direct Benefit Payments	93.659

STANLY COUNTY, NORTH CAROLINA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2011**

Dollar threshold used to distinguish
between Type A and Type B Programs: \$ 1,835,041

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
Foster Care and Adoption Cluster
N.C. Rural Economic Development Center, Inc.: Rural Center Grants
Public School Building Capital Fund: Lottery Proceeds

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, 2011

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, 2011

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	\$ 369,187	\$ -
Passed-Through N.C. Department of Health & Human Services				
Division of Public Health:				
Administration:				
Special Supplemental Nutrition Program for Women, Infants, & Children				
	10.557	XXXX	308,802	-
Direct Benefit Payments:				
Special Supplemental Nutrition Program for Women, Infants, & Children				
	10.557	XXXX	1,188,295	-
Total U.S. Department of Agriculture			1,866,284	-
<u>U.S. Department of Justice:</u>				
<u>Bureau of Justice Assistance</u>				
JAG Program Cluster:				
Edward Byrne Memorial Justice Assistance Grant Program				
	16.738	084107003BH486	4,064	-
Total U.S. Department of Justice			4,064	-
<u>U.S. Department of Transportation:</u>				
Passed-Through N.C. Department of Transportation				
Federal Aviation Administration:				
State Block Grant Program				
	20.106	36237.50.8.1	26,969	-
State Block Grant Program				
	20.106	36237.50.11.2	325,000	-
State Block Grant Program				
	20.106	XXXX	210,841	-
Total Federal Aviation Administration			562,810	-
Passed-Through N.C. Department of Transportation:				
Federal Transit Administration:				
Formula Grants for Other than Urbanized Areas - Admin				
	20.509	36233.96.11.1	40,464	2,528
Formula Grants for Other than Urbanized Areas - Admin				
	20.509	36233.96.12.1	139,382	8,711
Formula Grants for Other than Urbanized Areas - Capital				
	20.509	51003.33.3.STT1	208,054	-
Total Federal Transit Administration			387,900	11,240
Passed-Through N.C. Department of Transportation:				
Federal Highway Administration:				
Highway Planning and Construction Cluster:				
Highway Planning and Construction:				
Rocky River Rural Planning Organization				
	20.205	WBS 45439.1.16	17,346	-
Total Highway Planning and Construction Cluster:				
			17,346	-
Total U.S. Department of Transportation			968,056	11,240

STANLY COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2011

Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	State/ Pass-Through Grantor's Number	Expenditures	
			Federal	State
<u>Environmental Protection Agency:</u>				
Office of Water				
Passed-Through N.C. Department of Environment and Natural Resources				
Drinking Water State Revolving Fund - ARRA	66.468	H-ARRA-09-1193	182,742	-
Total Environmental Protection Agency			182,742	-
<u>U.S Department of Homeland Security:</u>				
Passed-Through N.C. Department of Crime Control and Public Safety				
Division of Emergency Management:				
Emergency Management Performance Grants	97.042	EMPG-2010-37167	37,611	-
Total U.S. Department of Homeland Security			37,611	-
<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	89,153	165,667
Special Programs for the Aging - Title III C				
Nutrition Services	93.045	XXXX	87,439	50,761
Total Aging Cluster			176,592	216,428
Division of Social Services:				
USDA Supplement	10.570	XXXX	49,310	-
Senior Center-General	XXXX	XXXX	-	12,244
Fan/Heat Program	XXXX	XXXX	-	926
DP/HP (90%)	93.043	XXXX	5,103	300
Title III E (Caregiver)	93.052	XXXX	22,193	1,480
Total Administration on Aging			253,198	231,378
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	222,117	29,600
Foster Care - Direct Benefit Payments	93.658	XXXX	111,331	25,988
Adoption/Foster Care	93.658	XXXX	110,085	-
IV-E Optional Adoption Training - Administration	93.659	XXXX	1,129	-
Adoption Subsidy & Vendors - Direct Benefit Payments	93.659	XXXX	241,777	53,893
Total Foster Care and Adoption Cluster			686,438	109,481
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	523,523	-
TANF / Work First - Direct Benefit Payments	93.558	XXXX	280,842	-

STANLY COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2011

Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	State/ Pass-Through Grantor's Number	Expenditures	
			Federal	State
Division of Child Development:				
Temporary Assistance for Needy Families	93.558	XXXX	237,026	-
ARRA - Emergency Contingency Fund for Temporary Assistance for Needy Families State Programs	93.714	XXXX	128,919	-
Division of Public Health:				
Temporary Assistance for Needy Families	93.558	XXXX	3,265	-
Total TANF Cluster			<u>1,173,576</u>	<u>-</u>
Passed-Through the N.C. Department of Health and Human Services				
Division of Social Services:				
N.C. Child Support Enforcement Section	93.563	XXXX	435,995	21
Low-Income Home Energy Assistance Block Grant:				
Administration	93.568	XXXX	39,927	-
Energy Assistance Payments - Direct Benefit Payments	93.568	XXXX	590,055	-
Crisis Intervention Program	93.568	XXXX	325,409	-
Child Welfare Services - State Grants -				
Adoption Subsidy - Direct Benefit Payments	93.645	XXXX	-	96,382
Child Welfare Services - State Grants -				
Permanency Planning - Families for Kids	93.645	XXXX	16,418	-
SSBG - Other Service and Training	93.667	XXXX	151,762	18,450
LINKS - Administration	93.674	XXXX	8,111	2,028
Independent Living Grant - Direct Benefit Payments	93.674	XXXX	2,701	-
Family Preservation - Administration	93.556	XXXX	2,282	-
AFDC Payments and Penalties	93.560	XXXX	(84)	(23)
Division of Aging and Adult Services:				
Division of Social Services:				
SSBG - State In Home Service Fund	93.667	XXXX	55,444	-
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	98,639	-
Division of Child Development:				
Child Care Development Fund - Discretionary	93.575	XXXX	652,415	-
Child Care Development Fund - Mandatory	93.596	XXXX	300,966	-
Child Care Development Fund - Match	93.596	XXXX	484,954	263,857
ARRA - Child Care and Development Block Grant	93.713	XXXX	42,543	-
Total Child Care Development Fund Cluster			<u>1,579,517</u>	<u>263,857</u>
Social Services Block Grant	93.667	XXXX	5,658	-
Smart Start		XXXX	-	132,915
State Appropriations		XXXX	-	87,809
TANF - MOE		XXXX	-	168,872
Total Subsidized Child Care (Note 3)			<u>1,585,175</u>	<u>653,453</u>
Total Administration for Children and Families			<u>5,073,209</u>	<u>879,792</u>
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	50,028,099	20,652,835
Division of Public Health:				
Division of Medical Assistance				
Medical Assistance Program	93.778	XXXX	26,495	10,222

STANLY COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2011

Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	State/ Pass-Through Grantor's Number	Expenditures	
			Federal	State
Division of Social Services:				
Administration:				
Medical Assistance Program	93.778	XXXX	577,183	14,467
Total Medicaid Cluster			50,631,777	20,677,524
State Children's Insurance Program - N.C. Health Choice	93.767	XXXX	29,201	2,319
Total Centers for Medicare and Medicaid Services			50,660,978	20,679,843
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	17,229	-
Centers for Disease Control and Prevention Investigations and Technical Assistance	93.283	XXXX	105,798	27
Statewide Health Promotion Program/Preventive Health and Health Services Block Grant	93.991	XXXX	13,794	-
Total Centers for Disease Control			136,820	27
Health Resources and Services Administration:				
Passed-Through the N.C. Department of Health and Human Services				
Division of Public Health:				
Immunization Cluster:				
Immunization Grants	93.268	XXXX	17,945	-
Total Immunization Cluster			17,945	-
Maternal and Child Health Services Block Grant	93.994	XXXX	63,798	47,854
Total Health Resources and Services Administration			81,742	47,854
Office of Population Affairs				
Passed-Through NC Dept. of Health and Human Services				
Office of Population Affairs				
Family Planning Services	93.217	XXXX	49,637	-
Total U.S. Department of Health and Human Services			56,255,585	21,838,894
U.S. Department of Defense:				
Office of the National Guard Bureau:				
National Guard Military Operations and Maintenance Projects	12.401	XXXX	135,549	-
Total U.S. Department of Defense			135,549	-
U.S. Department of Energy:				
N.C. Department of Commerce State Energy Office				
Energy Efficiency and Conservation Block Grant - ARRA	81.128	XXXX	28,735	-
Total U.S. Department of Energy			28,735	-

STANLY COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2011

Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	State/ Pass-Through Grantor's Number	Expenditures	
			Federal	State
<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	14.228	07-C-1697	590,228	-
Community Development Block Grant - Small Cities Program	14.228	09-R-1980	677,257	-
Community Development Block Grant - Small Cities Program	14.228	09-C-2006	384,296	-
Total CDBG - State - Adm Small Cities Program Cluster			<u>1,651,782</u>	<u>-</u>
Passed-Through N.C. Housing Finance Agency:				
HOME Investment Partnerships Program	14.239	XXXX	141	-
Total U.S. Department of Housing and Urban Development			<u>1,651,923</u>	<u>-</u>
Total Federal Awards			<u>\$ 61,130,548</u>	<u>\$ 21,850,133</u>
State Awards:				
<u>N.C. Department of Administration:</u>				
Veterans Service	XXXX	XXXX	-	2,000
Total N.C. Department of Administration			<u>-</u>	<u>2,000</u>
<u>N.C. Department of Cultural Resources:</u>				
Division of State Library				
State Aid to Public Libraries	XXXX	XXXX	-	106,801
Total N.C. Department of Cultural Resources			<u>-</u>	<u>106,801</u>
<u>N.C. Department of Crime Control and Public Safety:</u>				
DWI Safe Ride	XXXX	XXXX	-	5,606
Drug seizure	XXXX	XXXX	-	11,440
Forfeiture Property	XXXX	XXXX	-	27,588
Total N.C. Department of Crime Control and Public Safety			<u>-</u>	<u>44,634</u>
<u>N.C. Department of Environmental & Natural Resources:</u>				
Division of Soil and Water Conservation:				
Soil and Water - Agricultural Cost Share	XXXX	XXXX	-	22,015
Division of Waste Management:				
Scrap Tire Fund - SWMG	XXXX	XXXX	-	32,883
Division of Environmental Assistance:				
PPA - Off Waste Red Trust Fund	XXXX	XXXX	-	33,661
Division of Environmental Assistance and Outreach:				
Abandoned Manufactured Homes Program	XXXX	XXXX	-	19,851
Total N.C. Department of Environmental & Natural Resources			<u>-</u>	<u>108,410</u>

STANLY COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2011

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	-	531,236
Division of Social Services:				
AFDC Incentive/Program Integrity	XXXX	XXXX	-	25
TANF Incentive/Program Integrity	XXXX	XXXX	-	881
Foster Care Special Provision	XXXX	XXXX	-	522
SFHF Maximization	XXXX	XXXX	-	27,608
Energy Assistance and Private Grants	XXXX	XXXX	-	90
DCD Smart Start	XXXX	XXXX	-	51,611
State Foster Home	XXXX	XXXX	-	11,855
Total Division of Social Services			-	623,826
Division of Public Health:				
General	XXXX	XXXX	-	115,684
AIDS-State	XXXX	XXXX	-	505
Communicable Disease	XXXX	XXXX	-	2,759
Womens Preventive Health	XXXX	XXXX	-	6,607
Tuberculosis	XXXX	XXXX	-	3,866
Risk Reduction / Heath Promotion	XXXX	XXXX	-	4,886
Breast and Cervical Cancer Control	XXXX	XXXX	-	6,142
Total Division of Public Health			-	140,451
N.C. Office of Emergency Medical Services:				
Office of Assistant Secretary for Preparedness and Response	XXXX	XXXX	-	8,073
Total N.C. Department of Health and Human Services			-	772,349
<u>N.C. Dept. of Public Instruction</u>				
Public School Building Capital Fund: Lottery Proceeds	XXXX	XXXX	-	1,148,686
Total N.C. Department of Public Instruction			-	1,148,686
<u>N.C. Department of Transportation:</u>				
Rural Operating Assistance Program (ROAP)				
ROAP Elderly and Disabled Transportation Assistance Program	XXXX	XXXX	-	83,502
ROAP Rural General Public Program	XXXX	XXXX	-	94,542
ROAP Work First Transitional - Employment	XXXX	XXXX	-	24,268
Total ROAP			-	202,312
Rocky River Rural Planning Organization Grant	XXXX	WBS 39269.16	-	64,393
State Aid to Airports Program	XXXX	36244.62.3.1	-	529,098
Total N.C. Department of Transportation			-	795,803

STANLY COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2011

Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	State/ Pass-Through Grantor's Number	Expenditures	
			Federal	State
<u>N.C. Department of Correction:</u>				
Criminal Justice Partnership Program	XXXX	XXXX	-	72,983
Juvenile Crime Prevention Counseling Rest	XXXX	XXXX	-	60,750
JCPC Gang Funds - ARRA	XXXX	XXXX	-	9,511
Office of Juvenile Justice	XXXX	XXXX	-	103,320
Total N.C. Department of Correction			-	246,564
<u>N.C. Department of Insurance:</u>				
Division of Seniors' Health Insurance Information Program	XXXX	XXXX	-	3,445
Total N.C. Department of Insurance			-	3,445
<u>N.C. Rural Economic Development Center, Inc.:</u>				
Rural Center Grant 2009-203-40101-112	XXXX	XXXX	-	500,000
Rural Center Grant 2009-414-40101-112	XXXX	XXXX	-	35,950
Rural Center Grant 2010-166-60501-107	XXXX	XXXX	-	12,418
Rural Center Grant 2011-073-60701-107	XXXX	XXXX	-	13,187
Total N.C. Rural Economic Development Center, Inc.			-	561,554
<u>Department of the Army:</u>				
Army Corp Grant	XXXX	XXXX	-	85,495
Total U.S. Department of the Army			-	85,495
<u>N.C. Housing Finance Agency:</u>				
NC Housing Trust Fund/Urgent Repair Program	XXXX	URP1014	-	37,500
Total U.S. Department of the Army			-	37,500
Total State Awards			-	3,913,242
Total Federal and State Awards			\$ 61,130,548	\$ 25,763,375

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	\$ -	\$ 1,148,686

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