

**CATAWBA COUNTY
NORTH CAROLINA**

COMPLIANCE LETTERS

FOR THE YEAR ENDED JUNE 30, 2008

**CATAWBA COUNTY, NORTH CAROLINA
COMPLIANCE LETTERS
FOR THE YEAR ENDED JUNE 30, 2008**

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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
Catawba County, North Carolina

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregated remaining fund information of Catawba County, North Carolina, as of and for the year ended June 30, 2008, not presented here, which collectively comprises Catawba County's basic financial statements and have issued our report thereon dated November 12, 2008. We did not audit the financial statements of the Catawba County ABC Board or Catawba Valley Medical Center. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Catawba County ABC Board and Catawba Valley Medical Center is based solely on the reports of the other auditors. 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. The financial statements of the Catawba County ABC Board and Catawba Valley Medical Center were not audited in accordance with Government Auditing Standards.

Internal Control over Financial Reporting

In planning and performing our audit, we considered Catawba County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Catawba 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 Catawba 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, 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, management, members of the 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 specific parties.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
November 12, 2008



Martin Starnes & Associates, CPAs, P.A.

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
Catawba County, North Carolina

Compliance

We have audited the compliance of Catawba 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. Catawba County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and responses. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Catawba County's management. Our responsibility is to express an opinion on Catawba 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 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 Catawba 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 Catawba County's compliance with those requirements.

In our opinion, Catawba 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 Catawba 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 Catawba 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.

A control deficiency in a County'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 entity'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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Catawba County as of and for the year ended June 30, 2008, and have issued our report thereon dated November 12, 2008. Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise Catawba 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 management, members of the 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 specific parties.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
November 12, 2008



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**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
Catawba County, North Carolina

Compliance

We have audited the compliance of Catawba 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. Catawba County's major State programs are identified in the summary of auditor's results section of the accompanying schedule of findings and responses. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major State programs is the responsibility of Catawba County's management. Our responsibility is to express an opinion on Catawba 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 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 Catawba 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 Catawba County's compliance with those requirements.

In our opinion, Catawba 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 Catawba 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 Catawba 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.

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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.

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We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Catawba County as of and for the year ended June 30, 2008, and have issued our report thereon dated November 12, 2008. Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise Catawba 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 management, members of the 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 specific parties.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
November 12, 2008

CATAWBA COUNTY, NORTH CAROLINA

**SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2008**

1. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued Unqualified

Internal control over financial reporting:

• Material weakness identified No

• Significant deficiency identified that is not considered to be a material weakness No

Noncompliance material to financial statements noted No

Federal Awards

Internal control over major federal programs:

• Material weakness(es) identified No

• Significant deficiency identified that is not considered to be a material weakness 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

CATAWBA COUNTY, NORTH CAROLINA

**SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2008**

1. Summary of Auditors' Results (Continued)

Identification of major federal programs:

<u>Program Name</u>	<u>CFDA#</u>
Title XIX Medicaid Cluster	93.778
Food Stamp Cluster:	
Food Stamp Program	10.551
State Administrative Matching Grants for Food Stamps	10.561
Special Supplemental Nutrition Program For Women, Infants, and Children	10.557
Subsidized Child Care Cluster:	
Child Care and Development Fund (Discretionary)	93.575
Child Care and Development Fund (Mandatory & Match)	93.596
Social Services Block Grant	93.667
Temporary Assistance for Needy Families	93.558
Temporary Assistance for Needy Families	93.558
Foster Care and Adoption Cluster	93.658, 93.659

Dollar threshold used to distinguish between
Type A and Type B Programs \$3,000,000

Auditee qualified as low-risk auditee? No

CATAWBA COUNTY, NORTH CAROLINA

**SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2008**

1. Summary of Auditors' Results (Continued)

State Awards

Internal control over major State programs:

- Material weakness identified No

- Significant deficiency identified that is not considered to be a material weakness 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

Identification of major State programs:

Program Name

State/County Special Assistance for Adults –
 Aid to the Aged and Disabled
Foster Care and Adoption Cluster
Subsidized Child Care Cluster
Smart Start
Medical Assistance Program –
 Title XIX – Medicaid
Developmental Disabilities Adult
Mental Retardation / Mental Illness (Thomas S)
Work First Block Grant
General Program Services
Substance Abuse Services Cluster

CATAWBA COUNTY, NORTH CAROLINA

**SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2008**

2. Financial Statements Findings

None reported

3. Federal Award Findings and Questioned Costs

None reported

4. State Award Findings and Questioned Costs

None reported

CATAWBA COUNTY, NORTH CAROLINA
SUMMARY SCHEDULE OF PRIOR YEARS' AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2008

2007-01 – Corrected

CATAWBA COUNTY, NORTH CAROLINA
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2008

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures
Federal Awards:				
<u>U.S. Department of Agriculture</u>				
Passed through N.C. Department of Health and Human Services				
Division of Social Services				
<u>Food Stamp Cluster</u>				
Food Stamp Program - Noncash	10.551		\$ 18,356,323	\$ -
Administration: Food stamps	10.561		676,072	-
Employment and Training	10.561		21,182	-
Total Food Stamp Cluster			<u>19,053,577</u>	<u>-</u>
Division of Public Health				
Women, Infants and Children Program				
Special Supplemental Nutrition Program	10.557	15405403G 15405404G 15405405G 15405409G 1540570AB	572,170	-
Direct Benefit Payments	10.557		3,439,791	-
Total Women, Infants and Children Program			<u>4,011,961</u>	<u>-</u>
<u>U.S. Department of Health and Human Services</u>				
<u>Administration for Children and Families</u>				
Passed through N.C. Department of Health and Human Services				
Subsidized Child Care (Note 2)				
<u>Child Care Development Fund Cluster</u>				
Division of Social Services				
Child Care Development Fund - Administration	93.596		220,562	-
Division of Child Development				
Child Care and Development Fund - Discretionary	93.575	18111810TB	1,636,064	-
Child Care and Development Fund - Mandatory	93.596	18111810MK	618,766	-
Child Care and Development Fund - Match	93.596	18111810VW	1,682,478	896,930
Total Child Care Fund Cluster			<u>4,157,870</u>	<u>896,930</u>
Social Services Block Grant	93.667	18111812Q4	48,395	-
Temporary Assistance for Needy Families - TANF	93.558	18111810T2	588,757	-
TANF - Maintenance of Effort		18111810T6	-	963,956
Smart Start		1711174040	-	112,343
State Appropriations		1811181200	-	323,877
Total Subsidized Child Care Cluster			<u>4,795,022</u>	<u>2,297,106</u>
<u>Foster Care and Adoption Cluster</u>				
Title IV-E Administration	93.658		840,210	-
Title IV-E Foster Care	93.658		729,543	-
Title IV-E Child Protective Services	93.658		948,110	143,547
Legal Services	93.658		2,096	-
<u>Adoption Assistance</u>				
Title IV-E Vendor Payments	93.659		343,976	-
Direct benefit payments	93.659		-	1,018,832
Total Foster Care and Adoption Cluster			<u>2,863,935</u>	<u>1,162,379</u>
<u>Administration</u>				
Independent Living	93.674		30,609	7,757
Other Social Services Block Grant	93.667		439,274	40,127
Work First Block Grant	93.558		1,368,856	-
Temporary Assistance Needy Families (TANF)	93.558		30,623	-
TANF Domestic Violence	93.558		32,157	-
TANF Direct Benefits Payments	93.558		872,158	(8)

CATAWBA COUNTY, NORTH CAROLINA
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2008

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures
Title IV-D	93.563		1,073,715	-
Title IV-D incentives	93.563		441,752	-
Permanency planning	93.645		39,905	9,963
Family preservation	93.556		56,503	-
Low Income Home Energy Assistance Administration	93.568		35,397	-
Crisis Intervention Payments	93.568		392,130	-
Energy Assistance Direct benefit payments	93.568		315,100	-
Total Administration			<u>5,128,179</u>	<u>57,839</u>
<u>Division of Aging</u>				
Social Services Block Grant In-home aid	93.667		93,882	52,190
Links - Independent Living Trust Fund	93.674		14,793	-
Total Division of Aging			<u>108,675</u>	<u>52,190</u>
<u>Division of Public Health</u>				
Family Planning Outreach Project	93.217	1511592A/B FP	179,971	-
Immunization/Aid to County Funding	93.268	1570631E/F EJ	34,122	-
Bioterrorism - SNS	93.283	1564660C EV	20,000	-
Breast and Cervical Cancer	93.283	1552310A/E EK	51,770	-
Chronic Disease	93.283	1551540EJU	18,600	-
Preparedness and Response Bioterrorism	93.283	15612680EQ/X	57,527	-
Restaurant Heart Healthy Grant	93.283	1551341EJT	500	-
Ryan White Program	93.917	14615596BX	51,368	-
Statewide Health Promotion Program	93.991	15515503PH	18,462	-
Child Health	93.994	15355351AP 15055745SP	85,793	-
Maternal Health	93.994	15055740AP	40,113	-
Child Care Coordination	93.994	15315318AP	42,776	-
Child Health - Fatality Prevention	93.994	15355351AP	18,956	-
Women's Preventative Health	93.994	15055735AP	18,146	-
School Nursing Funding Initiative	93.994	1535535800	145,332	-
Total Division of Public Health			<u>783,436</u>	<u>-</u>
<u>U.S. Department of Commerce</u>				
Passed through N.C. Department of Commerce				
Division of Community Assistance				
Individual Development Account (IDA) 1st Time Homebuyer	14.228	05-C-1472	22,739	-
Scattered Site Housing	14.228	06-C-1521	80,194	-
Total Division of Community Assistance			<u>102,933</u>	<u>-</u>
Division of Economic Development Administration				
Gregory Wood Products Pump Station and Sanitary Sewer		04-01-05519	148,518	-
Total Division of Economic Development Administration			<u>148,518</u>	<u>-</u>
<u>U.S. Department of Justice</u>				
<u>Office of Justice Programs</u>				
Direct Program				
State Criminal Alien Assistance Program	16.606	2008-AP-BX-0507	11,272	-
Bullet Proof Vest Grant	16.607		759	-
Total Office of Justice Programs			<u>12,031</u>	<u>-</u>
<u>Office Of Homeland Security</u>				
<u>Federal Emergency Management Agency</u>				
Passed through N.C. Department of Crime Control and Public Safety				
Homeland Security Overtime Program	97.004		11,810	-
Emergency Management Planning Grant			38,583	-
Total Office of Homeland Security			<u>50,393</u>	<u>-</u>

CATAWBA COUNTY, NORTH CAROLINA
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2008

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures
<u>Administration on Aging</u>				
<u>Division of Social Services</u>				
Passed through Western Piedmont Council of Governments				
<u>Aging Cluster</u>				
Title III B				
Transportation - general	93.044		60,093	-
Transportation - medical	93.044		3,135	-
Chore Level II	93.044		203,461	-
Chore Level III	93.044		90,139	-
Home Delivered Meals Coordination	93.044		174,194	-
Home Delivered Meals	93.044		35,053	-
Supplemental Meals	93.044		5,042	-
Adult Day Health	93.044		1,898	-
Adult Day Care	93.044		71,732	-
Nutrition	93.045		167,346	-
Total Aging cluster			<u>812,093</u>	<u>-</u>
<u>Office of Economic Opportunity</u>				
Community Services Block Grant	93.569		232,624	-
Total Office of Economic Opportunity			<u>232,624</u>	<u>-</u>
<u>Substance Abuse and Mental Health Service Administration</u>				
Passed through N.C Department of Health and Human Services				
Division of Mental Health, Developmental Disabilities and Substance Abuse Services				
Prenatal and Maternal Substance Abuse Initiative	93.959		63,113	-
Treatment Alternatives for Women	93.959		9,648	-
Total Substance Abuse Services			<u>72,761</u>	<u>-</u>
<u>Mental Health Cluster</u>				
Block Grant for Community Mental Health Services	93.958		311,627	-
Social Service Block Grant	93.667		36,275	-
State Appropriations - Child		536945	-	343,497
State Appropriations - Adult		536941, 536949	-	3,005,463
State Appropriations - Other			-	1,915
Total Mental Health Cluster			<u>347,902</u>	<u>3,350,875</u>
<u>Developmental Disability Cluster</u>				
Developmental Disabilities - Adult	93.667		137,825	-
Developmental Disabilities - Child	93.667		67,293	-
State Appropriations		536945, 536948, 536949	-	236,522
Total Developmental Disability Cluster			<u>205,118</u>	<u>236,522</u>
<u>Substance Abuse Services Cluster</u>				
Block Grant Prevention and Treatment of Substance Abuse	93.959		374,623	-
State Appropriations - Adult			-	520,339
State Appropriations - Other			-	97
Total Substance Abuse Services Cluster			<u>374,623</u>	<u>520,436</u>
<u>Centers for Medicare and Medicaid Service</u>				
Passed through N.C. Department of Health and Human Services				
Division of Medical Assistance				
Administration				
Medical Assistance	93.778		1,395,024	-
Medical Transportation	93.778		678,978	243,654
Direct benefit payments				
Title XIX - Medicaid	93.778		83,470,404	43,801,638

CATAWBA COUNTY, NORTH CAROLINA
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2008

Grantor/Pass-through <u>Grantor/Program Title</u>	Federal CFDA Number	State Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures
Community Alternatives Program				
Chore Contract Services	93.778		1,017,571	-
Medical Equipment and Supplies	93.778		149,402	-
High Risk Intervention	93.778		456,087	-
Adult Care Home Case Management	93.778		491,154	-
North Carolina Health Choice	93.767		62,020	-
Home Delivered Meals			12,940	-
Total Centers for Medicare and Medicaid Service			87,733,580	44,045,292
 <u>U.S. Election Assistance Commission</u>				
Passed through N.C. State Board of Elections				
Help American Vote (HAVA) Grant	90.401		44,645	-
Total Federal Awards and State Matches			126,882,006	51,722,639
 State Awards:				
<u>N.C. Department of Health and Human Services</u>				
Division of Social Services				
Adult Services (State Contract)			-	47,119
Adult Day Care			-	137,515
Children's Foster Home			-	165,815
Child Protective Services			-	296,405
State Adult Specialist Fund			-	42,599
Special Children Adoption Fund			-	126,000
State Aid to Counties			-	69,158
Non Targeted Consumers			-	(200)
Share the Warmth			-	625
Work First Block Grant - Maintenance of Effort			-	540,999
Restoring Families		00515-05	-	50,109
Direct benefit payments				
Aid to the aged and disabled			-	1,197,671
 Division of Mental Health, Developmental Disabilities and Substance Abuse Services				
Developmental Disabilities - Child			-	46,095
Developmental Disabilities - Adult			-	1,323,040
Developmental Disabilities - Traumatic Brain Injury			-	187,023
Mental Retardation/Mental Illness			-	2,025,733
Comprehensive Treatment Services Program (At Risk Children)		1290-536930	-	597,612
Emergency Services			-	28,780
Multidisciplinary Evaluation			-	6,620
Criminal Justice			-	18,518
General Program Services			-	1,206,397
Crisis Services			-	99,916
Systems Management Transition			-	4,612,661
 Division of Public Health				
Health Department Aid		1410411000	-	71,096
Minority Health		1410418100	-	20,000
Communicable Disease		1451451000	-	8,197
Tuberculosis		1451455100	-	24,139
Tuberculosis Medical Services		1451455400	-	787
Acquired Immune Deficiency Syndrome (AIDS)		14614536BN	-	12,500
Maternal Health		1505574000	-	45,599
High Risk Maternity Clinic		1505574600	-	15,863
Women's Preventative Health		15116018FR	-	8,895
Adolescent Health Project		1535535700	-	71,200
Risk Reduction/Health Promotion		1551550300	-	5,390

CATAWBA COUNTY, NORTH CAROLINA
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2008

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures
Breast and Cervical Cancer Control		1552559900	-	20,000
Healthy Carolinas Partnership Support		1551411200	-	12,048
Childhood Lead Prevention Grant			-	834
NC Health and Wellness			-	52,934
NC Partnership for Children				
Smart Start			-	303,275
Smart Start - early childhood development			-	63,425
Smart Start - early childhood support team			-	513,754
Smart Start - other			-	55,610
Division of Services for the Blind				
Special Assistance Blind Equalization			-	97
Division of Facility Services				
Office of Emergency Medical Services				
Bioterrorism Preparedness Grant (Federal HRSA)			-	6,860
Total N.C. Department of Health and Human Services			-	14,138,713
<u>N.C. Department Juvenile Justice and Delinquency Prevention</u>				
Peace Pipeline Conflict Resolution			-	20,240
Project Challenge			-	50,900
Reasoning and Reacting Cognitive Skills			-	7,360
Corner Houses I & II			-	225,255
Planning			-	14,108
Catawba Parenting Network			-	19,278
Salvation Army Gang Violence Grant			-	50,000
Total N.C. Department Juvenile Justice and Delinquency Prevention			-	387,141
<u>N.C. Department of Environment and Natural Resources</u>				
Division of Water Quality				
State Clean Water Grant			-	321,234
Department of Soil and Water Conservation				
N.C. Agriculture Cost Share Program			-	26,824
Soil and Water Conservation			-	4,000
Ecosystem Enhancement Program			-	200
N.C. Parks and Recreation Trust Fund				
Riverbend Park Improvements		DENR 2004-372	-	125,000
Total N.C. Department of Environment and Natural Resources			-	477,258
<u>N.C. Department of Cultural Resources</u>				
Library Department				
Library State Aid Grant			-	168,545
LSTA Grant			-	32,133
Library Grant Big Read			-	12,500
Library Summer Reading Grant			-	5,200
Total N.C. Department of Cultural Resources			-	218,378
<u>N.C. Division of Veterans Affairs</u>				
Department of Emergency Services				
Veterans Service			-	2,000
<u>N.C. Department of Public Instruction</u>				
Public School Building Capital Fund - Average Daily Balance			-	1,749,595
Public School Building Capital Fund - Lottery Funds			-	2,938,417
Total N.C. Department of Public Instruction			-	4,688,012

CATAWBA COUNTY, NORTH CAROLINA
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2008

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures
<u>N.C. Department of Corrections</u>				
Criminal Justice Partnership Program			-	112,356
<u>N.C. Department of Transportation</u>				
Elderly Handicapped Transportation		DOT-16CL	-	125,657
Work First Transitional Transportation (ROAP)		DOT-16CL	-	23,836
Community Transportation Grant Funds	20.509		152,325	39,322
Safe Roads Act			-	12,918
Rural General Public Funds		DOT-16CL	-	96,731
Total N.C. Department of Transportation			<u>152,325</u>	<u>298,464</u>
<u>N.C. Department of Crime Control and Public Safety</u>				
Division of Emergency Management				
Emergency Services	MOAHS-TE-03-1018 MOU 022604	030-804-0507	-	145,110
Cooperative Extension Lifeskills II			-	9,532
Total N.C. Department of Crime Control and Public Safety			<u>-</u>	<u>154,642</u>
<u>N.C. Department of Justice</u>				
Investigative and Traffic Enforcement Upgrade		2006-DJ-BX-0454	-	15,673
<u>North Carolina Housing Finance Agency</u>				
Urgent Repair Housing Projects			-	37,500
Total State Awards			<u>152,325</u>	<u>20,530,137</u>
Total Federal and State Awards			<u>\$ 127,034,331</u>	<u>\$ 72,252,776</u>

CATAWBA COUNTY, NORTH CAROLINA
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2008

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 Catawba 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 schec

2. 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, Foster Care and Adoption, Mental Health Services, Developmental Disability Waiting List Services, Substance Abuse Services, and Infants and Toddlers with Disabilities.

3. Subrecipients

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

<u>Program Name</u>	<u>Federal CFDA Number</u>	<u>State Number</u>	<u>Federal</u>	<u>State</u>
Child Care and Development Block Grant	93.575		1,636,064	-
Title III-B Transportation				
General	93.044		60,093	-
Medical	93.044		3,135	-
JJDP Project Challenge			-	50,900
Peace Pipeline Conflict Resolution			-	20,240
Cognitive Connection Reasoning & Reacting			-	7,360
NC Health and Wellness Trust			-	52,394
Elderly Handicapped Transportation		DOT -16CL	-	125,657
Rural General Public Funds		DOT -16CL	-	96,731
Community Transportation Grant	20.509		152,325	39,322
Public School Building Capital Fund - ADM			-	1,749,595
Public School Building Capital Fund - Lottery				2,938,417
Salvation Army Gang Violence				50,000