

**CATAWBA COUNTY  
NORTH CAROLINA**

**COMPLIANCE LETTERS**

**FOR THE YEAR ENDED JUNE 30, 2009**

# CATAWBA COUNTY, NORTH CAROLINA

## COMPLIANCE LETTERS FOR THE YEAR ENDED JUNE 30, 2008

### TABLE OF CONTENTS

	<u>Page</u>
Report On Internal Control Over Financial Reporting and on Compliance and Other Matters Based On An Audit of Financial Statements Performed In Accordance with <i>Government Auditing Standards</i>	1-2
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	3-5
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	6-7
Schedule of Findings, Responses, and Questioned Costs	8-11
Summary Schedule of Prior Years' Audit Findings	12
Schedule of Expenditures of Federal and State Awards	13-18

# 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, 2009, not presented here, which collectively comprises Catawba County's basic financial statements and have issued our report thereon dated November 19, 2009. 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.

We noted certain matters that we reported to management of Catawba County, in a separate letter dated November 19, 2009.

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 19, 2009

# 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, 2009. Catawba 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 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, 2009.

However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements that is required to be reported in accordance with OMB Circular A-133, and the State Single Audit Implementation Act, and which is described in the accompanying schedule of findings, responses, and questioned costs as item 2009-01.

## **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.

Our consideration of the internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the County's internal control that might be significant deficiencies or material weaknesses as defined below. However, as we discussed below, we identified a deficiency in internal control over compliance that we consider to be a significant deficiency.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings, responses, and questioned costs as item 2009-01 to be a significant deficiency.

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. We did not consider the deficiency described in the accompanying schedule of findings, responses and questioned cost to be a material weakness.

The County's response to the finding identified in our audit is described in the accompanying schedule of findings, responses, and questioned costs. We did not audit the County's response and accordingly, we express no opinion on it.

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, 2009, and have issued our report thereon dated November 19, 2009. 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 or Catawba Valley Medical Center are based solely on the reports of the other auditors. 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 19, 2009

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

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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, 2009. Catawba 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 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, 2009.

## **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.

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 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 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, 2009, and have issued our report thereon dated November 19, 2009. 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 or Catawba Valley Medical Center are based solely on the reports of the other auditors. 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 19, 2009

# CATAWBA COUNTY, NORTH CAROLINA

## SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2009

### 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 Yes

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 Yes

# CATAWBA COUNTY, NORTH CAROLINA

## SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2009

### 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
Low Income Home Energy Assistance	93.568
Dollar threshold used to distinguish between Type A and Type B Programs	<u>\$3,000,000</u>
Auditee qualified as low-risk auditee?	No

# CATAWBA COUNTY, NORTH CAROLINA

## SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2009

### 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  
Children's Foster Home  
Subsidized Child Care Cluster  
Smart Start  
Medical Assistance Program –  
Title XIX – Medicaid  
Temporary Assistance for Needy Families

## CATAWBA COUNTY, NORTH CAROLINA

### SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2009

#### 2. Financial Statements Findings

None reported

#### 3. Federal Award Findings and Questioned Costs

##### **Finding 2009-01:**

**Criteria:** Management should have a system in place to prevent federal programs from being extended to citizens who do not qualify for the program.

**Condition:** Low-Income Home Energy Assistance is a federal program administered by the Department of Social Services of the County. During FY 2008-2009 the Department of Social Services failed to key a document field which caused a citizen to receive benefits for which they did not qualify.

**Cause:** An employee verified that an individual had reportable income but failed to key a field containing the income amount in the system.

**Effect:** An individual received benefits who did not qualify for the program.

**Questioned Cost:** \$321

**Recommendation:** Require strict adherence to the agency's internal second party review for funding awards.

**Name of contact person:** Rick Pilato

**Management's response and corrective action:** The Department of Social Services failed to key a field containing information that led to a citizen receiving benefits incorrectly. Because of this error, we will ensure strict compliance to our internal second party review process, sampling records each day.

**Proposed completion date:** LIEAP is a seasonal program. Therefore, we will ensure compliance as of December 31, 2009.

#### 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, 2009**

None reported

**CATAWBA COUNTY, NORTH CAROLINA**  
**Schedule of Expenditures of Federal and State Awards**  
**For the Year Ended June 30, 2009**

<b>Grantor/Pass-through Grantor/Program Title</b>	<b>Federal CFDA Number</b>	<b>State Grantor's Number</b>	<b>Federal (Direct &amp; Pass-through) Expenditures</b>	<b>State Expenditures</b>
<b>Federal Awards:</b>				
<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		\$ 26,473,684	\$ -
Administration: Food stamps	10.561		736,448	-
Employment and Training	10.561		10,081	-
Total Food Stamp Cluster			<u>27,220,213</u>	<u>-</u>
Division of Public Health				
Women, Infants and Children Program				
Special Supplemental Nutrition Program	10.557	15405403G 15405404G 15405405G 15405409G 1540570AB	629,216	-
Direct Benefit Payments	10.557		3,439,774	-
Total Women, Infants and Children Program			<u>4,068,990</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		201,519	-
Division of Child Development				
Child Care and Development Fund - Discretionary	93.575	18111810TB	2,237,601	-
Child Care and Development Fund - Mandatory	93.596	18111810MK	326,424	-
Child Care and Development Fund - Match	93.596	18111810VW	1,496,015	822,575
Total Child Care Fund Cluster			<u>4,261,559</u>	<u>822,575</u>
Social Services Block Grant	93.667	18111812Q4	46,733	-
Temporary Assistance for Needy Families - TANF	93.558	18111810T2	872,749	-
TANF - Maintenance of Effort		18111810T6	-	370,030
Smart Start		1711174040	-	91,747
Smart Start			-	188,856
State Appropriations		1811181200	-	375,810
Total Subsidized Child Care Cluster			<u>5,181,041</u>	<u>1,849,018</u>
<u>Foster Care and Adoption Cluster</u>				
Title IV-E Administration	93.658		844,396	-
ARRA - Foster Care	93.658		63,136	-
Title IV-E Foster Care	93.658		922,533	-
Title IV-E Child Protective Services	93.658		1,007,331	139,919
Legal Services	93.658		4,949	-
<u>Adoption Assistance</u>				
Title IV-E Vendor Payments	93.659		292,727	-
Social Services Block Grant	93.667		188,256	-
Direct benefit payments	93.659		-	1,165,446
Total Foster Care and Adoption Cluster			<u>3,323,328</u>	<u>1,305,365</u>
<u>Administration</u>				
Independent Living	93.674		25,794	6,449
Other Social Services Block Grant	93.667		271,109	40,127
Work First Block Grant	93.558		927,915	557,100
Aid to Families with Dependent Children (AFDC)	93.560		9,558	-

**CATAWBA COUNTY, NORTH CAROLINA**  
**Schedule of Expenditures of Federal and State Awards**  
**For the Year Ended June 30, 2009**

<b>Grantor/Pass-through Grantor/Program Title</b>	<b>Federal CFDA Number</b>	<b>State Grantor's Number</b>	<b>Federal (Direct &amp; Pass-through) Expenditures</b>	<b>State Expenditures</b>
Temporary Assistance Needy Families (TANF)	93.558		34,138	-
TANF Domestic Violence	93.558		27,900	-
TANF Foster Care	93.558		-	-
TANF Direct Benefits Payments	93.558		757,636	(103)
Title IV-D	93.563		1,070,927	-
Title IV-D incentives	93.563		473,863	-
Permanency planning	93.645		61,852	11,099
Family preservation	93.556		58,444	-
Low Income Home Energy Assistance				
Administration	93.568		86,712	-
Crisis Intervention Payments	93.568		748,929	-
Energy Assistance Direct benefit payments	93.568		900,224	-
Total Administration			5,455,001	614,672
<u>Division of Aging</u>				
Social Services Block Grant In-home aid	93.667		127,058	-
Links - Independent Living Trust Fund	93.674		26,897	-
Total Division of Aging			153,955	-
<u>Division of Public Health</u>				
Tuberculosis Control Programs	93.116	1451272GNF	-	-
Family Planning Services	93.217	1511592A/B FP	118,933	-
Immunization/Aid to County Funding	93.268	1570631E/F EJ	34,122	-
Center for Disease Control and Prevention Investigations and Technical Assistance	93.283	-	69,869	-
Temporary Assistance for Needy Families	93.558	15115151TA	14,810	-
AP Maternal and Child Health Services Block Grant	93.778	15515023AP	6,731	5,048
Maternal and Child Health Services Block Grant	93.994	15055740AP	356,163	-
School Nursing Funding Initiative	93.994	1535535800	346	-
Total Division of Public Health			600,974	5,048
<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	15,495	-
Scattered Site Housing	14.228	06-C-1521	194,767	-
Total Division of Community Assistance			210,262	-
<u>U.S. Department of Justice</u>				
<u>Office of Justice Programs</u>				
Direct Program				
Local Law Enforcement Block Grant	16.592		2,809	-
State Criminal Alien Assistance Program		2008-AP-BX-0919	19,726	-
Bullet Proof Vest Grant	16.607		3,342	-
Total Office of Justice Programs			25,877	-
<u>Office of Community Oriented Policing Services</u>				
Direct Program				
SOS Grant	0348-0039	2007CKWX0157	24,304	-
Total Office of Community Oriented Policing Services			24,304	-
<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	97.073	56-6001814-A	214,955	-
Emergency Management Planning Grant		56-6001814-A	46,577	-
FEMA Disaster Relief		FEMA 2773-FM-NC	-	956
Total Office of Homeland Security			261,532	956

**CATAWBA COUNTY, NORTH CAROLINA**  
**Schedule of Expenditures of Federal and State Awards**  
**For the Year Ended June 30, 2009**

<b>Grantor/Pass-through Grantor/Program Title</b>	<b>Federal CFDA Number</b>	<b>State Grantor's Number</b>	<b>Federal (Direct &amp; Pass-through) Expenditures</b>	<b>State Expenditures</b>
<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		57,868	-
Transportation - medical	93.044		5,360	-
Chore Level II	93.044		237,559	-
Chore Level III	93.044		46,637	-
Home Delivered Meals Coordination	93.044		180,456	-
Home Delivered Meals	93.044		32,491	-
Supplemental Meals	93.044		5,412	-
Adult Day Health	93.044		10,049	-
Adult Day Care	93.044		65,232	-
Nutrition	93.045		175,859	-
Total Aging cluster			816,923	-
<u>Office of Economic Opportunity</u>				
Community Services Block Grant	93.569		214,266	-
Total Office of Economic Opportunity			214,266	-
<u>Centers for Medicare and Medicaid Service</u>				
Passed through N.C. Department of Health and Human Services				
<u>Division of Medical Assistance</u>				
<u>Administration</u>				
Medical Assistance Administration	93.778		1,293,111	-
Medical Assistance Expansion	93.778		14,012	14,013
Medical Transportation	93.778		712,401	278,276
<u>Direct benefit payments</u>				
Title XIX - Medicaid	93.778		102,205,492	39,235,355
<u>Community Alternatives Program</u>				
Chore Contract Services	93.778		839,295	-
Medical Equipment and Supplies	93.778		132,110	-
High Risk Intervention	93.778		634,521	-
Case Management Medicaid Waiver	93.778		432,731	-
Case Management At Risk	93.778		141,004	-
Adult Care Home Case/State Adult Specialist Fund	93.778		76,832	48,282
North Carolina Health Choice	93.767		55,005	62,429
Home Delivered Meals			12,054	-
Total Centers for Medicare and Medicaid Service			106,548,568	39,638,355
<u>U.S. Election Assistance Commission</u>				
Passed through N.C. State Board of Elections				
Help American Vote (HAVA) Grant	90.401		21,700	-
Total Federal Awards and State Matches			154,126,934	43,413,414
<b>State Awards:</b>				
<u>N.C. Department of Health and Human Services</u>				
<u>Division of Social Services</u>				
Adult Services (State Contract)			-	47,103
Adult Day Care			71,609	63,502
Children's Foster Home			-	339,385
Child Protective Services			-	254,545
Special Children Adoption Fund			-	67,500
State Aid to Counties			-	69,158
Share the Warmth			-	5,907
Work First Block Grant - Maintenance of Effort			-	520,044
Restoring Families		00515-05	-	50,104

**CATAWBA COUNTY, NORTH CAROLINA**  
**Schedule of Expenditures of Federal and State Awards**  
**For the Year Ended June 30, 2009**

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>State Grantor's Number</u>	<u>Federal (Direct &amp; Pass-through) Expenditures</u>	<u>State Expenditures</u>
Family Finders Pilot			-	74,398
Direct benefit payments				
Aid to the aged and disabled			-	1,281,325
Division of Public Health				
General		1410411000	-	154,833
Minority Health		1410418100	-	45,430
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	-	75,869
Women's Preventative Health		15116018FR	-	14,734
Adolescent Health Project		1535535700	-	51,796
Risk Reduction/Health Promotion		1551550300	-	8,290
Breast and Cervical Cancer Control		1552559900	-	13,005
Healthy Carolinas Partnership Support		1551411200	-	5,727
Preparedness and Response			-	28,279
NC Health and Wellness			-	96,470
NC Partnership for Children				
Smart Start			-	312,805
Smart Start - early childhood development			-	56,784
Smart Start - early childhood support team			-	494,825
Division of Services for the Blind				
Special Assistance Blind Equalization			-	100
Division of Facility Services				
Office of Emergency Medical Services				
EMS Toolkit Grant		AD-08-1495	-	35,634
Passed through Carolinas Medical Center				
Disaster Preparedness Grant (Federal ASPR)			-	65,744
Total N.C. Department of Health and Human Services			<u>71,609</u>	<u>4,278,919</u>
<u>N.C. Department Juvenile Justice and Delinquency Prevention</u>				
Peace Pipeline Conflict Resolution			-	20,314
Project Challenge			-	48,678
Corner Houses I & II			-	228,231
Planning			-	14,387
Catawba Parenting Network			-	23,963
Total N.C. Department Juvenile Justice and Delinquency Prevention			<u>-</u>	<u>335,573</u>
<u>N.C. Department of Environment and Natural Resources</u>				
Division of Water Quality				
State Clean Water Grant			-	63,351
Department of Soil and Water Conservation				
N.C. Agriculture Cost Share Program			-	28,795
Soil and Water Conservation			-	4,000
Total N.C. Department of Environment and Natural Resources			<u>-</u>	<u>96,146</u>
<u>N.C. Department of Cultural Resources</u>				
Library Department				
Library State Aid Grant			-	155,794
Library Summer Reading Grant			-	1,500
Total N.C. Department of Cultural Resources			<u>-</u>	<u>157,294</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Schedule of Expenditures of Federal and State Awards**  
**For the Year Ended June 30, 2009**

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>State Grantor's Number</u>	<u>Federal (Direct &amp; Pass-through) Expenditures</u>	<u>State Expenditures</u>
<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			-	864,100
Public School Building Capital Fund - Lottery Funds			-	3,169,821
Total N.C. Department of Public Instruction			-	4,033,921
<u>N.C. Department of Corrections</u>				
Criminal Justice Partnership Program			-	119,160
<u>N.C. Department of Transportation</u>				
Elderly Handicapped Transportation		DOT-16CL	-	124,953
Work First Transitional Transportation (ROAP)		DOT-16CL	-	27,994
Safe Roads Act			-	12,164
Rural General Public Funds		DOT-16CL	-	111,024
Total N.C. Department of Transportation			-	276,135
<u>N.C. Department of Crime Control and Public Safety</u>				
Division of Emergency Management Governor's Crime Commission		018-1-08-2VC-AW- 479	-	78,087
Cooperative Extension Lifeskills II			-	15,957
Total N.C. Department of Crime Control and Public Safety			-	94,044
<u>North Carolina Housing Finance Agency</u>				
Home Energy Loan Pool (HELP)			-	19,994
Urgent Repair Housing Projects			-	37,500
Total North Carolina Housing Finance Agency			-	57,494
Total State Awards			71,609	9,450,686
Total Federal and State Awards			\$ 154,198,543	\$ 52,864,100

**CATAWBA COUNTY, NORTH CAROLINA**

**Schedule of Expenditures of Federal and State Awards  
For the Year Ended June 30, 2009**

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

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		\$ 2,237,601	\$ -
Title III-B Transportation General	93.044		57,868	-
Medical	93.044		5,360	-
JJDP Project Challenge			-	48,678
Peace Pipeline Conflict Resolution			-	20,314
NC Health and Wellness Trust			-	96,470
Elderly Handicapped Transportation		DOT -16CL	-	124,953
Rural General Public Funds		DOT -16CL	-	111,024
Public School Building Capital Fund - ADM			-	864,100
Public School Building Capital Fund - Lottery			-	1,719,821