

**CATAWBA COUNTY  
NORTH CAROLINA**

**COMPLIANCE LETTERS**

**FOR THE YEAR ENDED JUNE 30, 2012**

# CATAWBA COUNTY, NORTH CAROLINA

## COMPLIANCE LETTERS FOR THE YEAR ENDED JUNE 30, 2012

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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 accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Catawba County, North Carolina, as of and for the year ended June 30, 2012, not presented here, which collectively comprise the County's basic financial statements, and have issued our report thereon dated November 19, 2012. Our report includes a reference to 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. Other auditors audited the financial statements of the Catawba County ABC Board and Catawba Valley Medical Center, as described in our report on Catawba County's financial statements. 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**

Management of Catawba County is responsible for establishing and maintaining effective 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 opinion 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 Catawba 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 a 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 deficiencies, significant deficiencies, or material weaknesses. We did not identify 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, 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 Catawba 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 19, 2012

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

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

## **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**

### **Independent Auditors' Report**

To the Board of Commissioners  
Catawba County, North Carolina

#### **Compliance**

We have audited the compliance of Catawba County with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012. Catawba County's major federal programs are identified in the summary of auditors' 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*, as described in the *Audit Manual for Governmental Auditors in North Carolina*, and the State Single Audit Implementation Act. Those standards, OMB Circular A-133, and the State Single Audit Implementation Act, require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about 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 could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012.

## **Internal Control Over Compliance**

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 the 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 and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Catawba County's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, non-compliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is reasonable possibility that material non-compliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Catawba County, North Carolina, as of and for the year ended June 30, 2012, which collectively comprise Catawba County's basic financial statements, and have issued our report thereon dated November 19, 2012, which contained an unqualified opinion on those financial statements. We did not audit the financial statements of the Catawba County, North Carolina 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, North Carolina ABC Board and Catawba Valley Medical Center is based solely on the reports of the other auditors. Our audit was performed for the purpose of forming opinions 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 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 Catawba 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 19, 2012

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

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

## **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 OMB Circular A-133 And The State Single Audit Implementation Act**

### **Independent Auditors' Report**

To the Board of Commissioners  
Catawba County, North Carolina

#### **Compliance**

We have audited the compliance of Catawba County with the types of compliance requirements described in applicable sections of the OMB *Circular A-133 Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that have a direct and material effect on each of its major State programs for the year ended June 30, 2012. Catawba County's major State programs are identified in the summary of auditors' 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; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, as described in the *Audit Manual for Governmental Auditors in North Carolina*, and the State Single Audit Implementation Act. Those standards, OMB Circular A-133, and the State Single Audit Implementation Act, require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major 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 could have a direct and material effect on each of its major State programs for the year ended June 30, 2012.

## **Internal Control Over Compliance**

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 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 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 Catawba County's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, non-compliance with a type of compliance requirement of a State program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is reasonable possibility that material non-compliance with a type of compliance requirement of a State program will not be prevented, or detected and corrected, on a timely basis.

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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Catawba County, North Carolina, as of and for the year ended June 30, 2012, which collectively comprise Catawba County's basic financial statements, and have issued our report thereon dated November 19, 2012 which contained an unqualified opinion on those financial statements. We did not audit the financial statements of the Catawba County, North Carolina ABC Board and 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, North Carolina ABC Board and Catawba Valley Medical Center is based solely on the reports of the other auditors. Our audit was performed for the purpose of forming opinions 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 the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the State Single Audit Implementation Act and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain other procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements, or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal and State Awards is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended for the information and use of management, others within the organization, members of the Catawba 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 19, 2012

**CATAWBA COUNTY, NORTH CAROLINA**

**SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2012**

**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? No

Non-compliance material to financial statements noted? No

**Federal Awards**

Internal control over major federal programs:

- Material weakness identified? No
- Significant deficiency identified? No

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

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133? No

Identification of major federal programs:

<b><u>Program Name</u></b>	<b><u>CFDA #</u></b>
Medicaid Cluster	93.778, 93.777, 93.775, 93.720
Child Care Development Fund Cluster	93.575, 93.596
WIC	10.557
TANF	93.558, 93.714, 93.716
Low Income Home Energy Assistance	93.568

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, RESPONSES, AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2012**

**1. Summary of Auditors' Results (continued)**

**State Awards**

Internal control over major State programs:

- Material weakness identified? No
- Significant deficiency identified? 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**

Medicaid Cluster  
Subsidized Child Care Cluster  
Smart Start  
Aid to the Aged and Disabled

**CATAWBA COUNTY, NORTH CAROLINA**

**SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2012**

**2. Findings Related to the Audit of the Basic Financial Statements**

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 YEAR'S AUDIT FINDINGS**  
**FOR THE YEAR ENDED JUNE 30, 2012**

None reported.

**CATAWBA COUNTY, NORTH CAROLINA**  
**Schedule of Expenditures of Federal and State Awards**  
**For the Year Ended June 30, 2012**

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>State Grantor's Number</u>	<u>Federal (Direct and Pass-Through) Expenditures</u>	<u>State Expenditures</u>
<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>SNAP Cluster</u>				
Administration: Food stamps	10.561	XXXX	\$ 1,007,291	\$ -
Total SNAP Cluster			<u>1,007,291</u>	<u>-</u>
Division of Public Health				
Women, Infants and Children Program				
Special Supplemental Nutrition Program	10.557	XXXX	755,540	-
Direct Benefit Payments	10.557	XXXX	3,372,829	-
Total Women, Infants and Children Program			<u>4,128,369</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	XXXX	218,478	-
Division of Child Development				
Child Care and Development Fund - Discretionary	93.575	XXXX	1,987,640	-
Child Care and Development Fund - Mandatory	93.596	XXXX	705,050	-
Child Care and Development Fund - Match	93.596	18111810V8	1,425,547	679,307
Total Child Care Development Fund Cluster			<u>4,336,715</u>	<u>679,307</u>
Temporary Assistance for Needy Families - TANF				
ARRA - Emergency Contingency Fund for TANF State Programs	93.714	XXXX	118,041	-
Title IV-E Foster Care	93.658	XXXX	26,548	-
TANF - Maintenance of Effort		XXXX	-	338,780
Smart Start		XXXX	-	983
State Appropriations		XXXX	-	489,263
Total Subsidized Child Care Cluster			<u>5,315,081</u>	<u>1,508,333</u>
<u>Foster Care and Adoption Cluster</u>				
Title IV-E Administration	93.658	XXXX	892,672	-
Title IV-E Foster Care	93.658	XXXX	983,447	-
Title IV-E Child Protective Services	93.658	XXXX	1,078,823	-
<u>Adoption Assistance</u>				
Title IV-E Vendor Payments	93.659	XXXX	43,708	-
ARRA - Adoptions	93.659	XXXX	4	-
Direct benefit payments	93.659	XXXX	-	1,073,488
Total Foster Care and Adoption Cluster			<u>2,998,654</u>	<u>1,073,488</u>
<u>Administration</u>				
Independent Living	93.674	XXXX	51,400	-
Other Social Services Block Grant	93.667	XXXX	452,204	-
Work First Block Grant	93.558	XXXX	2,139,878	-
Aid to Families with Dependent Children (AFDC)	93.560	XXXX	115	-
TANF Domestic Violence	93.558	XXXX	31,224	-
TANF Subsidized Employment	93.558	XXXX	32,209	-
TANF Foster Care	93.558	XXXX	91,319	-
TANF Direct Benefits Payments	93.558	XXXX	472,229	(230)
Title IV-D	93.563	XXXX	904,976	-
Title IV-D incentives	93.563	XXXX	296,855	-
Permanency planning	93.645	XXXX	-	44,387
Social Services Block Grant	93.667	XXXX	162,053	-
Low Income Home Energy Assistance				
Administration	93.568	XXXX	134,927	-
Crisis Intervention Payments	93.568	XXXX	1,146,646	-
Allocation	93.568	XXXX	273,002	-
Energy Assistance Direct Benefit Payments	93.568	XXXX	277	-
Total Administration			<u>6,189,314</u>	<u>44,157</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Schedule of Expenditures of Federal and State Awards**  
**For the Year Ended June 30, 2012**

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>State Grantor's Number</u>	<u>Federal (Direct and Pass-Through) Expenditures</u>	<u>State Expenditures</u>
<u>Division of Aging</u>				
Social Services Block Grant In-home aid	93.667	XXXX	5,451	40,124
Links - Independent Living Trust Fund	93.674	XXXX	15,738	-
Total Division of Aging			21,189	40,124
<u>Division of Social Services</u>				
Social Service Block Grant	93.667	XXXX	-	12,500
Temporary Assistance for Needy Families	93.558	XXXX	14,810	-
Total Division of Social Services			14,810	12,500
<u>Division of Public Health</u>				
Immunization/Aid to County Funding	93.268	XXXX	41,588	-
Emergency Preparedness	93.069		46,678	-
Breast Cancer	93.919		40,701	12,750
Child Health	93.994		86,958	265,226
ARRA Preventing Healthcare-Associated Infections	93.717		1,788	-
Medical Assistance Program	93.778		375,568	144,898
AGRI - SFP Food Program Meal	10.559	XXXX	1,625	-
Total Division of Public Health			594,906	422,874
<u>Office of Population Affairs</u>				
Family Planning Services	93.217		49,351	-
Total Office of Population Affairs			49,351	-
<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	09-C-2042	30,203	-
CDBG - Division of Community Assistance		07-D-2181	93,373	-
Scattered Site Housing	14.228	09-C-1987	154,437	-
CDBG - Infrastructure Water Hookup		09-C-2018	5,448	-
Total Division of Community Assistance			283,461	-
<u>U.S. Department of Justice</u>				
<u>Office of Justice Programs</u>				
Direct Program				
State Criminal Alien Assistance Program		2008-AP-BX-0919	22,963	-
Total Office of Justice Programs			22,963	-
<u>Office Of Homeland Security</u>				
<u>Federal Emergency Management Agency</u>				
Passed-Through N.C. Department of Crime Control and Public Safety				
Emergency Management Planning Grant	97.042	EMPG 2009-37035	49,635	-
Homeland Security Transfer Switches	97.067		223,903	-
Total Office of Homeland Security			273,538	-
<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				
Chore Level II	93.044	XXXX	16,604	-
Chore Level III	93.044	XXXX	274,627	-
Home Delivered Meals Coordination	93.044	XXXX	176,532	-
Home Delivered Meals	93.044	XXXX	31,869	-
Supplemental Meals	93.044	XXXX	13,988	-
Adult Day Health	93.044		10,599	-
Adult Day Care	93.044	XXXX	102,337	-
Nutrition - Title III	93.045	XXXX	127,822	-
Nutrition - USDA	93.045	XXXX	20,947	-
Total Aging cluster			775,325	-
<u>Office of Economic Opportunity</u>				
Community Services Block Grant	93.569	XXXX	216,627	-
Total Office of Economic Opportunity			216,627	-

**CATAWBA COUNTY, NORTH CAROLINA**  
**Schedule of Expenditures of Federal and State Awards**  
**For the Year Ended June 30, 2012**

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>State Grantor's Number</u>	<u>Federal (Direct and Pass-Through) Expenditures</u>	<u>State Expenditures</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 Administration	93.778	XXXX	1,493,441	-
Medical Assistance Expansion	93.778	XXXX	39,671	-
Medical Transportation	93.778	XXXX	1,210,682	-
Direct benefit payments				
Title XIX - Medicaid	93.778	XXXX	99,932,930	58,633,832
Community Alternatives Program				
Medical Equipment and Supplies	93.778	XXXX	27,298	-
High Risk Intervention	93.778	XXXX	479,404	-
Case Management Medicaid Waiver	93.778	XXXX	382,122	-
Case Management At Risk	93.778	XXXX	271,104	-
Adult Care Home Case/State Adult Specialist Fund	93.778	XXXX	121,452	-
North Carolina Health Choice	93.767	XXXX	123,062	-
Home Delivered Meals	93.044	XXXX	11,058	-
Total Centers for Medicare and Medicaid Service			<u>104,092,224</u>	<u>58,633,832</u>
<u>U.S. Election Assistance Commission</u>				
Passed-Through N.C. State Board of Elections				
Help American Vote (HAVA) Grant	90.401	XXXX	5,159	-
<u>Environmental Protection Agency Office of Water</u>				
Passed-Through N.C. Department of Environmental and Natural Resources				
ARRA - Water Supply Loan Grant	66.468	H-ARRA-09-1171	150,000	-
Total Federal Awards and State Matches			<u>126,138,262</u>	<u>61,735,308</u>
<b>State Awards:</b>				
<u>N.C. Department of Health and Human Services</u>				
Division of Social Services				
Adult Services (State Contract)		XXXX	-	40,504
Adult Day Care		XXXX	-	139,010
Children's Foster Home		XXXX	-	254,243
Child Protective Services		XXXX	-	221,172
Special Children Adoption Fund		XXXX	-	75,600
Finger Printing/Criminal History			-	175
Share the Warmth		XXXX	-	6,112
Work First Block Grant - Maintenance of Effort			-	2,946
Restoring Families		00515-05	-	86,400
Direct benefit payments				
Aid to the aged and disabled		XXXX	-	1,267,484
Division of Public Health				
General		1410411000 2117153004	-	2,375
Environmental Health		XXXX	-	4,000
Food and Lodging Fees		XXXX	-	23,217
General Aid to Counties		XXXX	-	102,710
General Aid-to-County		XXXX	-	13,533
General Communicable Disease Control		XXXX	-	8,197
Health Partners Grant		XXXX	-	10,577
High Risk Maternity Clinic		1505574600	-	75,869
HWTF-Teen Tobacco		XXXX	-	94,917
Risk Reduction/Health Promotion		1551550300	-	8,142
Tuberculosis		1451455100	-	24,139
Tuberculosis Medical Services		1451455400	-	787
WHSF		XXXX	-	14,734
NC Partnership for Children				
Smart Start - public health		1711174040	-	156,645
Smart Start - early childhood development		1711174040	-	32,896
Smart Start - early childhood support team		1711174040	-	354,735
Smart Start - day care		1711174040	-	156,376

**CATAWBA COUNTY, NORTH CAROLINA**  
**Schedule of Expenditures of Federal and State Awards**  
**For the Year Ended June 30, 2012**

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>State Grantor's Number</u>	<u>Federal (Direct and Pass-Through) Expenditures</u>	<u>State Expenditures</u>
Office of Emergency Medical Services Passed through Carolinas Medical Center Disaster Preparedness Grant (Federal ASPR)		XXXX	-	4,747
Total N.C. Department of Health and Human Services			-	3,182,242
<u>N.C. Department Juvenile Justice and Delinquency Prevention</u>				
Peace Pipeline Conflict Resolution		XXXX	-	25,223
Project Challenge		XXXX	-	48,795
JCPC Gang Intervention		XXXX	-	16,320
Corner Houses I & II		XXXX	-	152,823
Family Net		XXXX	-	65,114
Planning		XXXX	-	13,550
Catawba Parenting Network		XXXX	-	23,441
Total N.C. Department Juvenile Justice and Delinquency Prevention			-	345,266
<u>N.C. Department of Environment and Natural Resources</u>				
Division of Water Quality State Clean Water Grant		XXXX	-	1,127,024
Division of Water Resources Water Resources Development Project Grant		XXXX	-	14,771
Department of Soil and Water Conservation N.C. Agriculture Cost Share Program		XXXX	-	26,490
Soil and Water Conservation		XXXX	-	3,600
N.C. Agricultural Development and Farmland Preservation		XXXX	-	2,597
Total N.C. Department of Environment and Natural Resources			-	1,174,482
<u>N.C. Department of Cultural Resources</u>				
Library Department Library State Aid Grant		XXXX	-	134,790
Library Summer Reading Grant		XXXX	-	2,750
Total N.C. Department of Cultural Resources			-	137,540
<u>N.C. Department of Administration</u>				
Division of Veterans Affairs Veterans Service		177177212	-	1,452
<u>N.C. Department of Public Instruction</u>				
Public School Building Capital Fund - Lottery Funds		LEA 180,181,182	-	1,714,232
Total N.C. Department of Public Instruction			-	1,714,232
<u>N.C. Department of Corrections</u>				
Criminal Justice Partnership Program		XXXX	-	123,388
<u>N.C. Department of Transportation</u>				
Work First Transitional Transportation (ROAP)		DOT-16CL	-	31,268
Safe Roads Act			-	9,851
Total N.C. Department of Transportation			-	41,119
<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	-	90,816
Total N.C. Department of Crime Control and Public Safety			-	90,816
<u>N.C. Department of Justice</u>				
Investigative and Traffic Enforcement Upgrade		2006-DJ-BX-0454	-	15,552
<u>North Carolina Housing Finance Agency</u>				
Home Energy Loan Pool (HELP)			-	4,318
Urgent Repair Housing Projects		URP11	-	37,500
Total North Carolina Housing Finance Agency			-	41,818
Total State Awards			-	6,867,907
Total Federal and State Awards			\$ 126,138,262	\$ 68,603,215

**CATAWBA COUNTY, NORTH CAROLINA**  
**Schedule of Expenditures of Federal and State Awards**  
**For the Year Ended June 30, 2012**

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 schedule.

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, 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	XXXX	\$ 1,987,640	\$ -
JJDP Project Challenge		XXXX	-	48,795
Peace Pipeline Conflict Resolution		XXXX	-	25,223
JCPC Gang Intervention		XXXX	-	16,320
Public School Building Capital Fund - Lottery		LEA 180,181,182	-	1,714,232