

**CATAWBA COUNTY
NORTH CAROLINA**

COMPLIANCE LETTERS

FOR THE YEAR ENDED JUNE 30, 2014

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

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

CATAWBA COUNTY, NORTH CAROLINA

COMPLIANCE LETTERS FOR THE YEAR ENDED JUNE 30, 2014

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Report On Compliance For Each Major Federal Program; Report On Internal Control Over Compliance; And Report On The Schedule Of Expenditures of Federal and State Awards Required By OMB Circular A-133 And The State Single Audit Implementation Act

Independent Auditor's Report

To the Board of Commissioners
Catawba County
Newton, North Carolina

Report On Compliance for Each Major Federal Program

We have audited Catawba County, North Carolina's compliance 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 Catawba County's major federal programs for the year ended June 30, 2014. 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.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its Federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Catawba County's major Federal programs based on our audit of the types of compliance requirements referred to above. 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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and the State Single Audit Implementation Act. Those standards, OMB Circular A-133, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about 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 on compliance for each major Federal program. However, our audit does not provide a legal determination of Catawba County's compliance.

Opinion On Each Major Federal Program

In our opinion, Catawba County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2014.

Report On Internal Control Over Compliance

Management of Catawba County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Catawba County's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program in order to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program 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 a reasonable possibility that material non-compliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report On Schedule of Expenditures of Federal and State Awards Required by OMB Circular A-133 and the State Single Audit Implementation Act

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, 2014, and the related Notes to the Financial Statements, which collectively comprise Catawba County's basic financial statements. We issued our report thereon dated November 17, 2014, which contained unmodified opinions on those financial statements. We did not audit the financial statements of 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 Catawba Valley Medical Center, is based solely on the reports of the other auditors. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Catawba County's basic financial statements. We have not performed any procedures with respect to the audited financial statements subsequent to November 17, 2014.

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 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 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.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
December 4, 2014

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Report On Compliance For Each Major State Program; Report On Internal Control Over Compliance; And Report On The Schedule Of Expenditures of Federal and State Awards Required By OMB Circular A-133 And The State Single Audit Implementation Act

Independent Auditor's Report

To the Board of Commissioners
Catawba County
Newton, North Carolina

Report On Compliance for Each Major State Program

We have audited Catawba County, North Carolina's compliance with the types of compliance requirements described in 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 Catawba County's major State programs for the year ended June 30, 2014. 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.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its State programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Catawba County's major State programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and applicable sections of OMB Circular A-133, *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 on compliance for each major State program. However, our audit does not provide a legal determination of Catawba County's compliance.

Opinion On Each Major State Program

In our opinion, Catawba County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major State programs for the year ended June 30, 2014.

Other Matters

The results of our auditing procedures disclosed an instance of non-compliance, which is required to be reported in accordance with applicable sections of OMB Circular A-133 as described in the *Audit Manual for Governmental Auditors in North Carolina*, and which is described in the accompanying Schedule of Findings, Responses, and Questioned Costs as item 2014-002. Our opinion on each major State program is not modified with respect to this matter.

Catawba County's response to the non-compliance finding identified in our audit is described in the accompanying Schedule of Findings, Responses, and Questioned Costs. Catawba County's response was not subjected to the auditing procedures applied in the audit of compliance; and accordingly, we express no opinion on the response.

Report On Internal Control Over Compliance

Management of Catawba County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, 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 that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major State program 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 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. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a State program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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 material weaknesses or significant deficiencies; and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiency in internal control over compliance, as described in the accompanying Schedule of Findings, Responses, and Questioned Costs as item 2014-002 that we consider to be a significant deficiency.

Catawba County's response to the internal control over compliance finding identified in our audit is described in the accompanying Schedule of Findings, Responses, and Questioned Costs. Catawba County's response was not subjected to the auditing procedures applied in the audit of compliance; and accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of applicable sections of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report On Schedule of Expenditures of Federal and State Awards Required by OMB Circular A-133 and the State Single Audit Implementation Act

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, 2014, and the related Notes to the Financial Statements, which collectively comprise Catawba County's basic financial statements. We issued our report thereon dated November 17, 2014, which contained unmodified opinions on those financial statements. We did not audit the financial statements of 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 Catawba Valley Medical Center, is based solely on the reports of the other auditors. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Catawba County's basic financial statements. We have not performed any procedures with respect to the audited financial statements subsequent to November 17, 2014.

The accompanying Schedule of Expenditures of Federal and State Awards is presented for purposes of additional analysis as required by the OMB Circular A-133, 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.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
December 4, 2014

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CATAWBA COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2014

1. Summary of Auditor's Results

Federal Awards

Internal control over major Federal programs:

- Material weakness identified? No
- Significant deficiency identified not considered to be material weaknesses? None reported

Type of auditor's report issued on compliance for major Federal programs Unmodified

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

Identification of major Federal programs:

<u>Program Name</u>	<u>CFDA #</u>
Medicaid Cluster	93.778, 93.777, 93.775
Childcare Development Fund Cluster	93.575, 93.596
Women, Infants, and Children Program	10.557
Temporary Assistance for Needy Families (TANF)	93.558, 93.714
State Children's Insurance Program- NC Health Choice	93.767
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, 2014**

1. Summary of Auditor's Results (continued)

State Awards

Internal control over major State programs:

- Material weakness identified? No
- Significant deficiency identified not considered to be material weaknesses? Yes

Type of auditor's report issued on compliance for major State programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act? Yes

Identification of major State programs:

Program Name

Medicaid Cluster
Subsidized Child Care Cluster
State Children's Insurance Program - NC Health Choice
Public School Building Capital Fund- Lottery Funds

CATAWBA COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2014

2. State Award Findings and Questioned Costs

2014-002

NC Department of Public Instruction Public School Building Capital Fund- Lottery Funds

Criteria: Management should have a system in place to ensure that State program reports are submitted timely and in accordance with program requirements.

Condition: Public School Building Capital Fund is a State program administered by the Finance Department of the County. The Finance Department failed to submit final reports for two projects within 60 days of the project completion dates.

Effect: Data was submitted to the grantor in an untimely manner. This finding is a significant deficiency in internal control over compliance and non-compliance with the reporting requirements as outlined in the grant.

Cause: Procedures are in place for approval of reporting but the reports were not filed timely.

Context: A sample of two reports was selected for audit from a population of two reports. The test found that out of the two projects reported on these reports, two were completed more than 60 days prior to report submission.

Questioned Cost: None

Recommendation: Management should adopt policies and procedures requiring supervisors to review reports and submission requirements.

Contact Person: Rodney N. Miller, Finance Director

Views of Responsible Officials and Planned Corrective Actions:

County Response:

The County agrees that final reports were not filed within 60 days of the completion of a capital project.

The County budgets NC Education Lottery funds for various public school capital projects in three different school systems. When projects are small renovations, the County typically requests lottery funds on a reimbursement basis. The County may request funding for various projects at one time and only after sufficient lottery funds are available. In many cases, these applications are submitted after the project has been completed by over 60 days but within one year following the final payment to the contractor or vendor as allowed in the application guidelines.

CATAWBA COUNTY, NORTH CAROLINA

**SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014**

2. State Award Findings and Questioned Costs (continued)

2014-002 (continued)

Corrective Action:

The County agrees to work with the Department of Public Instruction and submit final reports on a timely basis after requested lottery funds are distributed and available in the County's bank accounts.

3. Federal 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, 2014

2013-002: Repeated in current year as 2014-002.

CATAWBA COUNTY, NORTH CAROLINA
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2014

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>State Grantor's Number</u>	<u>Federal (Direct & Pass-through) Expenditures</u>	<u>State Expenditures</u>
Federal Awards:				
<u>U.S. Department of Agriculture</u>				
Passed through N.C. Department of Health and Human Services				
<u>Division of Public Health</u>				
Women, Infants and Children Program				
Special Supplemental Nutrition Program	10.557	XXXX	\$ 804,664	\$ -
Direct Benefit Payments	10.557	XXXX	3,629,785	-
AGRI - Sustainable Food Program (SFP) Meal	10.559	XXXX	3,010	-
Total Division of Public Health			<u>4,437,459</u>	<u>-</u>
<u>Division of Social Services</u>				
SNAP Cluster				
Administration: Food stamps	10.561	XXXX	1,114,549	-
Total Division of Social Services			<u>1,114,549</u>	<u>-</u>
<u>U.S. Department of Health and Human Services</u>				
Administration of Children and Families				
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	1,599,821	-
Child Care and Development Fund - Mandatory	93.596	XXXX	989,200	-
Child Care and Development Fund - Match	93.596	XXXX	1,321,844	583,201
Total Child Care Development Fund Cluster			<u>4,129,343</u>	<u>583,201</u>
Temporary Assistance for Needy Families - TANF	93.558	XXXX	904,451	-
Title IV-E Foster Care	93.658	XXXX	45,050	23,589
Smart Start		XXXX	-	3,218
State Appropriations		XXXX	-	245,057
TANF - Maintenance of Effort		XXXX	-	432,437
Total Subsidized Child Care Cluster			<u>5,078,844</u>	<u>1,287,502</u>
<u>Foster Care and Adoption Cluster</u>				
Foster Care- Administration	93.658	XXXX	165,574	-
Title IV-E Administration	93.658	XXXX	1,024,984	-
Title IV-E Foster Care	93.658	XXXX	1,312,101	-
Title IV-E Child Protective Services	93.658	XXXX	322,982	-
<u>Adoption Assistance</u>				
Title IV-E Vendor Payments	93.659	XXXX	44,599	-
Direct benefit payments	93.659	XXXX	-	1,033,435
Total Foster Care and Adoption Cluster			<u>2,870,240</u>	<u>1,033,435</u>
<u>Administration</u>				
Independent Living	93.674	XXXX	50,233	-
Other Social Services Block Grant	93.667	XXXX	263,423	56,661
Work First Block Grant	93.558	XXXX	2,088,512	-
Aid to Families with Dependent Children (AFDC)	93.560	XXXX	173	-
TANF Foster Care	93.558	XXXX	100,854	-
TANF Direct Benefits Payments	93.558	XXXX	423,806	-
Child Support Enforcement Title IV-D	93.563	XXXX	969,544	-
Child Support Enforcement Title IV-D incentives	93.563	XXXX	355,060	-
Permanency planning	93.645	XXXX	-	99,444
Social Services Block Grant	93.667	XXXX	171,396	-
Low Income Home Energy Assistance				
Administration	93.568	XXXX	105,612	-
Crisis Intervention Payments	93.568	XXXX	529,210	-
Allocation	93.568	XXXX	314,536	-
Total Administration			<u>5,372,359</u>	<u>156,105</u>
<u>Division of Aging</u>				
Social Services Block Grant In-home aid	93.667	XXXX	25,974	35,837
Social Services Block Grant Federal Guardianship	93.667	XXXX	-	96,308
Links - Independent Living Trust Fund	93.674	XXXX	8,163	-
Total Division of Aging			<u>34,137</u>	<u>132,145</u>
<u>Division of Social Services</u>				
Social Service Block Grant	93.667	XXXX	-	12,500
Temporary Assistance for Needy Families	93.558	XXXX	12,189	-
Total Division of Social Services			<u>12,189</u>	<u>12,500</u>

CATAWBA COUNTY, NORTH CAROLINA
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2014

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>State Grantor's Number</u>	<u>Federal (Direct & Pass-through) Expenditures</u>	<u>State Expenditures</u>
Federal Awards:				
<u>U.S. Department of Agriculture</u>				
Passed through N.C. Department of Health and Human Services				
<u>Division of Public Health</u>				
Women, Infants and Children Program				
Special Supplemental Nutrition Program	10.557	XXXX	\$ 804,664	\$ -
Direct Benefit Payments	10.557	XXXX	3,629,785	-
AGRI - Sustainable Food Program (SFP) Meal	10.559	XXXX	3,010	-
Total Division of Public Health			<u>4,437,459</u>	<u>-</u>
<u>Division of Social Services</u>				
SNAP Cluster				
Administration: Food stamps	10.561	XXXX	1,114,549	-
Total Division of Social Services			<u>1,114,549</u>	<u>-</u>
<u>U.S. Department of Health and Human Services</u>				
Administration of Children and Families				
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	1,599,821	-
Child Care and Development Fund - Mandatory	93.596	XXXX	989,200	-
Child Care and Development Fund - Match	93.596	XXXX	1,321,844	583,201
Total Child Care Development Fund Cluster			<u>4,129,343</u>	<u>583,201</u>
Temporary Assistance for Needy Families - TANF	93.558	XXXX	904,451	-
Title IV-E Foster Care	93.658	XXXX	45,050	23,589
Smart Start		XXXX	-	3,218
State Appropriations		XXXX	-	245,057
TANF - Maintenance of Effort		XXXX	-	432,437
Total Subsidized Child Care Cluster			<u>5,078,844</u>	<u>1,287,502</u>
<u>Foster Care and Adoption Cluster</u>				
Foster Care- Administration	93.658	XXXX	165,574	-
Title IV-E Administration	93.658	XXXX	1,024,984	-
Title IV-E Foster Care	93.658	XXXX	1,312,101	-
Title IV-E Child Protective Services	93.658	XXXX	322,982	-
<u>Adoption Assistance</u>				
Title IV-E Vendor Payments	93.659	XXXX	44,599	-
Direct benefit payments	93.659	XXXX	-	1,033,435
Total Foster Care and Adoption Cluster			<u>2,870,240</u>	<u>1,033,435</u>
<u>Administration</u>				
Independent Living	93.674	XXXX	50,233	-
Other Social Services Block Grant	93.667	XXXX	263,423	56,661
Work First Block Grant	93.558	XXXX	2,088,512	-
Aid to Families with Dependent Children (AFDC)	93.560	XXXX	173	-
TANF Foster Care	93.558	XXXX	100,854	-
TANF Direct Benefits Payments	93.558	XXXX	423,806	-
Child Support Enforcement Title IV-D	93.563	XXXX	969,544	-
Child Support Enforcement Title IV-D incentives	93.563	XXXX	355,060	-
Permanency planning	93.645	XXXX	-	99,444
Social Services Block Grant	93.667	XXXX	171,396	-
Low Income Home Energy Assistance				
Administration	93.568	XXXX	105,612	-
Crisis Intervention Payments	93.568	XXXX	529,210	-
Allocation	93.568	XXXX	314,536	-
Total Administration			<u>5,372,359</u>	<u>156,105</u>
<u>Division of Aging</u>				
Social Services Block Grant In-home aid	93.667	XXXX	25,974	35,837
Social Services Block Grant Federal Guardianship	93.667	XXXX	-	96,308
Links - Independent Living Trust Fund	93.674	XXXX	8,163	-
Total Division of Aging			<u>34,137</u>	<u>132,145</u>
<u>Division of Social Services</u>				
Social Service Block Grant	93.667	XXXX	-	12,500
Temporary Assistance for Needy Families	93.558	XXXX	12,189	-
Total Division of Social Services			<u>12,189</u>	<u>12,500</u>

CATAWBA COUNTY, NORTH CAROLINA
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2014

<u>Grantor/Pass-through</u> <u>Grantor/Program Title</u>	<u>Federal</u> <u>CFDA</u> <u>Number</u>	<u>State</u> <u>Grantor's</u> <u>Number</u>	<u>Federal (Direct &</u> <u>Pass-through)</u> <u>Expenditures</u>	<u>State</u> <u>Expenditures</u>
Centers for Medicare and Medicaid Services Passed through N.C. Department of Health and Human Services Medicaid Cluster: <u>Division of Medical Assistance</u> Administration Medical Assistance Program	93.778	XXXX	541,332	210,518
Medical Assistance Administration	93.778	XXXX	1,702,131	-
Medical Assistance Expansion	93.778	XXXX	31,975	-
Medical Transportation	93.778	XXXX	1,164,967	-
Medical Special Assistance	93.778	XXXX	4,276	-
Direct benefit payments Title XIX - Medicaid	93.778	XXXX	115,566,027	62,549,247
Community Alternatives Program Medical Equipment and Supplies	93.778	XXXX	17,828	-
High Risk Intervention	93.778	XXXX	312,440	-
Case Management Medicaid Waiver	93.778	XXXX	381,643	-
Case Management At Risk	93.778	XXXX	431,467	-
Adult Care Home Case/State Adult Specialist Fund	93.778	XXXX	44,384	-
Total Medicaid Cluster			<u>120,198,470</u>	<u>62,759,765</u>
Administration State Children's Insurance Program- North Carolina Health Choice	93.767	XXXX	112,888	-
Direct benefit payments State Children's Insurance Program- North Carolina Health Choice	93.767	XXXX	3,267,403	1,030,713
Community Alternatives Program Home Delivered Meals	93.044	XXXX	11,975	-
Total Centers for Medicare and Medicaid Services			<u>123,590,736</u>	<u>63,790,478</u>
Centers for Disease Control and Prevention Passed through N.C. Department of Health and Human Services <u>Division of Public Health</u> Emergency Preparedness	93.069	XXXX	40,965	-
Immunization Grants	93.268	XXXX	34,122	-
Physical Activity & Obesity Programs financed in part by PFFP	93.548	XXXX	6,670	1,668
PPHF 2012: Breast and Cervical Cancer Screening Opportunities for States, Tribes and Territories soley financed by 2012 Prevention and Public Health Funds	93.774	XXXX	1,443	-
Cooperative Agreements for State-Based Comprehensive Breast and Cervical Cancer Detection Program	93.919	XXXX	37,920	12,750
Statewide Health Promotion Program	93.991	XXXX	10,783	-
Child Health - Fatality Prevention	93.994	XXXX	1,365	-
Total Division of Public Health			<u>133,268</u>	<u>14,418</u>
Health Resources and Service Administration Passed through N.C. Department of Health and Human Services <u>Division of Public Health</u> Maternal and Child Health Services Block Grant	93.994	XXXX	80,615	60,903
Total Division of Public Health			<u>80,615</u>	<u>60,903</u>
Office of Population Affairs Passed through N.C. Department of Health and Human Services <u>Office of Population Affairs</u> Family Planning Services	93.217	XXXX	47,405	-
Total Office of Population Affairs			<u>47,405</u>	<u>-</u>
<u>U.S. Department of Homeland Security</u> <u>U.S. Department of Housing and Urban Development</u> Passed through N.C. Department of Commerce <u>Division of Community Assistance</u> Community Development Block Grants: State-Administered CDBG Cluster: CDBG - Urgent Repair	14.228	URP1305	37,500	-
CDBG - NC Scattered Site Housing	14.228	12-C-2412	119,622	-
CDBG - Infrastructure Water Hookup	14.228	09-C-2018	45,255	-
Total State-Administered CDBG Cluster			<u>202,377</u>	<u>-</u>
Total Division of Community Assistance			<u>202,377</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-0919	20,082	-
Total Office of Justice Programs			<u>20,082</u>	<u>-</u>

CATAWBA COUNTY, NORTH CAROLINA
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2014

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures
<u>Office Of Homeland Security</u>				
<u>Federal Emergency Management Agency</u>				
Passed through N.C. Department of Public Safety				
Division of Crime Control and Public Safety				
Emergency Management Planning Grant				
	97.042	EMPG 2009-37035	49,692	-
North Carolina Pre-Disaster Mitigation Planning Grant				
	97.047	XXXX	67,500	-
Homeland Security Training and Exercise Grant				
	97.067	XXXX	22,500	-
Disaster Recovery Funds				
	97.036	XXXX	69,967	-
Total Office of Homeland Security			<u>209,659</u>	<u>-</u>
<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	4,458	-
Chore Level III				
	93.044	XXXX	262,557	-
Home Delivered Meals Coordination				
	93.044	XXXX	176,555	-
Home Delivered Meals				
	93.044	XXXX	38,778	-
Supplemental Meals				
	93.044	XXXX	16,425	-
Adult Day Health				
	93.044	XXXX	13,678	-
Adult Day Care				
	93.044	XXXX	94,211	-
Nutrition - Title III				
	93.045	XXXX	152,788	-
Nutrition - USDA				
	93.045	XXXX	21,779	-
Total Aging cluster			<u>781,229</u>	<u>-</u>
<u>Office of Economic Opportunity</u>				
Community Services Block Grant				
	93.569	XXXX	206,421	-
Total Office of Economic Opportunity			<u>206,421</u>	<u>-</u>
Total Federal Awards and State Matches			<u>144,191,569</u>	<u>66,487,486</u>
State Awards:				
<u>N.C. Department of Health and Human Services</u>				
Division of Public Health				
Other Receipts/State Supported Expenditures				
Food and Lodging Fees				
		XXXX	-	34,098
Environmental Health				
		XXXX	-	4,000
General Aid to Counties				
		XXXX	-	102,710
Public Health Nursing				
		XXXX	-	800
General Communicable Disease Control				
		XXXX	-	8,197
Risk Reduction/Health Promotion				
		XXXX	-	6,285
Maternal Health (HMHC)				
		XXXX	-	2,361
High Risk Maternity Clinic				
		XXXX	-	75,869
Women's Health Service Fund				
		XXXX	-	15,365
Tuberculosis				
		XXXX	-	24,139
Tuberculosis Medical Services				
		XXXX	-	787
School Nursing Funding Initiative				
		XXXX	-	200,000
Health Partners Grant				
		XXXX	-	34,677
Division of Social Services				
Adult Services (State Contract)				
		XXXX	-	82,465
Adult Day Care				
		XXXX	-	140,114
Children's Foster Home				
		XXXX	-	148,894
Child Protective Services				
		XXXX	-	207,265
Children's Trust Grant				
		XXXX	-	94,036
Special Children Adoption Fund				
		XXXX	-	216,000
Share the Warmth				
		XXXX	-	7,633
State In-Home Funds				
		XXXX	-	85,102
Restoring Families				
		XXXX	-	35,187
Direct benefit payments				
State-County Special Assistance Domiciliary Payments				
		XXXX	-	1,105,016
NC Partnership for Children				
Smart Start - public health				
		1711174040	-	148,035
Smart Start - early childhood development				
		1711174040	-	33,779
Smart Start - early childhood support team				
		1711174040	-	347,625
Smart Start - day care				
		1711174040	-	145,141
Total N.C. Department of Health and Human Services			<u>-</u>	<u>3,305,580</u>

CATAWBA COUNTY, NORTH CAROLINA
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2014

<u>Grantor/Pass-through</u> <u>Grantor/Program Title</u>	<u>Federal</u> <u>CFDA</u> <u>Number</u>	<u>State</u> <u>Grantor's</u> <u>Number</u>	<u>Federal (Direct &</u> <u>Pass-through)</u> <u>Expenditures</u>	<u>State</u> <u>Expenditures</u>
<u>N.C. Department of Public Safety</u>				
Division of Juvenile Justice				
Peace Pipeline Conflict Resolution		XXXX	-	53,794
Project Challenge		XXXX	-	63,794
Family Net		XXXX	-	150,311
Planning		XXXX	-	13,500
Catawba Parenting Network		XXXX	-	29,864
Alexander Youth Network		XXXX	-	23,500
Total Division of Juvenile Justice			-	334,763
Total N.C. Department of Public Safety			-	334,763
<u>N.C. Department of Environment and Natural Resources</u>				
Division of Water Quality				
High Unit Cost Grant		XXXX	-	81,687
Division of Water Resources				
Water Resources Development Project Grant		XXXX	-	14,379
Department of Soil and Water Conservation				
N.C. Agriculture Cost Share Program		XXXX	-	18,200
Soil and Water Conservation		XXXX	-	3,600
Total N.C. Department of Environment and Natural Resources			-	117,866
<u>N.C. Department of Cultural Resources</u>				
Library Department				
Library State Aid Grant		XXXX	-	143,350
Library Services & Technology Act (LSTA) Grant		XXXX	-	12,085
Library Summer Reading Grant		XXXX	-	235
Total N.C. Department of Cultural Resources			-	155,670
<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	-	2,149,153
Total N.C. Department of Public Instruction			-	2,149,153
<u>N.C. Department of Transportation</u>				
Enhanced Mobility of Seniors & Individuals with Disabilities		XXXX	-	161,601
Safe Roads Act		XXXX	-	10,363
Total N.C. Department of Transportation			-	171,964
<u>N.C. Parks & Recreation Association</u>				
Passed through Blue Cross Blue Shield				
Nourishing NC Communities Grant		XXXX	-	3,100
Total N.C. Parks & Recreation Association			-	3,100
Total State Awards			-	6,239,548
Total Federal and State Awards			\$ 144,191,569	\$ 72,727,034

CATAWBA COUNTY, NORTH CAROLINA
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2014

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	\$ 1,599,821	\$ -
JJDP Project Challenge		XXXX	-	63,794
Peace Pipeline Conflict Resolution		XXXX	-	53,794
Public School Building Capital Fund - Lottery		LEA 180,181,182	-	2,149,153

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