

**DAVIE COUNTY
NORTH CAROLINA**

COMPLIANCE LETTERS

FOR THE YEAR ENDED JUNE 30, 2014

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DAVIE COUNTY, NORTH CAROLINA

COMPLIANCE LETTERS FOR THE YEAR ENDED JUNE 30, 2014

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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

Independent Auditor's Report

To the Board of County Commissioners
Davie County, North Carolina

We have audited, in accordance with the 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 governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Davie County, North Carolina, as of and for the year ended June 30, 2014 and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 8, 2014. The financial statements of the Davie County Watershed Improvement Commission were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Davie County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Davie County's internal control. Accordingly, we do not express an opinion on the effectiveness of Davie County's internal control.

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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Davie County's financial statements are free from 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 is required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P. A.
Hickory, NC
December 8, 2014

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Report On Compliance For Each Major Federal Program; Report on Internal Control Over Compliance; 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 County Commissioners
Davie County, North Carolina

Report on Compliance for Each Major Federal Program

We have audited Davie 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 Davie County's major federal programs for the year ended June 30, 2014. Davie 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 Davie 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; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, 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 Davie 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 Davie County's compliance.

Opinion on Each Major Federal Program

In our opinion, Davie 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

The management of Davie 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 Davie County's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program 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 Davie 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. *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 discretely presented component unit, each major fund, and the aggregate remaining fund information of Davie County, North Carolina, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Davie County's basic financial statements. We issued our report thereon dated December 8, 2014, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Davie 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 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 additional 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 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.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, NC
December 8, 2014

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Report On Compliance For Each Major State Program; Report on Internal Control Over Compliance; Report on 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

Board of County Commissioners
Davie County, North Carolina

Report on Compliance for Each Major State Program

We have audited Davie 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 Davie County's major State programs for the year ended June 30, 2014. Davie 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 Davie 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; 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 Davie 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 Davie County's compliance.

Opinion on Each Major State Program

In our opinion, Davie 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.

Report on Internal Control Over Compliance

The management of Davie 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 Davie County's internal control over compliance with the types of requirements that could have a direct and material effect on a major State program to determine the 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 Davie 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. 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 discretely presented component unit, each major fund, and the aggregate remaining fund information of Davie County, North Carolina, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Davie County's basic financial statements. We issued our report thereon dated December 8, 2014, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Davie 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 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 additional 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.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, NC
December 8, 2014

DAVIE COUNTY, NORTH CAROLINA

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

1. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(s) identified that are not considered to be material weaknesses?	None reported
Non-compliance material to financial statements noted?	No

Federal Awards

Internal control over major federal programs:	
• Material weakness (es) identified?	No
• Significant deficiency(s) identified that are 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>Federal Program</u>	<u>CFDA Number</u>
Medicaid Cluster	93.775, 93.777, 93.778
Dollar threshold used to distinguish between Type A and Type B Programs	<u>\$943,986</u>
Auditee qualified as low-risk auditee?	No

DAVIE COUNTY, NORTH CAROLINA

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

State Awards

Internal control over major State programs:

- Material weakness (es) identified? No
- Significant deficiency(s) identified that are not considered to be material weaknesses? None reported

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? No

Identification of major State programs:

Medicaid Cluster

2. Financial Statements Findings

None reported

3. Federal Award Findings, Responses, and Questioned Costs

None reported

4. State Award Findings, Responses, and Questioned Costs

None reported

DAVIE COUNTY, NORTH CAROLINA
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2014

None

**DAVIE COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF
FEDERAL AND STATE AWARDS
Year Ended June 30, 2014**

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal (Direct and Pass-Through) Expenditures</u>	<u>State Expenditures</u>
FEDERAL AWARDS			
<u>U. S. Department of Agriculture</u>			
Passed through the N. C. Department of Health and Human Services			
<u>Division of Social Services:</u>			
Administration:			
<u>Supplemental Nutrition Assistance Program Cluster:</u>			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	\$ 263,909	\$ -
<u>Division of Public Health:</u>			
Administration:			
Special Supplemental Nutrition Program for Women, Infants and Children	10.557	175,400	-
Direct Benefit Payments:			
Special Supplemental Nutrition Program for Women, Infants and Children	10.557	<u>613,837</u>	<u>-</u>
Total U. S. Department of Agriculture		<u>1,053,146</u>	<u>-</u>
<u>U. S. Department of Housing and Urban Development</u>			
Passed through the N. C. Department of Commerce			
<u>CDBG - State-Administered CDBG Cluster:</u>			
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii (Scattered Site Housing)	14.228	<u>124,598</u>	<u>-</u>
<u>U. S. Department of Justice</u>			
Passed through the N. C. Department of Crime Control and Public Safety			
State Criminal Alien Assistance Program	16.606	<u>12,376</u>	<u>-</u>
<u>U. S. Department of Health and Human Services</u>			
<u>Administration on Aging</u>			
Passed through the N.C. Department of Health and Human Services			
Division of Aging and Piedmont Triad Regional Council			
<u>Aging Cluster:</u>			
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	78,695	11,725
Special Programs for the Aging - Title III, Part C - Nutrition Services	93.045	84,197	45,926
Nutrition Services Incentive Program	93.053	<u>37,400</u>	<u>-</u>
<u>Total Aging Cluster</u>		<u>200,292</u>	<u>57,651</u>
Title III-E - National Family Caregiver Support	93.052	<u>12,002</u>	<u>800</u>
Total Administration on Aging		<u>212,294</u>	<u>58,451</u>

**DAVIE COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF
FEDERAL AND STATE AWARDS
Year Ended June 30, 2014**

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal (Direct and Pass-Through) Expenditures</u>	<u>State Expenditures</u>
<u>Administration for Children and Families</u>			
Passed through the N. C. Department of Health and Human Services			
<u>Division of Social Services:</u>			
Administration:			
Family Preservation	93.556	11,429	-
Child Support Enforcement	93.563	234,481	-
Low-Income Home Energy Assistance Block Grant	93.568	253,796	-
Refugee Assistance	93.566	13,590	-
Permanency Planning - Child Welfare Services	93.645	21,665	-
Social Services Block Grant	93.667	92,343	10,023
Family Violence Prevention Services Act Grant	93.671	19,798	-
Independent Living Grant	93.674	9,117	2,279
State Children's Insurance Program - North Carolina Health Choice	93.767	3,310	1,046
Direct Benefit Payments:			
Aid for Dependent Children Payments & Penalties	93.560	(596)	(164)
Child Support Enforcement IV-D Offset fees	93.563	908	-
Independent Living Grant	93.674	3,652	-
Total Division of Social Services		<u>663,493</u>	<u>13,184</u>
<u>Division of Medical Assistance:</u>			
Direct Benefit Payments:			
State Children's Insurance Program - North Carolina Health Choice	93.767	<u>924,475</u>	<u>291,591</u>
<u>Administration for Children and Families</u>			
Passed through the N.C. Department of Health and Human Services			
<u>Foster Care and Adoption Cluster (Note 3):</u>			
Administration:			
Title IV-E Foster Care - Administration	93.658	138,992	35,548
Title IV-E Adoption Assistance - Administration	93.659	150	-
Direct Benefit Payments:			
Foster Care - Direct Benefit Payments	93.658	119,499	33,128
Adoption Assistance - Direct Benefit Payments	93.659	248,251	65,185
Total Foster Care and Adoption Cluster		<u>506,892</u>	<u>133,861</u>
<u>Administration for Children and Families</u>			
Passed through the N.C. Department of Health and Human Services			
<u>Temporary Assistance for Needy Families Cluster:</u>			
<u>Department of Social Services:</u>			
Administration:			
Work First	93.558	263,501	-
Direct Benefit Payments:			
Temporary Assistance for Needy Families	93.558	178,444	-
Total Temporary Assistance for Needy Families Cluster		<u>441,945</u>	<u>-</u>

**DAVIE COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF
FEDERAL AND STATE AWARDS
Year Ended June 30, 2014**

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal (Direct and Pass-Through) Expenditures</u>	<u>State Expenditures</u>
<u>Administration for Children and Families</u>			
Passed through the N.C. Department of Health and Human Services			
<u>Subsidized Child Care Cluster (Note 3):</u>			
<u>Child Care and Development Fund Cluster:</u>			
<u>Division of Social Services:</u>			
Child Care and Development Fund - Administration	93.596	79,342	-
<u>Division of Child Development:</u>			
Child Care and Development Fund - Discretionary	93.575	180,445	-
Child Care and Development Fund - Mandatory	93.596	129,235	-
Child Care and Development Fund - Match	93.596	213,827	100,737
<u>Total Child Care Development Fund Cluster</u>		<u>602,849</u>	<u>100,737</u>
Temporary Assistance for Needy Families	93.558	102,236	-
Title IV-E Foster Care	93.658	5,344	2,798
Smart Start		-	1,072
Smart Start State Appropriations		-	138,204
TANF - MOE		-	65,191
<u>Total Subsidized Child Care Cluster</u>		<u>710,429</u>	<u>308,002</u>
<u>Centers for Medicare and Medicaid Services</u>			
Passed through the N. C. Department of Health and Human Services			
<u>Medicaid Cluster:</u>			
<u>Division of Social Services:</u>			
<u>Administration:</u>			
Medical Assistance Program	93.778	245,242	10,921
<u>Division of Medical Assistance:</u>			
<u>Direct Benefit Payments:</u>			
Medical Assistance Program	93.778	26,426,008	14,331,974
<u>Total Medicaid Cluster</u>		<u>26,671,250</u>	<u>14,342,895</u>
<u>Centers For Disease Control And Prevention</u>			
Passed through the N. C. Department of Health and Human Services			
<u>Division of Public Health:</u>			
Public Health Emergency Preparedness	93.069	30,211	-
Immunization Grants	93.268	10,258	-
Centers For Disease Control And Prevention - Investigations And Technical Assistance	93.283	3,825	-
PPHF 2012: Breast and Cervical Cancer Screening Opportunities for States, Tribes and Territories solely financed by 2012 Prevention and Public Health Funds	93.744	197	-
Cooperative Agreements for State-Based Comprehensive Breast and Cervical Cancer Early Detection Programs	93.919	5,528	1,785
Statewide Health Promotion Program	93.991	20,699	-
		<u>70,718</u>	<u>1,785</u>

**DAVIE COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF
FEDERAL AND STATE AWARDS
Year Ended June 30, 2014**

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal (Direct and Pass-Through) Expenditures</u>	<u>State Expenditures</u>
<u>Administration for Children and Families</u>			
Passed through the N. C. Department of Health and Human Services			
<u>Division of Social Services:</u>			
Social Service Block Grant	93.667	-	500
Temporary Assistance for Needy Families	93.558	1,788	-
<u>Health Resources and Service Administration</u>			
Passed through the N.C. Department of Health and Human Services			
<u>Division of Public Health:</u>			
Maternal and Child Health Services Block Grant	93.994	50,537	39,020
<u>Office of Population Affairs</u>			
Passed through the N. C. Department of Health and Human Services			
<u>Office of Population Affairs</u>			
Family Planning Services	93.217	22,270	-
Total U.S. Department of Health and Human Services		<u>30,276,091</u>	<u>15,189,289</u>
Total federal assistance		<u>31,466,210</u>	<u>15,189,289</u>
STATE AWARDS			
<u>N. C. Department of Health and Human Services</u>			
<u>Division of Social Services:</u>			
Administration:			
Aid to Families with Dependent Children (AFDC)		-	281
Direct Benefit Payments:			
State Foster Home		-	35,084
F/C At Risk Maximization		-	3,359
SFHF Maximization		-	53,391
CWS Adoption Subsidy		-	182,732
State/County Special Assistance for Adults		-	277,454
Total Division of Social Services		<u>-</u>	<u>552,301</u>
<u>Division of Public Health:</u>			
Food and Lodging Fees		-	5,233
Environmental Health		-	4,000
General Aid to Counties		-	80,920
General Communicable Disease Control		-	927
Risk Reduction/Health Promotion		-	6,285
Maternal Health (HMHC)		-	3,020
Women's Health Service Fund		-	4,790
Tuberculosis		-	1,542
TB Medical Service		-	540
School Nurse Funding Initiative		-	50,000
Total Division of Public Health		<u>-</u>	<u>157,257</u>

**DAVIE COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF
FEDERAL AND STATE AWARDS
Year Ended June 30, 2014**

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal (Direct and Pass-Through) Expenditures</u>	<u>State Expenditures</u>
<u>Division of Aging and Adult Services:</u>			
Passed-through the Piedmont Triad Regional Council			
In-Home Services - State Funds		-	72,354
In-Home Services - Caregiver Match		-	4,560
Senior Center General Purpose		-	11,680
Total Division of Aging and Adult Services		-	88,594
Total N.C. Department of Health and Human Services		-	798,152
<u>N. C. Department of Cultural Resources</u>			
State Library EZ Grant		-	20,000
State Aid to Libraries		-	86,865
Total N.C. Department of Cultural Resources		-	106,865
<u>N. C. Department of Public Safety</u>			
Victims of Crime Grant		-	49,007
<u>Division of Emergency Management:</u>			
Emergency Management Grant		-	32,489
<u>Division of Juvenile Justice and Delinquency Prevention:</u>			
Juvenile Crime Prevention Programs		-	101,820
Total N.C. Department of Public Safety		-	183,316
<u>N. C. Department of Administration</u>			
<u>N. C. Council for Women:</u>			
Domestic Violence Program		-	45,520
Marriage License Grant		-	29,683
Sexual Assault and SANE Project		-	24,530
<u>Division of Veterans Affairs:</u>			
County Veterans Service Program		-	1,452
Total N. C. Department of Administration		-	101,185
<u>N. C. Department of Transportation</u>			
Rural Operating Assistance Program (ROAP) Cluster			
ROAP Elderly and Disabled Transportation Assistance Program		-	61,183
ROAP Rural General Public Program		-	76,201
ROAP Work First Transitional - Employment		-	12,543
Total N.C. Department of Transportation		-	149,927

**DAVIE COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF
FEDERAL AND STATE AWARDS
Year Ended June 30, 2014**

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal (Direct and Pass-Through) Expenditures</u>	<u>State Expenditures</u>
<u>N. C. Department of Environment and Natural Resources</u>			
<u>Division of Environmental Health</u>			
Scrap Tire Program		-	50,036
Solid Waste Disposal Tax		-	24,355
White Goods Management Program		-	12,777
State Superfund Cleanup Trust		-	53,886
		<u>-</u>	<u>53,886</u>
Total N.C. Department of Environment and Natural Resources		<u>-</u>	<u>141,054</u>
<u>N. C. Department of Public Instruction</u>			
Public School Building Capital Fund		-	217,378
		<u>-</u>	<u>217,378</u>
<u>N. C. Rural Economic Development Center, Inc.</u>			
Rural Center Grant - Hospital Sewer Project		-	125,138
		<u>-</u>	<u>125,138</u>
<u>N. C. Housing Finance Agency</u>			
NC Housing Trust Fund/Urgent Repair Program		-	41,628
		<u>-</u>	<u>41,628</u>
<u>N. C. Department of Commerce</u>			
<u>Fiscal Management Division Commerce Finance Center:</u>			
One NC Fund (Ashley Furniture)		-	264,780
		<u>-</u>	<u>264,780</u>
Total State assistance		<u>-</u>	<u>2,129,423</u>
Total Federal and State assistance		<u>\$ 31,466,210</u>	<u>\$ 17,318,712</u>

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 Davie 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 basis financial statements. Benefit payments are paid directly to recipients and are not included in the County's basic financial statements. However, due to the County's involvement in determining eligibility, they are considered federal awards to the County and are included on this schedule.

2. Subrecipients

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

<u>Program Title</u>	<u>CFDA Number</u>	<u>Federal Expenditures</u>	<u>State Expenditures</u>
Child Care and Development Block Grant	93.575	\$ 180,445	\$ -
Public School Building Capital Fund	N/A	-	217,378
Aging Cluster funds	93.044, 93.045, 93.053	200,292	51,060

3. Clustered Programs

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 and Foster Care and Adoption Assistance.

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