

**DAVIE COUNTY  
NORTH CAROLINA**

**COMPLIANCE LETTERS**

**FOR THE YEAR ENDED JUNE 30, 2023**

# DAVIE COUNTY, NORTH CAROLINA

## COMPLIANCE LETTERS FOR THE YEAR ENDED JUNE 30, 2023

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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  
Mocksville, 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 (*Government Auditing Standards*), 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, 2023, not presented here, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated November 29, 2023. Our report includes a reference to other auditors who audited the financial statements of the Davie County Watershed Improvement Commission, as described in our report on Davie County's financial statements. The financial statements of the Davie County Watershed Improvement Commission were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable non-compliance associated with the Davie County Watershed Improvement Commission.

### **Report on 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) as a basis for designing 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings, Responses, and Questioned Costs as item 2023-001 that we consider to be a material weakness.

### **Report on 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 financial statements. 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*.

### **Davie County's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on Davie County's response to the finding identified in our audit as described in the accompanying Schedule of Findings, Responses and Questioned Costs. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **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 results 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, North Carolina  
November 29, 2023

# MARTIN ♦ STARNES

## & ASSOCIATES, CPAs, P.A.

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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 the Uniform Guidance and the State Single Audit Implementation Act**

#### **Independent Auditor's Report**

To the Board of County Commissioners  
Davie County  
Mocksville, North Carolina

#### **Report on Compliance for Each Major Federal Program**

##### ***Opinion on Each Major Federal Program***

We have audited Davie County, North Carolina's compliance with the types of compliance requirements identified as subject to audit in the OMB *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, 2023. 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.

In our opinion, Davie County complied, in all material respects, with the 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, 2023.

##### ***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the State Single Audit Implementation Act. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Davie County and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Davie County's compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Davie County's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material non-compliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Davie County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act will always detect material non-compliance when it exists. The risk of not detecting material non-compliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Non-compliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about Davie County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material non-compliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Davie County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of Davie County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and the State Single Audit Implementation Act, but not for the purpose of expressing an opinion on the effectiveness of Davie County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of Federal Awards and State Awards Required by the Uniform Guidance 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 as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Davie County's basic financial statements. We issued our report thereon, dated November 29, 2023, 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 the basic financial statements. The accompanying Schedule of Expenditures of Federal and State Awards is presented for purposes of additional analysis as required by the Uniform Guidance, 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic 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 as a whole.

*Martin Starnes & Associates, CPAs, P.A.*

Martin Starnes & Associates, CPAs, P.A.  
Hickory, North Carolina  
November 29, 2023

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

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## **Report on Compliance for Each Major State Program; Report on Internal Control Over Compliance; Report on the Schedule of Expenditures of Federal and State Awards Required by the Uniform Guidance and the State Single Audit Implementation Act**

### **Independent Auditor's Report**

Board of County Commissioners  
Davie County  
Mocksville, North Carolina

#### **Report on Compliance for Each Major State Program**

##### ***Opinion on Each Major State Program***

We have audited Davie County, North Carolina’s compliance with the types of compliance requirements identified as subject to audit in the OMB *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 state programs for the year ended June 30, 2023. 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.

In our opinion, Davie County complied, in all material respects, with the 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, 2023.

##### ***Basis for Opinion on Each Major State Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the State Single Audit Implementation Act. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Davie County and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state program. Our audit does not provide a legal determination of Davie County compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Davie County's state programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material non-compliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Davie County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act will always detect material non-compliance when it exists. The risk of not detecting material non-compliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Non-compliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about Davie County's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material non-compliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Davie County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of Davie County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and the State Single Audit Implementation Act, but not for the purpose of expressing an opinion on the effectiveness of Davie County's internal control over compliance. Accordingly, no such opinion is expressed.

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Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

#### **Report on Schedule of Expenditures of Federal and State Awards Required by the Uniform Guidance and the State Single Audit Implementation Act**

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*Martin Starnes & Associates, CPAs, P.A.*

Martin Starnes & Associates, CPAs, P.A.  
Hickory, North Carolina  
November 29, 2023

**DAVIE COUNTY, NORTH CAROLINA**

**SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2023**

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**Section I – Summary of Auditor’s Results**

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**Financial Statements**

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	Yes
• Significant deficiency(s) identified?	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?	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 2 CFR 200.516(a)?	No

Identification of major federal programs:

<b><u>Federal Program</u></b>	<b><u>AL Number</u></b>
Medicaid Cluster	93.778
Coronavirus State and Local Fiscal Recovery Funds	21.027
Dollar threshold used to distinguish between Type A and Type B Programs	<u>\$750,000</u>
Auditee qualified as low-risk auditee?	Yes

**DAVIE COUNTY, NORTH CAROLINA**

**SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2023**

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**Section I – Summary of Auditor’s Results (continued)**

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**State Awards**

Internal control over major state programs:

- Material weakness (es) identified? No
- Significant deficiency(s) identified? 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:

**Program Name**

Medicaid Cluster  
State Capital Infrastructure Fund (SCIF)  
State Special Appropriations

Auditee qualified as low-risk auditee? Yes

**DAVIE COUNTY, NORTH CAROLINA**

**SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2023**

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**Section II – Financial Statement Findings**

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**Material Weakness**

**Finding 2023-001**

**Criteria:** Management should have a system in place to reduce the likelihood of errors in financial reporting.

**Condition:** A significant audit adjustment is a proposed correction of the basic financial statements that, in our judgement, may not have been detected except through our auditing procedures. The existence of such material adjustments indicates that the County’s system of controls did not detect and prevent such errors. We have provided management with a report of these adjustments.

**Effect:** Errors could occur in financial reporting. Financial reports used for budget monitoring throughout the year may not properly reflect account balances.

**Cause:** The construction in progress schedule was not fully reconciled by project between costs in the project fund and the assets placed in service.

**Recommendation:** Management should examine the adjustments required as a result of our audit and implement additional procedures to prevent recurrence of this weakness.

**Name of Contact Person:** Robin M. West, Assistant County Manager/CFO

**Views of Responsible Officials and Planned Corrective Action:** Management concurs with this finding and will adhere to the Corrective Action Plan in this audit report.

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**Section III – Federal Award Findings and Questioned Costs**

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None reported.

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**Section IV – State Award Findings and Questioned Costs**

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None reported.



## Finance Department

123 S. Main Street | Mocksville, NC 27028 | 336.753.6020

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### Corrective Action Plan For the Year Ended June 30, 2023

#### Finding 2023-001

**Name of Contact Person:** Robin M. West, Assistant County Manager/Chief Financial Officer

**Corrective Action/Management Response:** County Management concurs with recommendation. Management and the Board will ensure that capital asset schedules are reviewed for material misstatements prior to their issuance.

**Proposed Completion Date:** Immediately and ongoing.

**DAVIE COUNTY, NORTH CAROLINA**  
**SCHEDULE OF PRIOR YEAR AUDIT FINDINGS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

None reported.

**DAVIE COUNTY, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**YEAR ENDED JUNE 30, 2023**

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal AL Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Federal (Direct and Pass-Through) Expenditures</u>	<u>State Expenditures</u>	<u>Pass-Through to Subrecipients</u>
<b><u>FEDERAL AWARDS</u></b>					
<b><u>U. S. Department of Agriculture</u></b>					
Passed through the N. C. Department of Health and Human Services					
<u>Division of Social Services:</u>					
Supplemental Nutrition Assistance Program Cluster:					
Administration:					
State Administrative Matching Grants for Supplemental Nutrition Assistance Program	10.561	205NC406S2514	\$ 410,465	\$ -	\$ -
Total Supplemental Nutrition Assistance Program Cluster			410,465	-	-
<u>Division of Public Health:</u>					
Administration:					
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	13A25403GC/GD; 13A25404GC/GD; 13A25405GC/GD; 13A25409GC/GD; 13A2570EJQ; 13A2570FJQ; 13A2570GJQ	173,644	-	-
<b>Total U. S. Department of Agriculture</b>			<b>584,109</b>	<b>-</b>	<b>-</b>
<b><u>U. S. Department of Commerce</u></b>					
<u>Economic Development Administration (EDA)</u>					
Economic Development Cluster:					
Direct Program:					
Investments for Public Works and Economic Development Facilities	11.300	N/A	19,808	-	-
Total Economic Development Cluster			19,808	-	-
<b>Total U.S. Department of Commerce</b>			<b>19,808</b>	<b>-</b>	<b>-</b>
<b><u>U. S. Department of Justice</u></b>					
Direct Program:					
Bulletproof Vest Partnership Program	16.607	N/A	15,478	-	-
Passed through the N. C. Department of Public Safety					
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2022-DJ-BX	20,542	-	-
Passed through the N. C. Sheriffs' Association					
Missing Children's Assistance	16.543	xxxxxx	1,500	-	-
<b>Total U.S. Department of Justice</b>			<b>37,520</b>	<b>-</b>	<b>-</b>
<b><u>U.S. Department of Treasury</u></b>					
Direct Program:					
Equitable Sharing Program	21.016	N/A	38,323	-	-
Passed through the Office of State Budget and Management:					
Coronavirus State and Local Fiscal Recovery Funds (SLFRF)	21.027		2,786,886	-	-
Passed through the N.C. Department of Environmental Quality:					
Coronavirus State and Local Fiscal Recovery Funds (SLFRF)	21.027		4,052,204	-	-
<b>Total U.S. Department of Treasury</b>			<b>6,877,413</b>	<b>-</b>	<b>-</b>
<b><u>U. S. Department of Health and Human Services</u></b>					
<u>Administration on Aging</u>					
Passed through the N.C. Department of Health and Human Services					
<u>Division of Aging and Piedmont Triad Regional Council</u>					
Aging Cluster:					
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers, CARES Act for Supportive Services under Title III-B of the Older Americans Act, and American Rescue Plan for Supportive Services Under Title III-B of the Older Americans Act	93.044	PTRC - HCCBG	52,183	4,968	-
Nutrition Services and CARES Act for Nutrition Services Under Title III-C of the Older Americans Act, and American Rescue Plan for Nutrition Services Under Title III-C of the Older Americans Act	93.045	PTRC - HCCBG	175,115	12,564	-
Nutrition Services Incentive Program	93.053	PTRC - HCCBG	39,203	-	-
Total Aging Cluster			266,501	17,532	-
National Family Caregiver Support, Title III Part E	93.052	PTRC - HCCBG	19,755	1,317	-

**DAVIE COUNTY, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**YEAR ENDED JUNE 30, 2023**

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal AL Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Federal (Direct and Pass-Through) Expenditures</u>	<u>State Expenditures</u>	<u>Pass-Through to Subrecipients</u>
Passed through the N. C. Department of Health and Human Services					
<u>Division of Social Services:</u>					
Child Support Enforcement	93.563	2001NCCES	372,625	-	-
Low-Income Home Energy Assistance					
Energy Assistance Payments	93.568	G20B1NCLIEA	101,031	-	-
COVID-19 - Energy Assistance Payments - ARPA	93.568	G20B1NCLIEA	119,254	-	-
Total Low-Income Home Energy Assistance			220,285	-	-
Refugee and Entrant Assistance Cluster (Note 3)					
Refugee and Entrant Assistance State/Replacement Designee Administered Programs	93.566	1901NCRMA	943	-	-
Total Refugee and Entrant Assistance Cluster			943	-	-
Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	93.671	56-6000295	50,416	-	-
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	2001NCC1LP	305	76	-
Direct Benefit Payments:					
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	1701NC1420	2,459	-	-
Total John H. Chafee Foster Care Program for Successful Transition to Adulthood			2,764	76	-
Social Services Block Grant - Other Service and Training	93.667	G2001NCSOSR	115,936	-	-
<u>Division of Aging and Piedmont Triad Regional Council</u>					
Social Services Block Grant	93.667	PTRC - HCCBG	11,670	333	-
<u>Division of Aging and Adult Services:</u>					
<u>Division of Social Services:</u>					
Social Services Block Grant - Adult Protective Services	93.667	G2001NCSOSR	15,616	-	-
Social Services Block Grant - State In Home Service Fund	93.667	G2001NCSOSR	8,049	-	-
Total Social Services Block Grant			151,271	333	-
<u>Division of Social Services:</u>					
Special Children Adoption Fund Cluster (Note 3):					
Stephanie Tubbs Jones Child Welfare Services Program	93.645	G2001NCCWSS	11,294	-	-
MaryLee Allen Promoting Safe and Stable Families Program	93.556	G2001NCFPCV	3,125	-	-
Total Special Children Adoption Fund Cluster (Note 3):			14,419	-	-
<u>Division of Social Services:</u>					
Foster Care, Adoption and Guardianship Assistance Program Cluster (Note 3):					
Foster Care Title IV-E	93.658	2001NCFOST	241,808	18,028	-
Adoption Assistance	93.659	2001NCADPT	18,649	-	-
Direct Benefit Payments:					
Foster Care Title IV-E	93.658	20001NCFOST	124,027	26,729	-
Total Foster Care, Adoption and Guardianship Assistance Program Cluster (Note 3)			384,484	44,757	-
<u>Division of Social Services:</u>					
Temporary Assistance for Needy Families - Work First	93.558	2001NCTANF	237,139	-	-
<u>Division of Public Health:</u>					
Temporary Assistance for Needy Families - Work First	93.558	13A15151T2	2,894	-	-
Total Temporary Assistance for Needy Families			240,033	-	-
<u>Division of Social Services:</u>					
Subsidized Child Care Program Cluster/ Child Care Development Fund Cluster (Note 3):					
Child Care Mandatory and Matching Funds of the Childcare and Development Fund - Administration	93.596	G2001NCCCDF	50,370	-	-
Total Subsidized Child Care Program Cluster/ Child Care Development Fund Cluster (Note 3)			50,370	-	-
<u>Division of Health Benefits:</u>					
<u>Division of Social Services:</u>					
Administration:					
Medicaid Cluster:					
Medical Assistance Program	93.778	XIX-MAP21	1,005,896	185,861	-
Total Medicaid Cluster			1,005,896	185,861	-
<u>Division of Social Services:</u>					
Administration:					
Children's Health Insurance Program - N.C. Health Choice	93.767	CHIP21	38,462	2,910	-

**DAVIE COUNTY, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**YEAR ENDED JUNE 30, 2023**

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal AL Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Federal (Direct and Pass-Through) Expenditures</u>	<u>State Expenditures</u>	<u>Pass-Through to Subrecipients</u>
Passed through the N. C. Department of Health and Human Services					
<u>Division of Public Health:</u>					
Public Health Emergency Preparedness	93.069	12642680ER; 12642680EU	30,211	-	-
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	14602720NF; 1460UK77NF	2,050	-	-
Injury Prevention and Control Research and State & Community Based Programs	93.136	11758380DH 13316315LD; 1331631DEJ;	99,144	-	-
Immunization Cooperative Agreements	93.268	1331639BP7	73,063	-	-
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	1175883AP5; 1332892AL5	114,912	-	-
Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	93.391	11617955LZ	15,270	-	-
Preventive Health and Health Services Block Grant	93.991	12615503PH; 13114536PH	40,523	-	-
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898	1320310CD7; 1320310ED7	18,225	-	-
Sexually Transmitted Diseases (STD) Prevention and Control Grants	93.977	13114631NB 12715318AR; 12715351AR; 12715745AR; 13A15735AP;	100	-	-
Maternal and Child Health Services Block Grant to the States	93.994	13A15740AP	22,602	10,602	-
Family Planning Services	93.217	13A15900FP	35,661	-	-
<b>Total U.S. Department of Health and Human Services</b>			<u>3,269,985</u>	<u>263,388</u>	<u>-</u>
<b>U.S. Department of Homeland Security</b>					
Passed-through N.C. Department of Public Safety					
<u>Division of Emergency Management</u>					
Emergency Management Performance Grants	97.042	EMPG-20200029 #2	40,032	-	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA 181836/State 139	457,525	-	-
<b>Total U.S. Department of Homeland Security</b>			<u>497,557</u>	<u>-</u>	<u>-</u>
<b>Total Federal Assistance</b>			<u>11,286,392</u>	<u>263,388</u>	<u>-</u>
<b>STATE AWARDS</b>					
<b>N. C. Department of Health and Human Services</b>					
<u>Division of Social Services:</u>					
State Child Welfare/CPS			-	88,282	-
State Foster Home			-	34,180	-
F/C At Risk Maximization			-	7,358	-
SFHF Maximization			-	63,109	-
Total Division of Social Services			<u>-</u>	<u>192,929</u>	<u>-</u>
<u>Central Management and Support - Office of Rural Health:</u>					
Community Health Grant			-	35,335	-
Total Office of Rural Health			<u>-</u>	<u>35,335</u>	<u>-</u>
<u>Division of Public Health:</u>					
Other Receipts/State Supported Expenditures:					
Food and Lodging Fees			-	13,927	-
General Aid to Counties			-	80,948	-
Public Health Nursing			-	400	-
Healthy Communities Activities			-	3,747	-
General Communicable Disease Control			-	927	-
Breast and Cervical Cancer Program			-	8,100	-
Child Health			-	1,167	-
HMHC-Family Planning			-	25,519	-
Maternal Health (HMHC)			-	32,329	-
HIV/STD SSBG Aid			-	500	-
Sexually Transmitted Diseases			-	166	-
TB Control			-	2,082	-
School Nurse Funding Initiative			-	50,000	-
ARPA - Communicable Disease Pandemic Recovery			-	200,301	-
Total Division of Public Health			<u>-</u>	<u>420,113</u>	<u>-</u>

**DAVIE COUNTY, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**YEAR ENDED JUNE 30, 2023**

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal AL Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Federal (Direct and Pass-Through) Expenditures</u>	<u>State Expenditures</u>	<u>Pass-Through to Subrecipients</u>
<u>Division of Aging and Adult Services:</u>					
Passed-through from Piedmont Triad Regional Council					
Senior Center General Purpose		NC007(23)	-	10,901	-
State Funds		NC007(23)	-	662	-
Fan Heat Relief		NC007(23)	-	256	-
State Funds-ACCESS		NC007(23)	-	2,111	-
State Funds-HOME DELIVERED MEALS		NC007(23)	-	32,686	-
State Funds-IN HOME SUPPORT SERVICES		NC007(23)	-	82,203	-
State Funds-CONGREGATE MEALS		NC007(23)	-	5,959	-
Total Division of Aging and Adult Services			-	134,778	-
<u>Division of SHIP:</u>					
Passed-through N.C. Department of Insurance:					
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations:					
Seniors' Health Insurance Information Program (SHIIP)		2001NCMISH-00	-	10,981	-
<b>Total N.C. Department of Health and Human Services</b>			-	794,136	-
<u>N. C. Department of Cultural and Natural Resources</u>					
State Aid to Libraries			-	97,303	-
<b>Total N.C. Department of Cultural and Natural Resources</b>			-	97,303	-
<u>N. C. Department of Public Safety</u>					
Victims of Crime Grant		VOCA PROJ014099	-	73,170	-
<u>Division of Emergency Management:</u>					
Emergency Management Grant-2023 Tier II Grant		MOA# 2371005	-	5,854	-
<u>Division of Juvenile Justice:</u>					
Juvenile Crime Prevention Council Program		430-22508; 430-11420; 430-11878	-	120,644	-
<b>Total N.C. Department of Public Safety</b>			-	199,668	-
<u>N. C. Department of Administration</u>					
<u>N. C. Council for Women:</u>					
Domestic Violence Program			-	51,856	-
Marriage License Grant			-	19,174	-
Sexual Assault Program			-	28,110	-
Divorce Filing Fee			-	18,479	-
State Capital Infrastructure Fund (SCIF) Courthouse		OSBM Contract #20202	-	650,144	-
State Capital Infrastructure Fund (SCIF)		OSBM Contract #20201	-	318,480	-
Total State Capital Infrastructure Fund (SCIF)			-	968,624	-
State Special Appropriation - Sheriff's Equipment		OSBM Contract #20204	-	80,000	-
State Special Appropriation - Courthouse		OSBM Contract #20205	-	700,000	-
Total State Special Appropriation			-	780,000	-
<u>Division of Veterans Affairs:</u>					
County Veterans Service Program			-	2,083	-
<b>Total N. C. Department of Administration</b>			-	1,868,326	-
<u>N. C. Department of Agriculture</u>					
Spay / Neuter Services Reimbursement			-	8,808	8,808
<b>Total N. C. Department of Agriculture</b>			-	8,808	8,808
<u>N. C. Department of Transportation</u>					
<u>Rural Operating Assistance Program (ROAP):</u>	DOT-16CL				
ROAP Elderly and Disabled Transportation Assistance Program		36220.10.9.1	-	75,585	-
ROAP Rural General Public Program		36228.22.10.1	-	79,441	-
ROAP Work First Transitional - Employment		36236.11.9.1	-	13,268	-
Total Rural Operating Assistance Program (ROAP):			-	168,294	-
<b>Total N.C. Department of Transportation</b>			-	168,294	-

**DAVIE COUNTY, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**YEAR ENDED JUNE 30, 2023**

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal AL Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Federal (Direct and Pass-Through) Expenditures</u>	<u>State Expenditures</u>	<u>Pass-Through to Subrecipients</u>
<b><u>N. C. Office of the State Controller</u></b>					
Register of Deeds grant		2020RD1-01	-	4,166	-
<b>Total N.C. Office of the State Controller</b>			-	4,166	-
<b><u>N. C. Department of Environmental Quality</u></b>					
<b><u>Division of Environmental Health</u></b>					
Electronic Management			-	22,728	-
Video Programming / PEG Channel			-	7,101	-
Water Infrastructure Mapping Grant			-	43,279	-
<b>Total N.C. Department of Environmental Quality</b>			-	73,108	-
<b><u>N. C. Department of Commerce</u></b>					
Motorsports Relief Fund		MGF-007 & MGF-020	-	205,294	-
<b>Total N.C. Department of Commerce</b>			-	205,294	-
<b><u>Other Financial Assistance</u></b>					
<b><u>NC Dept. of Justice</u></b>					
Opioid Settlement Fund (Note 5)			-	80,729	-
<b>Total State assistance</b>			-	3,499,832	-
<b>Total Federal and State assistance</b>			<u>\$ 11,286,392</u>	<u>\$ 3,763,220</u>	<u>\$ -</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 (SEFSA) includes the federal and state grant activity of Davie County under the programs of the federal government and the state of North Carolina for the year ended June 30, 2023. The information in this SEFSA is presented in accordance with the requirements of *Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the State Single Audit Implementation Act. Because the SEFSA presents only a selected portion of the operations of Davie County, it is not intended to, and does not present, the financial position, changes in net position or cash flows of Davie County.

**2. Summary of Significant Accounting Policies**

Expenditures reported in the SEFSA are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**3. Cluster of Programs**

The following are clustered by the North Carolina Department of Health and Human Services and are treated separately for state audit requirement purposes: Subsidized Child Care, Supplemental Nutrition Assistance, Special Children Adoption Fund, Refugee and Entrance Assistance, and Foster Care, Adoption and Guardianship Assistance Program.

**4. Indirect Cost Rate**

Davie County has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**4. Loans Outstanding**

Davie County had the following loan balances outstanding a June 30, 2023 for a loan that the grantor/pass-through grantor has still imposed continuing compliance requirements. Loans outstanding at the beginning of the year and loans made during the year are included in the SEFSA. The balance of loans outstanding at June 30, 2023 consist of:

<u>Program Title</u>	<u>AL #</u>	<u>Pass-through Grantor's number</u>	<u>Amount Outstanding</u>
Clean Water State Revolving Loan	66.458	CS370795-01	<u>\$ 13,795,374</u>

**Note 5: Opioid Settlement Fund**

The North Carolina Department of Justice does not consider Opioid Settlement Funds either Federal or State Financial assistance since they are from a settlement with private major drug companies. Since these funds are subject to the State Single Audit Implementation Act, they are reported as "Other Financial Assistance" on the SEFSA, and considered State Awards for State single audit requirements.