

**DAVIE COUNTY
NORTH CAROLINA**

COMPLIANCE LETTERS

FOR THE YEAR ENDED JUNE 30, 2017

DAVIE COUNTY, NORTH CAROLINA

COMPLIANCE LETTERS FOR THE YEAR ENDED JUNE 30, 2017

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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, 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, 2017, 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 27, 2017. 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*.

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 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 are 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
November 27, 2017

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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

We have audited Davie County, North Carolina's compliance with the types of compliance requirements described 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, 2017. 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; 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. Those standards, the Uniform Guidance, 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, 2017.

Report on Internal Control Over Compliance

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 the Uniform Guidance, 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 significant deficiencies or material weaknesses and; therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified a certain deficiency in internal control over compliance, as described in the accompanying Schedule of Findings, Responses, and Questioned Costs as Finding 2017-001 that we consider to be a material weakness.

Davie 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. Davie 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 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

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, 2017, and the related notes to the financial statements, which collectively comprise Davie County's basic financial statements. We issued our report thereon dated November 27, 2017, 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 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 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 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, NC
November 27, 2017

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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 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

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, 2017. 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 Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as described in the *Audit Manual for Governmental Auditors in North Carolina*, and the State Single Audit Implementation Act. Those standards, the Uniform Guidance, 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, 2017.

Report on Internal Control Over Compliance

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 the Uniform Guidance, 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 significant deficiencies or material weaknesses and; therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control over compliance, as described in the accompanying Schedule of Findings, Responses, and Questioned Costs as Finding 2017-001 that we consider to be a material weakness.

Davie 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. Davie 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 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 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, North Carolina, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise Davie County's basic financial statements. We issued our report thereon dated November 27, 2017, 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 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 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 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, NC
November 27, 2017

DAVIE COUNTY, NORTH CAROLINA

**SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2017**

1. Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance to GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? No
- 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? Yes
- 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)? Yes

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 \$1,001,950

Auditee qualified as low-risk auditee? No

DAVIE COUNTY, NORTH CAROLINA

**SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2017**

1. Summary of Auditor's Results (continued)

State Awards

Internal control over major State programs:

- Material weakness (es) identified? Yes
- 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? Yes

Identification of major State programs:

Medicaid Cluster

DAVIE COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2017

Section II – Financial Statement Findings

None Reported.

DAVIE COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2017

Section III – Federal Award Findings and Questioned Costs

US Department of Health and Human Services

Passed-through the NC Dept. of Health and Human Services

Program Name: Medical Assistance Program (Medicaid; Title XIX)

CFDA # 93.778

Grant Number: XIX-MAP17

Finding: 2017-001

Material Weakness

Criteria: In accordance with federal regulation, 42 CFR 435, documentation must be obtained as needed to determine if an applicant meets specific eligibility standards, and documentation must be maintained to support those determinations. Management should have an adequate system of internal control procedures in place to ensure an applicant is properly determined or redetermined for benefits with documentation of the determination in the casefiles.

Condition: The County Department of Social Services failed to provide evidence of proper documentation for 19 reviews performed. Certain documentation was not in the casefiles; however, we were able to determine that the participants were still eligible for benefits for the periods tested based on other documentation.

Context: Of the 1,831 casefiles, we examined 108 and determined that 19 (18%) applicants lacked documentation to support the determinations for approval of benefits. Upon further review, all applicants were ultimately determined eligible.

Cause: Caseworker did not maintain required documentation of completed reviews.

Effect: Casefiles were missing the required documentation for completed reviews.

Questioned Costs: None. The finding represents an internal control weakness; therefore, no questioned costs are applicable.

Recommendation: Caseworkers should obtain all required documentation for reviews for each applicant and maintain them in the casefiles.

Views of Responsible Officials and Planned Corrective Actions: Management concurs with this finding. Please refer to the Corrective Action Plan on page 14 of this report.

DAVIE COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2017

Section IV – State Award Findings and Questioned Costs

N.C. Department of Health and Human Services

Program Name: Medical Assistance Program (Medicaid; Title XIX)

Finding: 2017-001

In accordance with federal regulation, 42 CFR 435, documentation must be obtained as needed to determine if an applicant meets specific eligibility standards, and documentation must be maintained to support those determinations. Management should have an adequate system of internal control procedures in place to ensure an applicant is properly determined or redetermined for benefits with documentation of the determination in the casefiles. Caseworkers should obtain all required documentation for reviews for each applicant and maintain them in the casefiles. See more details at Finding 2017-001 in Section III – Federal Award Findings, Responses, and Questioned Costs.

Davie County Government
County Manager 336.753.6003

**CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2017**

Section III – Federal Award Findings, Responses, and Questioned Costs

Finding: 2017-001

Name of Contact Person: Tracie Murphy, DSS Director

Corrective Action/Management’s Response: Management concurs with the condition, context and recommendations. Management and the Board will ensure that internal control procedures are implemented to correct in future years. With regard to the supporting evidence, management will ensure that caseworkers obtain all required documentation for properly calculating budgets, initial eligibility determination, timely reviews, and timely ex parte reviews for each applicant and maintain them in the casefile. Staff will create an eligibility checklist to ensure all items are present in the casefile before approving benefits and participate in a training concerning the use of OVS/OLV and the importance of having one of them recorded in the record.

Proposed Completion Date: Management and the Board will implement the above procedure immediately.

Section IV – State Award Findings, Responses, and Questioned Costs

Finding: 2017-001

See Finding 2017-001 in Section III – Federal Award Findings, Responses, and Questioned Costs of the Corrective Action Plan.



County Commissioners

Terry Renegar | Richard Poindexter | Dan Barrett | John Ferguson | Mark Jones

123 S. Main Street | Mocksville, NC 27028 | www.DavieCountyNC.gov  

DAVIE COUNTY, NORTH CAROLINA
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2017

2016-001 resolved in 2017.

2016-002 resolved in 2017.

DAVIE COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2017

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Federal (Direct and Pass-Through) Expenditures	State Expenditures	Pass-Through to Subrecipients
FEDERAL AWARDS					
U. S. Department of Agriculture					
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	175NC406S2514	\$ 230,185	\$ -	\$ -
Total Supplemental Nutrition Assistance Program Cluster			<u>230,185</u>	<u>-</u>	<u>-</u>
<u>Division of Public Health:</u>					
Administration:					
		13A25403GF/GG; 13A25404GF/GG; 13A25405GF/GG; 13A25409GF/GG; 13A25416GG; 13A2570HJQ; 13A2570KJQ			
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557		178,890	-	-
Direct Benefit Payments:					
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	5NC700705	742,135	-	-
Total U. S. Department of Agriculture			<u>1,151,210</u>	<u>-</u>	<u>-</u>
U. S. Department of Justice					
Direct Program:					
Equitable Sharing Program	16.922	N/A	5,904	-	-
Total U.S. Department of Justice			<u>5,904</u>	<u>-</u>	<u>-</u>
U. S. Department of Health and Human Services					
<u>Administration for Community Living</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	PTRC - HCCBG	117,881	101,237	219,118
Special Programs for the Aging - Title III, Part C - Nutrition Services	93.045	PTRC - HCCBG	94,633	29,748	124,381
Nutrition Services Incentive Program	93.053	PTRC - HCCBG	34,153	-	34,153
Total Aging Cluster			<u>246,667</u>	<u>130,985</u>	<u>377,652</u>
National Family Caregiver Support, Title III, Part E	93.052	PTRC - HCCBG	13,295	886	-
<u>Administration for Children and Families</u>					
Social Services Block Grant	93.667	PTRC - HCCBG	6,795	193	-
Total Administration on Aging			<u>266,757</u>	<u>132,064</u>	<u>377,652</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:					
Promoting Safe and Stable Families	93.556	1701NCFPSS	24,233	-	-
Child Support Enforcement	93.563	1704NC4005	145,032	-	-
Low-Income Home Energy Assistance	93.568	G17B1NCLIEA	234,634	-	-
Refugee and Entrant Assistance State/Replacement Designee Administered Programs	93.566	1701NCRDMA	123	-	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	G1701NCCWSS	9,366	-	-
Social Services Block Grant	93.667	G1701NCSOSR	101,366	9,369	-
Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	93.671	FVPSA GRANT 56-6000295	21,667	-	-
Chafee Foster Care Independence Program	93.674	1701NC1420	5,346	1,337	-
Direct Benefit Payments:					
Chafee Foster Care Independence Program	93.674	1701NC1420	2,833	-	-
Total Division of Social Services			<u>544,600</u>	<u>10,706</u>	<u>-</u>
<u>Centers for Medicare and Medicaid Services</u>					
<u>Division of Medical Assistance:</u>					
Administration:					
Children's Health Insurance Program	93.767	CHIP17	31,019	38	-
Direct Benefit Payments:					
Children's Health Insurance Program	93.767	CHIP17	860,029	2,293	-

DAVIE COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2017

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Federal (Direct and Pass-Through) Expenditures	State Expenditures	Pass-Through to Subrecipients
<u>Foster Care and Adoption Cluster (Note 3):</u>					
Administration:					
Foster Care - Title IV-E	93.658	1701NCFOST	195,475	13,862	-
Adoption Assistance	93.659	1701NCADPT	1,359	-	-
Direct Benefit Payments:					
Foster Care - Title IV-E	93.658	1701NCFOST	185,127	46,711	-
Adoption Assistance	93.659	1701NCADPT	264,591	67,520	-
Total Foster Care and Adoption Cluster			<u>646,552</u>	<u>128,093</u>	<u>-</u>
<u>Temporary Assistance for Needy Families Cluster:</u>					
Temporary Assistance for Needy Families - State Programs:					
<u>Department of Social Services:</u>					
Administration:					
Temporary Assistance for Needs Families - Work First	93.558	1701NCTANF	221,515	-	-
Temporary Assistance for Needy Families	93.558	13A15151T2	2,894	-	-
Direct Benefit Payments:					
Temporary Assistance for Needy Families	93.558	1701NCTANF	187,289	-	-
Total Temporary Assistance for Needy Families Cluster			<u>411,698</u>	<u>-</u>	<u>-</u>
<u>Subsidized Child Care Cluster (Note 3):</u>					
<u>Child Care and Development Fund Cluster:</u>					
<u>Division of Social Services:</u>					
Child Care Mandatory and Matching Funds of the Child Care and Development Fund - Administration	93.596	G1701NCCCDF	78,525	-	-
<u>Division of Child Development:</u>					
Child Care and Development Block Grant - Discretionary	93.575	536147; 536151	293,200	-	293,200
Child Care Mandatory and Matching Funds of the Child Care and Development Fund - Mandatory	93.596	536145	117,284	-	-
Child Care Mandatory and Matching Funds of the Child Care and Development Fund - Match	93.596	536148; 536149	186,394	79,423	-
Total Child Care Development Fund Cluster			<u>675,403</u>	<u>79,423</u>	<u>293,200</u>
Temporary Assistance for Needy Families State Program	93.558	536150	92,992	-	-
Foster Care Title IV-E	93.658	536153; 536154	10,535	5,258	-
Smart Start		536142	-	458	-
State Appropriations		536142	-	134,205	-
TANF - MOE		536142; 536146	-	130,823	-
Total Subsidized Child Care Cluster			<u>778,930</u>	<u>350,167</u>	<u>293,200</u>
Total Administration for Children and Families			<u>3,272,828</u>	<u>491,297</u>	<u>293,200</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>					
Administration:					
Medical Assistance Program	93.778	XIX-MAP17	779,903	2,738	-
<u>Division of Medical Assistance:</u>					
Direct Benefit Payments:					
Medical Assistance Program	93.778	XIX-MAP17	27,757,310	14,494,411	-
Total Medicaid Cluster			<u>28,537,213</u>	<u>14,497,149</u>	<u>-</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>					
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	12642680M8; 12642680EX	36,311	-	-
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	1460272ANF; 1460272BNF	50	-	-
Injury Prevention and Control Research and State & Community Based Programs	93.136	1175B837DH 1331631DEJ; 1331623CVJ;	1,500	-	-
Immunization Cooperative Agreements	93.268	1331623DVJ; 126C5503PF;	4,245	-	-
Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF)	93.758	12615503PF 1331627CVP;	26,707	-	-
PPHF Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance financed in part by Prevention and Public Health Funds	93.539	1331627DVP; 1331627EVP	6,013	-	-
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations financed in part by Prevention and Public Health Funds	93.752	1320310DJS; 1320310EJS	12,240	-	-
<u>HIV Cluster:</u>					
HIV Prevention Activities - Health Department Based	93.940	1311981DHV 1311462BNB;	3,000	-	-
Sexually Transmitted Diseases (STD) Prevention and Control Grants	93.977	1311462CNB	988	-	-
Total HIV Cluster			<u>3,988</u>	<u>-</u>	<u>-</u>
Total Center for Disease Control and Prevention			<u>91,054</u>	<u>-</u>	<u>-</u>

DAVIE COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2017

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Federal (Direct and Pass-Through) Expenditures	State Expenditures	Pass-Through to Subrecipients
<u>Health Resources and Service Administration</u>					
Passed through the N.C. Department of Health and Human Services					
<u>Division of Public Health:</u>					
Child Lead Poisoning Prevention Surveillance financed in part by Prevention and Public Health (PPHF) Program	93.753	13114536PF 12715318AP; 12715351AP; 12715745AP; 13A15735AP;	9,916	-	-
Maternal and Child Health Services Block Grant to the States	93.994	13A15740AP	42,425	31,823	-
Total Health Resources and Service Administration			52,341	31,823	-
<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	13A1592AFP; 13A1592DFP	21,016	-	-
Total U.S. Department of Health and Human Services			32,241,209	15,152,333	670,852
Total Federal Assistance			\$ 33,398,323	\$ 15,152,333	\$ 670,852
STATE AWARDS					
<u>N. C. Department of Health and Human Services</u>					
<u>Division of Social Services:</u>					
Direct Benefit Payments:					
State Foster Home			\$ -	\$ 35,448	\$ -
F/C At Risk Maximization			-	2,091	-
SAA / SAD HB 1030			-	13,277	-
SFHF Maximization			-	52,882	-
CWS Adoption Subsidy			-	127,763	-
State/County Special Assistance for Adults			-	233,622	-
Total Division of Social Services			-	465,083	-
<u>Division of Public Health:</u>					
Other Receipts/State Supported Expenditures:					
Food and Lodging Fees			-	11,517	-
General Aid to Counties			-	80,920	-
General Communicable Disease Control			-	927	-
Breast and Cervical Cancer Program			-	7,650	-
Child Health			-	341	-
HMHC-Family Planning			-	4,095	-
Maternal Health (HMHC)			-	8,470	-
Women's Health Service Fund			-	4,790	-
HIV/STD State			-	100	-
HIV/STD SSBG Aid			-	400	-
Sexually Transmitted Diseases			-	259	-
Tuberculosis			-	1,542	-
TB Medical Service			-	540	-
School Nurse Funding Initiative			-	50,000	-
Total Division of Public Health			-	171,551	-
<u>Division of Aging and Adult Services:</u>					
Passed-through the Piedmont Triad Regional Council					
Senior Center General Purpose			-	10,878	10,878
State Funds		NC007(16)	-	83,039	83,039
Caregiver Match		NC007(16)	-	1,922	1,922
Total Division of Aging and Adult Services			-	95,839	95,839
Total N.C. Department of Health and Human Services			-	732,473	95,839
<u>N. C. Department of Cultural and Natural Resources</u>					
State Library EZ Grant			-	24,767	-
State Aid to Libraries			-	90,551	-
Total N.C. Department of Cultural and Natural Resources			-	115,318	-
<u>N. C. Department of Public Safety</u>					
Victims of Crime Grant		VOCA PROJ011188	-	51,491	-
<u>Division of Emergency Management:</u>					
Emergency Management Grant			-	132,144	-
<u>Division of Juvenile Justice and Delinquency Prevention:</u>					
Juvenile Crime Prevention Programs		JCPC Acct # 536301; Center # 12409030	-	107,713	-
Total N.C. Department of Public Safety			-	291,348	-

DAVIE COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2017

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Federal (Direct and Pass-Through) Expenditures	State Expenditures	Pass-Through to Subrecipients
<u>N. C. Department of Administration</u>					
<u>N. C. Council for Women:</u>					
Domestic Violence Program			-	45,746	-
Marriage License Grant			-	19,897	-
Sexual Assault Program			-	23,560	-
Divorce Filing Fee			-	19,133	-
<u>Division of Veterans Affairs:</u>					
County Veterans Service Program			-	2,130	-
Total N. C. Department of Administration			-	110,466	-
<u>N. C. Department of Transportation</u>					
<u>DOT Cluster:</u>					
Highway Construction Program		44481	-	50,000	50,000
ROAP Elderly and Disabled Transportation Assistance Program		36220.10.7.1	-	61,320	-
ROAP Rural General Public Program		36228.22.7.1	-	68,148	-
ROAP Work First Transitional - Employment		36236.11.6.1	-	10,867	-
Total DOT Cluster			-	190,335	50,000
Total N.C. Department of Transportation			-	190,335	50,000
<u>N. C. Department of Environmental Quality</u>					
<u>Division of Environmental Health</u>					
Scrap Tire Program			-	55,223	-
Solid Waste Disposal Tax			-	27,303	-
White Goods Management Program			-	15,788	-
State Superfund Cleanup Trust			-	42,545	-
Total N.C. Department of Environmental Quality			-	140,859	-
<u>N. C. Department of Public Instruction</u>					
Public School Building Capital Fund			-	651,292	651,292
<u>N. C. Department of Commerce</u>					
State Community Development Block Grant			-	1,266	-
Total State assistance			-	2,233,357	797,131
Total Federal and State assistance			\$ 33,398,323	\$ 17,385,690	\$ 1,467,983

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, 2017. 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. Davie County has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

3. State Clusters

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 Assistance, HIV Cluster.