

**NASH COUNTY
NORTH CAROLINA**

COMPLIANCE LETTERS

FOR THE YEAR ENDED JUNE 30, 2014

Nash County, North Carolina
Financial Statements and Schedules

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NASH COUNTY, NORTH CAROLINA

COMPLIANCE LETTERS FOR THE YEAR ENDED JUNE 30, 2014

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Nash County, North Carolina
Financial Statements and Schedules

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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 Commissioners
Nash County
Nashville, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Nash County, North Carolina, as of and for the year ended June 30, 2014, not presented here, and the related notes to the financial statements, which collectively comprise Nash County's basic financial statements, and have issued our report thereon dated December 5, 2014. Our report includes a reference to other auditors who audited the financial statements of Nash Health Care Systems and Subsidiaries as described in our report on Nash County's financial statements. The financial statements of the Nash County Tourism Development Authority, Nash County Business Development Authority, Nash Health Care Systems and Subsidiaries, and Nash County ABC Board 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 Nash 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 Nash County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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 have not been identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified a certain deficiency in internal control that we consider to be a material weakness.

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. We consider the deficiency 2014-001, in the accompanying Schedule of Findings and Questioned Costs to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Nash 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 an instance of non-compliance or other matter which is required to be reported under *Government Auditing Standards* and which is described in the accompanying Schedule of Findings and Questioned Costs as item 2014-001.

Nash County's Response to Finding

Nash County's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. Nash 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, NC
December 5, 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 Commissioners
Nash County
Nashville, North Carolina

Report On Compliance for Each Major Federal Program

We have audited Nash 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 Nash County's major federal programs for the year ended June 30, 2014. Nash County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings 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 Nash County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A 133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the State Single Audit Implementation Act. Those standards, OMB Circular A-133, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Nash 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 Nash County's compliance.

Opinion On Each Major Federal Program

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

Report On Internal Control Over Compliance

Management of Nash 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 Nash 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 the 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 a 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 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. 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 Awards Required by OMB Circular A-133 and the State Single Audit Implementation Act

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Nash County, North Carolina as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Nash County, North Carolina's basic financial statements. We issued our report thereon dated December 5, 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 Nash County, North Carolina'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 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 financial statements taken as a whole.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, NC
December 5, 2014

Nash County, North Carolina
Financial Statements and Schedules

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

Independent Auditor's Report

To the Board of Commissioners
Nash County
Nashville, North Carolina

Report On Compliance for Each Major State Program

We have audited Nash 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 Nash County's major State programs for the year ended June 30, 2014. Nash County's major State programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings 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 Nash 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 Nash 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 Nash County's compliance.

Opinion On Each Major State Program

In our opinion, Nash 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

Management of Nash 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 Nash 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 the 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 a 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 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 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

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

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Nash County, North Carolina as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Nash County, North Carolina's basic financial statements. We issued our report thereon dated December 5, 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 Nash County, North Carolina'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 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 financial statements taken as a whole.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, NC
December 5, 2014

Nash County, North Carolina
Financial Statements and Schedules

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NASH COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS 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?	Yes
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	None reported
Non-compliance material to financial statements noted?	Yes

Federal Awards:

Internal control over major federal programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) 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 Section 510(a) of Circular A -133?	No

Identification of major federal programs:

<u>Federal Program/Cluster Name</u>	<u>CFDA#</u>
Medicaid Cluster	93.778, 93.775, 93.777
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557
TANF	93.558, 93.714
Children's Health Insurance Program	93.767

Dollar threshold used to distinguish between Type A and Type B Programs	\$3,000,000
Auditee qualified as low-risk auditee?	No

NASH COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014

1. Summary of Auditor's Results (continued)

State Awards:

Internal control over major State programs:

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

Program Name

- Medicaid Cluster
- Children's Health Insurance Program
- One North Carolina Fund

NASH COUNTY, NORTH CAROLINA

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

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

Finding 2014-001 Expenditures Exceeded Appropriations

Criteria: General Statutes require that all money received and expended by a local government should be included in the budget ordinance. The Statutes require that funds be appropriated before incurring the obligation for funds and that amounts be pre-audited prior to disbursements being made. These requirements imply the County has a responsibility to design a system to monitor its compliance with the budget ordinance and the General Statutes pertaining to local government finance.

Condition: In the current year, there was a violation of the N.C. General Statute 159-8(a). Expenditures exceeded appropriations and, therefore, a failure in the pre-audit requirement. The budget amendment and pre-audit process was not effective.

Cause: Inadequate budget monitoring by management. The County expended more than appropriated because budget amendments were not utilized to account for collections of ad valorem taxes in excess of budgeted amounts, and the subsequent remittance of those taxes to local fire departments, due to oversight in the budget process.

Effect: Budget amendments were not submitted to and approved by the Board during the current year causing the County to be over-expended in the Fire Districts Fund.

Context: While performing audit procedures, we noted the condition described above.

Recommendation: Management and the Board should ensure that amounts are pre-audited prior to obligation and disbursement of funds and proper review of budget reports is completed to ensure compliance in future years.

Name of Contact Person: Donna Wood, Finance Director

Management's Response: Management concurs with the condition, context, and recommendations. Management and the Board will ensure that pre-audit of expenditures is completed prior to disbursement of funds to ensure compliance in future years.

3. Findings and Questioned Costs Related to the Audit of Federal Awards

None

4. Findings and Questioned Costs Related to the Audit of State Awards

None

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

None.

NASH COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS FOR THE YEAR ENDED JUNE 30, 2014

<u>Grantor / Pass-through Grantor / Program Title</u>	<u>Federal CFDA #</u>	<u>Expenditures</u>	
		<u>Federal</u>	<u>State</u>
Federal Awards:			
U.S. Department of Agriculture:			
Passed-through the N.C. Dept. 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	\$ 860,436	\$ -
<u>Total Supplemental Nutrition Assistance Program Cluster</u>		<u>860,436</u>	<u>-</u>
Passed through the NC Dept. of Health and Human Services			
<u>Division of Public Health:</u>			
Administration:			
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	539,612	-
Direct Benefit Payments:			
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	2,251,658	-
<u>Child Nutrition Cluster:</u>			
AGRI-SFP Food Program Meal	10.559	1,262	-
Total Division of Public Health		<u>2,792,532</u>	<u>-</u>
Total U.S. Department of Agriculture		<u>3,652,968</u>	<u>-</u>
U.S. Department of Housing and Urban Development:			
Passed-through N.C. Dept. of Commerce:			
<u>CDBG - State-Administered CDBG Cluster</u>			
Community Development Block Grant	14.228	603,316	-
<u>Total CDBG - State-Administered CDBG Cluster</u>		<u>603,316</u>	<u>-</u>
U.S. Department of Health & Human Services:			
<u>Division of Aging:</u>			
Passed-through to Upper Coastal Council of Governments			
<u>Aging Cluster</u>			
Access: Title III-B	93.044	18,489	1,088
Congregate Nutrition: Title III-C1	93.045	21,139	1,243
Home-Delivered Meals: Title III-C2	93.045	85,744	5,044
<u>Total Aging Cluster</u>		<u>125,372</u>	<u>7,375</u>
Family Caregiver Title III-E	93.052	19,127	1,275
In-Home Services: SSBG	93.667	42,135	1,204
NSIP Supplement (USDA)	10.570	27,611	-
Total Division of Aging		<u>214,245</u>	<u>9,854</u>

NASH COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS FOR THE YEAR ENDED JUNE 30, 2014

<u>Grantor / Pass-through Grantor / Program Title</u>	<u>Federal CFDA #</u>	<u>Expenditures</u>	
		<u>Federal</u>	<u>State</u>
<u>Administration of Children and Families</u>			
Passed through the NC Dept of Health and Human Services			
<u>Foster Care and Adoption Cluster</u>			
Administration:			
Foster Care Title IV-E	93.658	136,921	125,220
Foster Care	93.658	92,411	-
Adoption Assistance	93.659	39,735	-
Direct Benefit Payments:			
Refugee Assistance Program	93.566	905	-
Title IV-E Foster Care	93.658	71,333	18,554
Adoption Assistance	93.659	290,925	75,831
<u>Total Foster Care and Adoption Cluster</u>		<u>632,230</u>	<u>219,605</u>
<u>Administration of Children and Families</u>			
Passed through the NC Dept of Health and Human Services			
<u>Temporary Assistance for Needy Families Cluster</u>			
<u>Division of Social Services</u>			
Administration:			
Temporary Assistance for Needy Families	93.558	1,030,325	-
Direct Benefit Payment:			
Temporary Assistance for Needy Families	93.558	364,159	(86)
<u>Total Temporary Assistance for Needy Families Cluster</u>		<u>1,394,484</u>	<u>(86)</u>
<u>Administration for Children and Families</u>			
passed through the NC Dept. of Health and Human Services			
<u>Subsidized Child Care Cluster:</u>			
<u>Child Care Development Fund Cluster:</u>			
Division of Social Services			
Child Care Development Fund- Administration	93.596	98,406	-
Division of Child Development			
Child Care and Development Fund-Discretionary	93.575	946,281	-
Child Care and Development Fund-Mandatory	93.596	634,145	-
Child Care and Development Fund-Match	93.596	126,756	-
<u>Total Child Care Development Fund Cluster</u>		<u>1,805,588</u>	-
Temporary Assistance for Needy Families	93.558	568,668	-
Foster Care Title IV-E	93.658	32,085	16,816
State Appropriations		-	146,935
TANF-MOE		-	83,731
<u>Total Subsidized Child Care Cluster</u>		<u>2,406,341</u>	<u>247,482</u>

NASH COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS FOR THE YEAR ENDED JUNE 30, 2014

<u>Grantor / Pass-through Grantor / Program Title</u>	<u>Federal CFDA #</u>	<u>Expenditures</u>	
		<u>Federal</u>	<u>State</u>
Centers for Medicare and Medicaid Services:			
Passed-Through the N.C. Department of Health and Human Services			
<u>Medicaid Cluster</u>			
<u>Division of Medical Assistance</u>			
Direct Benefits Payment:			
Medical Assistance Payments	93.778	84,795,045	46,916,048
<u>Division of Social Services</u>			
Administration:			
Medicaid	93.778	1,445,979	32,313
<u>Total Medicaid Cluster</u>		<u>86,241,024</u>	<u>46,948,361</u>
 <u>Division of Social Services</u>			
State Children's Insurance Program - N.C. Health Choice-Administration	93.767	51,933	3,517
State Children's Insurance Program - N.C. Health Choice-Direct Benefit Payment	93.767	1,757,945	554,541
<u>Total N.C. Health Choice</u>		<u>1,809,878</u>	<u>558,058</u>
 Total Centers for Medicare and Medicaid Services		<u>88,050,902</u>	<u>47,506,419</u>
 Passed-through N.C. Department of Health and Human Services:			
<u>Division of Social Services:</u>			
Administration:			
LINKS	93.674	9,942	2,485
Social Service Block Grant	93.667	335,362	43,859
Family Preservation	93.556	14,024	-
Low Income Home Energy Assistance	93.568	82,976	-
Title IV-D	93.563	1,076,380	-
AFDC		-	1,956
Temporary Assistance for Needy Families	93.558	11,111	-
Child Welfare Services State Grant			
Permanency Planning-Spec	93.645	84,402	-
Direct Benefit Payments:			
Links	93.674	3,780	-
AFDC	93.560	(478)	(131)
Low Income Home Energy Assistance	93.568	851,227	-
<u>Total Division of Social Services</u>		<u>2,468,726</u>	<u>48,169</u>
 <u>Centers for Disease Control and Prevention</u>			
Passed through NC Dept of Health and Human Services			
<u>Division of Public Health:</u>			
Public Health Emergency Preparedness	93.069	29,581	-
Tuberculosis Control Programs	93.116	32,202	-
Immunization Grants	93.268	30,180	-
CDC and Prevention Investigation And Technical Assistance	93.283	31,875	-

NASH COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS FOR THE YEAR ENDED JUNE 30, 2014

<u>Grantor / Pass-through Grantor / Program Title</u>	<u>Federal CFDA #</u>	<u>Expenditures</u>	
		<u>Federal</u>	<u>State</u>
Cooperative Agreements for State-Based Comprehensive Breast and Cervical Cancer Early Detection Programs	93.919	26,618	10,200
Statewide Health Promotion Program	93.991	10,783	-
PPHF 2012: Breast and Cervical Cancer Screening	93.744	1,009	-
<u>US Department of Education</u>			
Passed through NC Dept of Health and Human Services			
<u>Division of Public Health:</u>			
Race to the Top - Early Learning Challenges	84.412	115,437	-
<u>Health Resources and Service Administration</u>			
Passed through NC Dept of Health and Human Services			
<u>Division of Public Health</u>			
Healthy Start Communities	93.926	167,437	-
Maternal and Child Health Services Block Grant	93.994	251,207	191,097
<u>Office of the Secretary</u>			
Passed through NC Dept of Health and Human Services			
<u>Division of Public Health</u>			
Pregnancy Assistance Fund Program- ARRA	93.500	13,918	-
<u>Office of Population Affairs</u>			
Passed through NC Dept of Health and Human Services			
<u>Office of Population Affairs</u>			
Family Planning	93.217	74,651	-
Total Division of Public Health		784,898	201,297
Total U.S. Department of Health and Human Services		95,951,826	48,232,740
U.S. Department of Homeland Security:			
Hazard Mitigation Plan Grant	97.039	6,585	-
Emergency Management Performance	97.042	49,947	-
Homeland Security	97.067	57,293	-
Total U.S. Department of Homeland Security		113,825	-
USDA Rural Development			
<u>Water and Waste Program Cluster:</u>			
USDA Grant	10.760	944,929	-
Rural Center SECU Internship		-	3,750
Total USDA Rural Development Grant		944,929	3,750

NASH COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS FOR THE YEAR ENDED JUNE 30, 2014

<u>Grantor / Pass-through Grantor / Program Title</u>	<u>Federal CFDA #</u>	<u>Expenditures</u>	
		<u>Federal</u>	<u>State</u>
Total Federal awards		<u>101,266,864</u>	<u>48,236,490</u>
State Awards:			
N.C. Dept. of Health and Human Services:			
<u>Division of Social Services:</u>			
Administration:			
Energy Assist Private Grants		-	3,733
Direct Benefit Payments:			
CWS Adopt Subsidy and Vendor		-	205,842
State Foster Home		-	53,776
Foster Care At Risk Maximization		-	239
SC/SA Domiciliary Care Payment		-	812,153
SFHF Maximization		-	136,769
Total Division of Social Services		<u>-</u>	<u>1,212,512</u>
<u>Division of Public Health:</u>			
General Aid to Counties		-	172,370
General Communicable Disease Control		-	4,196
Food and Lodging Fees		-	20,642
Environmental Health		-	4,000
Mosquito-Public Health Pesticide		-	6,168
Public Health Nursing		-	2,400
Maternal Health (HMHC)		-	118
Tuberculosis		-	51,290
Risk Reduction/Health Promotion		-	6,286
WHSF		-	10,063
HIV/STD Non-Traditional Test Site (NTS)		-	95,000
TB Medical Service		-	2,518
School Nurse Funding Initiative		-	250,000
Total Division of Public Health		<u>-</u>	<u>625,051</u>
Passed-through to Upper Coastal Plain Council of Governments			
In-Home Services: 90% State Funds		-	426,191
In-Home Services: 90% St Funds/Caregiver Match		-	7,766
Home-Delivered Meals: 90% State Funds		-	42,697
Senior Center Development		-	11,677
Fan/Heat Program		-	740
Total		<u>-</u>	<u>489,071</u>

NASH COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS FOR THE YEAR ENDED JUNE 30, 2014

<u>Grantor / Pass-through Grantor / Program Title</u>	<u>Federal CFDA #</u>	<u>Expenditures</u>	
		<u>Federal</u>	<u>State</u>
Total N.C. Dept. of Health and Human Services		-	2,326,634
N.C. Dept. of Commerce:			
One North Carolina Fund		-	483,750
Total N.C. Dept. of Commerce		-	483,750
N.C. Dept. of Environment and Natural Resources:			
Soil Conservation State Match		-	3,600
NC Agriculture Cost Share - Technical Assistance		-	29,356
Environmental Health		-	28,072
Total N.C. Dept. of Environmental and Natural Resources		-	61,028
N.C. Dept. of Transportation:			
Elderly and Disabled Transportation		-	82,910
Rural General Public Program		-	86,693
Work First		-	21,400
NC DOT-RPO		-	77,659
Total N.C. Dept. of Transportation		-	268,662
N.C. Department of Juvenile Justice and Delinquency Prevention:			
Juvenile Crime Prevention Programs		-	7,558
Impact Plus		-	62,740
Resolve		-	26,310
Therapeutic Foster Care		-	31,660
Teen Court		-	33,420
Transition Re-entry		-	50,000
Victim Offender		-	5,000
Freedom School		-	15,000
Pride Substance Abuse		-	29,126
Total N.C. Dept. of Juvenile Justice and Delinquency Prevention		-	260,814
N.C. Dept. of Administration:			
Veterans Services Grant		-	1,452
Total N.C. Dept. of Administration		-	1,452
N.C. Housing Finance Agency			
Urgent Repair Program		-	74,969
Single Family Rehab Program		-	52,814
Total N.C. Housing Finance Agency		-	127,783

NASH COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS FOR THE YEAR ENDED JUNE 30, 2014

<u>Grantor / Pass-through Grantor / Program Title</u>	<u>Federal CFDA #</u>	<u>Expenditures</u>	
		<u>Federal</u>	<u>State</u>
N.C. Dept. of Cultural Resources			
State Aid Library Grant		-	124,315
LSTA Project Collaboration Grant		-	76,634
LSTA EZ Literacy and Learn Grant		-	22,012
Total N.C. Dept. of Cultural Resources		-	222,961
N.C. Department of Public Instruction			
NC Dept of Public Instruction Schools Lottery Distribution		-	1,214,310
Total N.C. Department of Public Instruction		-	1,214,310
Total State awards		-	4,967,394
Total Federal and State awards		<u>\$101,266,864</u>	<u>\$ 53,203,884</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 Nash 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, Non-Profit Organizations*, and the State Single Implementation Act. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements. Benefit payments are paid directly to recipients and are not included in the County's basic financial statements. However, due to the County's involvement in determining eligibility, they are considered federal awards to the County and are included on this schedule.

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.

2. Subrecipients

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

<u>Subrecipient/Program Name</u>	<u>CFDA</u>	<u>Federal</u>	<u>State</u>
One North Carolina Fund	N/A	\$ -	\$ 483,750
NC Dept of Public Instruction Schools Lottery Distribution	N/A	-	1,214,310
Total		<u>\$ -</u>	<u>\$ 1,698,060</u>

Nash County, North Carolina
Financial Statements and Schedules

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