

**NASH COUNTY
NORTH CAROLINA**

COMPLIANCE LETTERS

FOR THE YEAR ENDED JUNE 30, 2015

NASH COUNTY, NORTH CAROLINA

COMPLIANCE LETTERS FOR THE YEAR ENDED JUNE 30, 2015

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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 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, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements (not presented herein), and have issued our report thereon dated October 26, 2015. The financial statements of 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 purposes 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 Nash County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether 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 no instances of noncompliance 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 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
October 26, 2015

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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, 2015. 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.

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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, 2015.

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, 2015, and the related notes to the financial statements, which collectively comprise Nash County, North Carolina's, basic financial statements (not presented herein). We issued our report thereon dated October 26, 2015, 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. We have not performed any procedures with respect to the audited financial statements subsequent to October 26, 2015.

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
November 30, 2015 (except as related to the
Report on the Schedule of Expenditures of
Federal and State Awards, as to which the
date is October 26, 2015)

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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 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, 2015. 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.

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Toll Free Both Locations 1-800-948-0585 ♦ Website: www.martinstarnes.com

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, 2015.

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, 2015, and the related notes to the financial statements, which collectively comprise Nash County, North Carolina's, basic financial statements (not presented herein). We issued our report thereon dated October 26, 2015, 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. We have not performed any procedures with respect to the audited financial statements subsequent to October 26, 2015.

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
November 30, 2015 (except as related to the
Report on the Schedule of Expenditures of
Federal and State Awards, as to which the
date is October 26, 2015)

NASH COUNTY, NORTH CAROLINA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015**

1. Summary of Auditor's Results

Financial Statements:

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

Federal Awards:

Internal control over major federal programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	None reported
Type of auditor's report issued on compliance for major federal programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of 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

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, 2015

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
 Public School Building Capital Fund - Lottery Proceeds

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

None.

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'S FINDINGS
FOR THE YEAR ENDED JUNE 30, 2015

Finding 2014-001 – corrected.

NASH COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2015

<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	\$ 790,484	\$ (1,506)
<u>Total Supplemental Nutrition Assistance Program Cluster</u>		<u>790,484</u>	<u>(1,506)</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	525,514	-
Direct Benefit Payments:			
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	2,383,927	-
<u>Child Nutrition Cluster:</u>			
Summer Food Service Program for Children (SFSPC)	10.559	1,777	-
<u>Total Division of Public Health</u>		<u>2,911,218</u>	<u>-</u>
Total U.S. Department of Agriculture		<u>3,701,702</u>	<u>(1,506)</u>
U.S. Department of Housing and Urban Development:			
Passed-through N.C. Dept. of Commerce:			
<u>CDBG - State Program and Non-Entitlement Grants in Hawaii</u>			
Community Development Block Grant	14.228	750,000	-
<u>Total CDBG - State Program and Non-Entitlement Grants in Hawaii</u>		<u>750,000</u>	<u>-</u>
Passed-through HOME Investment Partnership Program:			
NCHFA Single Family Rehab Program	14.239	10,775	-
<u>Total NCHFA Single Family Rehab Program</u>		<u>10,775</u>	<u>-</u>
Total U.S. Department of Housing and Urban Development:		<u>760,775</u>	<u>-</u>
U.S. Department of Justice:			
Equitable Sharing Program	16.922	52,170	-
Total U.S. Department of Justice		<u>52,170</u>	<u>-</u>
U.S. Department of Treasury:			
Treasury Forfeiture Fund Program	21.000	687	-
Total U.S. Department of Treasury		<u>687</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>			
Special Programs for the Aging - Title III B			
Grants for Supportive Services and Senior Centers	93.044	11,713	689
In-Home Services	93.044	36,480	2,146
Special Programs for the Aging - Title III C			
Nutrition Services	93.045	13,724	807
Home-Delivered Meals	93.045	76,945	4,526
<u>Total Aging Cluster</u>		<u>138,862</u>	<u>8,168</u>

NASH COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS FOR THE YEAR ENDED JUNE 30, 2015

<u>Grantor / Pass-through Grantor / Program Title</u>	<u>Federal CFDA #</u>	<u>Expenditures</u>	
		<u>Federal</u>	<u>State</u>
National Family Caregiver Support Title III-Part E	93.052	19,222	1,282
In-Home Services: SSBG	93.667	52,061	1,487
NSIP Supplement (USDA)	10.570	27,452	-
Total Division of Aging		237,597	10,937
<u>Administration of Children and Families</u>			
Passed through the NC Dept of Health and Human Services			
<u>Foster Care and Adoption Cluster (Note 4)</u>			
Administration:			
Foster Care Title IV-E	93.658	297,746	117,838
Adoption Assistance	93.659	68,025	-
Direct Benefit Payments:			
Title IV-E Foster Care	93.658	171,115	44,238
Adoption Assistance	93.659	279,164	72,367
		816,050	234,443
Refugee and Entrant Assistance - State Administered Program	93.566	5,616	-
Total Foster Care and Adoption Cluster (Note 4)		821,666	234,443
<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	893,923	-
Direct Benefit Payment:			
Temporary Assistance for Needy Families	93.558	380,602	(57)
Total Temporary Assistance for Needy Families Cluster		1,274,525	(57)
<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	112,730	-
Division of Child Development (Note 4)			
Child Care and Development Block Grant	93.575	1,295,472	-
Child Care and Development Fund-Mandatory	93.596	471,520	-
Child Care and Development Fund-Match	93.596	139,840	-
Total Child Care Development Fund Cluster (Note 4)		2,019,562	-
Temporary Assistance for Needy Families - TANF Cluster	93.558	360,783	-
Foster Care Title IV-E	93.658	29,059	15,050
State Appropriations		-	189,498
TANF-MOE		-	14,741
Total Subsidized Child Care Cluster (Note 4)		2,409,404	219,289
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 Program	93.778	92,681,839	50,401,475
<u>Division of Social Services</u>			
Administration:			
Medical Assistance Program	93.778	2,114,027	11,329
Total Medicaid Cluster		94,795,866	50,412,804

NASH COUNTY, NORTH CAROLINA

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2015**

<u>Grantor / Pass-through Grantor / Program Title</u>	<u>Federal CFDA #</u>	<u>Expenditures</u>	
		<u>Federal</u>	<u>State</u>
State Children's Insurance Program - N.C. Health Choice-Administration	93.767	8,901	2,803
State Children's Insurance Program - N.C. Health Choice-Direct Benefit Payment	93.767	1,480,785	467,098
<u>Total State Children's Insurance Program - N.C. Health Choice</u>		<u>1,489,686</u>	<u>469,901</u>
Passed-through N.C. Department of Health and Human Services:			
<u>Division of Social Services:</u>			
Administration:			
Chafee Foster Care Independence Program	93.674	14,259	3,566
Social Service Block Grant	93.667	387,816	39,487
Promoting Safe and Stable Families	93.556	20,500	-
Low Income Home Energy Assistance	93.568	75,193	-
Title IV-D - Child Support Enforcement	93.563	1,004,162	-
Family Support Payments to States Assistance Payments		-	171
Temporary Assistance for Needy Families - TANF Cluster	93.558	11,111	-
Stephanie Tubbs Jones Child Welfare Services Program			
Permanency Planning-Spec	93.645	18,081	-
Direct Benefit Payments:			
Chafee Foster Care Independence Program	93.674	1,661	-
Family Support Payments to States Assistance Payments	93.560	(36)	(10)
Low Income Home Energy Assistance	93.568	931,617	-
<u>Total Division of Social Services</u>		<u>2,464,364</u>	<u>43,214</u>
<u>Centers for Disease Control and Prevention</u>			
Passed through NC Dept 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	35,652	-
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	27,461	-
Immunization Grants	93.268	29,175	-
Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF)	93.758	13,757	-
Cooperative Agreements for State-Based Comprehensive Breast and Cervical Cancer Early Detection Programs	93.919	45,391	-
HIV Prevention Activities Health Department Based	93.940	1,000	-
Preventive Health Services Sexually Transmitted Diseases Control Grants	93.977	217	-
Preventive Health and Health Services Block Grant	93.991	6,789	-
<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	162,955	-
<u>Health Resources and Service Administration</u>			
Passed through NC Dept of Health and Human Services			
<u>Division of Public Health</u>			
Healthy Start Initiative	93.926	118,523	-
Maternal and Child Health Services Block Grant	93.994	218,442	163,851
<u>Office of Population Affairs</u>			
Passed through NC Dept of Health and Human Services			
<u>Office of Population Affairs</u>			
Family Planning Services Title X	93.217	86,420	-
<u>Total Division of Public Health</u>		<u>745,782</u>	<u>163,851</u>

NASH COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS FOR THE YEAR ENDED JUNE 30, 2015

<u>Grantor / Pass-through Grantor / Program Title</u>	<u>Federal CFDA #</u>	<u>Expenditures</u>	
		<u>Federal</u>	<u>State</u>
Total U.S. Department of Health and Human Services		104,238,890	51,554,382
U.S. Department of Homeland Security:			
Hazard Mitigation Grant Program	97.039	54,293	-
Emergency Management Performance Grants	97.042	67,287	-
Total U.S. Department of Homeland Security		121,580	-
USDA Rural Utilities Services			
<u>Water and Waste Program Cluster:</u>			
Water and Waste Disposal Systems for Rural Communities	10.760	1,000,000	-
Total Water and Waste Disposal Systems for Rural Communities		1,000,000	-
Total Federal awards		<u>\$ 109,875,804</u>	<u>\$ 51,552,876</u>
State Awards:			
N.C. Dept. of Health and Human Services:			
<u>Division of Social Services:</u>			
Administration:			
ST Child Welfare		\$ -	\$ 248,066
Energy Assist Private Grants		-	4,683
Direct Benefit Payments:			
CWS Adopt Subsidy and Vendor		-	183,916
State Foster Home		-	47,565
Repatriation Program		-	219
SC/SA Domiciliary Care Payment		-	800,162
SFHF Maximization		-	75,781
Total Division of Social Services		-	1,360,392
<u>Division of Public Health:</u>			
General Aid to Counties		-	172,370
Public Health Nurse Training		-	1,200
General Communicable Disease Control		-	4,196
Food and Lodging Fees		-	26,960
HIV/STD SSBG Aid		-	100
Maternal Health (HMHC)		-	173
Tuberculosis		-	51,290
Sexually Transmitted Diseases		-	3,578
HIV/STD State		-	400
Risk Reduction/Health Promotion		-	6,286
HIV/STD Non-Traditional Test Site (NTS)		-	95,000
TB Medical Service		-	2,518
School Nurse Funding Initiative		-	250,000
Child Health		-	6,776
HMHC-Family Planning		-	5,381
Breast and Cervical Cancer Control		-	16,575
Women's Health Service Fund		-	10,063
Total Division of Public Health		-	652,866
Passed-through to Upper Coastal Plain Council of Governments			
Access: 90% State Funds		-	4,898
In-Home Services: 90% State Funds		-	398,388
In-Home Services: 90% St Funds/Caregiver Match		-	3,040
Home-Delivered Meals: 90% State Funds		-	82,226
Senior Center Development		-	11,680
Fan/Heat Program		-	740
Total		-	500,972
Total N.C. Dept. of Health and Human Services		-	2,514,230

NASH COUNTY, NORTH CAROLINA

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2015**

<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 Environment and Natural Resources:			
Soil Conservation State Match		-	3,600
NC Agriculture Cost Share - Technical Assistance		-	26,352
Environmental Health		-	28,737
Total N.C. Dept. of Environmental and Natural Resources		-	58,689
N.C. Dept. of Transportation:			
Elderly and Disabled Transportation		-	76,293
Rural General Public Program		-	66,599
Work First		-	18,238
NC DOT-RPO		-	72,884
Total N.C. Dept. of Transportation		-	234,014
N.C. Department of Juvenile Justice and Delinquency Prevention:			
Juvenile Crime Prevention Programs		-	7,558
Impact Plus		-	42,740
Resolve		-	32,246
Therapeutic Foster Care		-	31,660
Teen Court		-	33,420
Transition Re-entry		-	68,190
Freedom School		-	25,000
Total N.C. Dept. of Juvenile Justice and Delinquency Prevention		-	240,814
N.C. Housing Finance Agency			
Urgent Repair Program		-	50,000
Total N.C. Housing Finance Agency		-	50,000
N.C. Dept. of Insurance			
Senior Health Insurance Information		-	2,581
Medicare Improvements Patient and Provider Act		-	1,773
Total N.C. Dept. of Agriculture & Consumer Services		-	4,354
N.C. Dept. of Cultural Resources			
State Aid Library Grant		-	125,484
LSTA EZ Edge Technology Grant		-	4,842
Total N.C. Dept. of Cultural Resources		-	130,326
N.C. Department of Public Instruction			
Public School Building Capital Fund - Lottery Proceeds		-	1,148,538
Total N.C. Department of Public Instruction		-	1,148,538
N.C. Department of Commerce			
Rural Reuse Program		-	10,000
Total N.C. Department of Homeland Security		-	10,000
Total State awards		-	4,390,965
Total Federal and State awards		\$ 109,875,804	\$ 55,943,841

NASH COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS FOR THE YEAR ENDED JUNE 30, 2015

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 Nash County under the programs of the federal government and the State of North Carolina for the year ended June 30, 2015. The information in this SEFSA is presented in accordance with the requirements of Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the State Single Audit Implementation Act. Because the SEFSA presents only a selected portion of the operations of Nash County, it is not intended to and does not present the financial position, changes in net position, or cash flows of Nash 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 OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments or cost principles contained in the Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursements. Pass-through entity identifying numbers are presented where available.

3. Subrecipients

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

Subrecipient/Program Name	CFDA	Federal	State
Public School Building Capital Fund - Lottery Proceeds	N/A	\$ -	\$ 1,148,538
Total		\$ -	\$ 1,148,538

4. Cluster of Programs

The following are clustered by the NC Department of Health and Human Services and are treated separately for state audit requirement purposes: Subsidized Child Care and Foster Care and Adoption.