

LINCOLN COUNTY

NORTH CAROLINA



COMPLIANCE LETTERS

**For the Fiscal Year Ended
June 30, 2010**

**LINCOLN COUNTY
NORTH CAROLINA**

COMPLIANCE LETTERS

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

LINCOLN COUNTY, NORTH CAROLINA

COMPLIANCE LETTERS FOR THE FISCAL YEAR ENDED JUNE 30, 2010

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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*

To the Board of Commissioners
Lincoln County, North Carolina

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 Lincoln County, North Carolina, as of and for the year ended June 30, 2010, which collectively comprise the County's basic financial statements, and have issued our report thereon dated November 4, 2010. Our report includes a reference to other auditors. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other auditors audited the financial statements of the Lincoln County ABC Board, as described in our report on Lincoln County's financial statements. The financial statements of the Lincoln County ABC Board were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Lincoln County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Lincoln County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control financial reporting that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying Schedule of Findings and Responses, we identified a certain deficiency in internal control over financial reporting 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 described in the accompanying Schedule of Findings and Responses as finding 2010-01 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Lincoln County's financial statements are free of 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*.

We noted a certain matter that we reported to management of Lincoln County in a separate letter dated November 4, 2010.

Lincoln County's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Responses. We did not audit Lincoln County's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Board of Commissioners, management, federal and State awarding agencies, and pass-through entities and is not intended to be and, should not be used, by anyone other than these specified parties.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
November 4, 2010

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Report On Compliance With Requirements That Could Have a Direct And Material Effect On Each Major Federal Program And On Internal Control Over Compliance In Accordance With OMB Circular A-133 and The State Single Audit Implementation Act

To the Board of Commissioners
Lincoln County, North Carolina

Compliance

We have audited Lincoln County's compliance with the types of compliance requirements described in the *U. S. Office of Management and Budget (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 Lincoln County's major federal programs for the year ended June 30, 2010. Lincoln County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Responses. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Lincoln County's management. Our responsibility is to express an opinion on Lincoln County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* 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 Lincoln 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. Our audit does not provide a legal determination on Lincoln County's compliance with those requirements.

In our opinion, Lincoln County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2010.

Internal Control Over Compliance

The management of Lincoln County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Lincoln County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance 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.

Our consideration of the internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in the County's internal control over compliance that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified a certain deficiency in internal control over compliance that we consider to be a material weakness.

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. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Responses as item 2010-01 to be a material weakness.

Lincoln County's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Responses. We did not audit the County's response and accordingly, we express no opinion on it.

Schedule of Expenditures of Federal and State Awards

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 Lincoln County as of and for the year ended June 30, 2010 and have issued our report thereon dated November 4, 2010. We did not audit the financial statements of the Lincoln County ABC Board. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Lincoln County ABC Board is based solely on the report of the other auditors. Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise Lincoln County's basic financial statements. The accompanying Schedule of Expenditures of Federal and State Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and the State Single Audit Implementation Act and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Board of Commissioners, management, federal awarding agencies, and pass-through entities and is not intended to be and, should not be used, by anyone other than these specified parties.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
November 4, 2010

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Report On Compliance With Requirements That Could Have A Direct And Material Effect On Each Major State Program And On Internal Control Over Compliance In Accordance With Applicable Sections Of OMB Circular A-133 And The State Single Audit Implementation Act

To the Board of Commissioners
Lincoln County, North Carolina

Compliance

We have audited Lincoln County's compliance with the types of compliance requirements described in applicable sections of OMB Circular A-133 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 its major State programs for the year ended June 30, 2010. Lincoln County's major State programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Responses. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major State programs is the responsibility of Lincoln County's management. Our responsibility is to express an opinion on Lincoln County's compliance based on our audit.

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, as described in the *Audit Manual for Governmental Auditors in North Carolina*, and the State Single Audit Implementation Act. Those standards, applicable sections of 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 Lincoln 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. Our audit does not provide a legal determination on Lincoln County's compliance with those requirements.

In our opinion, Lincoln County complied, in all material respects, with the requirements referred to above that are applicable to each of its major State programs for the year ended June 30, 2010.

Internal Control Over Compliance

The management of Lincoln County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to State programs. In planning and performing our audit, we considered Lincoln County's internal control over compliance with requirements that could have a direct and material effect on a major State program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with applicable sections of OMB Circular A-133 and the State Single Audit Implementation Act, 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.

Our consideration of the internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in the County's internal control over compliance that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified a certain deficiency in internal control over compliance that we consider to be a material weakness.

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Lincoln County's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Responses. We did not audit the County's response and accordingly, we express no opinion on it.

Schedule of Expenditures of Federal and State Awards

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 Lincoln County as of and for the year ended June 30, 2010 and have issued our report thereon dated November 4, 2010. We did not audit the financial statements of the Lincoln County ABC Board. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Lincoln County ABC Board is based solely on the report of the other auditors. Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise Lincoln County's basic financial statements. The accompanying Schedule of Expenditures of Federal and State Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and the State Single Audit Implementation Act and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Board of Commissioners, management, federal and state awarding agencies, and pass-through entities and is not intended to be and, should not be used, by anyone other than these specified parties.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
November 4, 2010

LINCOLN COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS AND RESPONSES FOR THE YEAR ENDED JUNE 30, 2010

1. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

- Material weaknesses identified? Yes No
- Significant deficiencies identified? Yes No

Non-compliance material to financial statements noted? Yes No

Federal Awards

Internal control over major federal programs:

- Material weaknesses identified? Yes No
- Significant deficiencies identified? Yes No

Type of auditors' report issued on compliance for major federal programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? Yes No

Identification of major federal programs:

<u>Federal Program/Cluster Name</u>	<u>CFDA#</u>
Medicaid	93.778
Subsidized Child Care Cluster	93.575
	93.596
Low Income Energy Assistance	93.568
Supplemental Nutrition Assistance Cluster	10.551
	10.561

LINCOLN COUNTY, NORTH CAROLINA

**SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2010**

Dollar threshold used to distinguish between
Type A and Type B Programs: \$ 1,975,759

Auditee qualified as low-risk auditee? _____ Yes X No

State Awards

Internal control over major State programs:

• Material weaknesses identified? X Yes _____ No

• Significant deficiencies identified? _____ Yes X No

Type of auditors' report issued on
compliance for major State programs Unqualified

Any findings disclosed that are required to
be reported in accordance with the State
Single Audit Implementation Act? X Yes _____ No

Identification of major State programs:

Program Name:

Medicaid
Subsidized Childcare Cluster
Parks and Recreation Trust Fund

LINCOLN COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS AND RESPONSES FOR THE YEAR ENDED JUNE 30, 2010

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

Finding 2010-01:

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

Condition: All finance employees have access to all financial reporting modules and the ability to post journal entries in the financial accounting system.

Context: While documenting internal controls relating to the general ledger/journal entries, we noted the condition above.

Cause: Failure to limit access rights to areas necessary to perform job descriptions

Effect: Errors may occur and may not be detected in a timely manner.

Recommendation: Employees should only have access rights to modules that they need to perform their daily functions. Read-only access can be granted for other modules as necessary. Furthermore, in order to ensure adequate segregation of duties and prevent overrides of internal controls currently in place, management should restrict journal entry access to only those employees for whom it is required. Policy should restrict the same individual from initiating, approving and posting a journal entry.

Management's Response/Corrective Action: Management concurs with the finding. Individuals will be prohibited from initiating, approving, and posting journal entries.

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

See item 2010-01 above.

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

See item 2010-01 above.

LINCOLN COUNTY, NORTH CAROLINA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2010

Finding 2009-01 – revised and repeated in current year as 2010-01

Finding 2009-02 – corrected in current year

LINCOLN COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2010

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
Federal Awards:					
<u>U.S. Dept. of Agriculture</u>					
<u>Food and Nutrition Service</u>					
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Social Services:					
Administration:					
<u>Supplemental Nutrition Assist. Program Cluster</u>					
State Administrative Matching Grants for					
the Supplemental Nutrition Assistance Program	10.561		\$ 351,675	\$ -	\$ 351,675
Supplemental Nutrition Asst. Program E&T & Dep.	10.561		240	-	240
ARRA - Supplemental Nutrition Assistance Program7	10.561		72,254	-	-
Supplemental Nutrition Assistance Fraud Admin	10.561		21,615	-	21,615
Total Nutrition Assistance Cluster			<u>445,784</u>	<u>-</u>	<u>373,530</u>
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Public Health:					
Administration:					
Special Supplemental Nutrition Program for					
Women, Infants, & Children	10.557		1,026,391	-	-
Direct Benefit Payments:					
Special Supplemental Nutrition Program for					
Women, Infants, & Children	10.557		354,631	-	-
AGRI-SFP Food Program Meal	10.559		1,014	-	-
Passed-through Centralina Council of Governments					
USDA Supplement	10.570		6,890	-	-
Total U.S. Department of Agriculture			<u>1,834,711</u>	<u>-</u>	<u>373,530</u>
<u>U.S. Dept. of the Interior</u>					
Office: U.S. Geological Survey					
Passed-through N.C. Center for Geographic Information & Analysis					
NC OneMap Framework Digital Ortho Imagery Collection	15.808	NGPOCS6-4	22,333	-	-
Total U.S. Dept. of the Interior			<u>22,333</u>	<u>-</u>	<u>-</u>
<u>U.S. Dept. of Justice</u>					
<u>Bureau of Justice Assistance</u>					
Federal Forfeited Property	16.540		26,919	-	-
Bulletproof Vest Partnership Grant	16.607		6,875	-	-
Total Bureau of Justice Assistance			<u>33,794</u>	<u>-</u>	<u>-</u>
Passed-through N.C. Dept. of Crime Control and					
Public Safety:					
State Criminal Alien Assistance Program (SCAA)	16.606		9,047	-	-
		Gov Crime Comm JCPC			
Eward Byrne Memorial Justice Assistance (ARRA)	16.803	Gang	36,144	-	-
Eward Byrne Memorial Justice Assistance (ARRA)	16.803		14,016	-	-
Project Safe Neighborhoods PSN	16.609	023-1-08-001-SG-506	6,620	-	-
Total U.S. Dept. of Justice			<u>99,621</u>	<u>-</u>	<u>-</u>
<u>U.S. Dept. of Transportation</u>					
American Recovery and Reinvestment Act 2009 (ARRA)					
Passed-through the N.C. Department of Transportation					
Formula Grant Public Transportation Admin	20.509	36233.128.1.1	16,119	1,008	-
Formula Grant Public Transportation Capital	20.509	36233.128.1.3	102,282	12,785	-
Formula Grant Public Transportation Admin	20.509	36233.131.1.1	125,118	7,820	-
Formula Grant Public Transportation Capital	20.509	36233.131.1.3	8,215	1,027	-
Total U.S. Dept. of Transportation			<u>251,734</u>	<u>22,640</u>	<u>-</u>

LINCOLN COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2010

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
U.S. Election Assistance Commission					
Passed-through N.C. State Board of Elections					
Help America Vote Act	90.401	Technology	49,957	-	-
Total U.S. Election Assistance Commission			<u>49,957</u>	<u>-</u>	<u>-</u>
<u>U. S. Department of Homeland Security</u>					
Passed-through N.C. Dept. of Crime Control and Public Safety:					
Division of Emergency Management					
State Domestic Preparedness Equipment Support					
Program					
Homeland Security Grant	97.042	EMPG-2009-37109	38,379	-	-
Homeland Security Buffer Zone Protection Program	97.078	2007-BZ-T7-0034-9002	142,142	-	-
Passed-through City of Charlotte					
Homeland Security Disaster Assistance	97.073	Urban Assistance	14,665	-	-
Total U. S. Department of Homeland Security			<u>195,186</u>	<u>-</u>	<u>-</u>
<u>U.S. Dept. of Health & Human Services</u>					
<u>Administration on Aging</u>					
<u>Division of Social Services</u>					
Passed-through Centralina Council Governments					
<u>Aging Cluster:</u> ⁴					
Special Programs for the Aging - Title III B					
Disease Prevention and Health Promotion Services	93.043		5,716	337	-
Supportive Services and Senior Center					
Access	93.044		47,869	65,752	12,625
In-Home	93.044		74,145	191,323	29,496
Nutrition Services	93.045		75,822	4,464	8,921
National Family Caregiver Support	93.052		26,246	1,750	-
Total Aging Cluster			<u>229,798</u>	<u>263,626</u>	<u>51,042</u>
Passed-through the N.C. State Board of Elections					
Help America Vote Act	93.617	Voting Place Access	18,835	-	-
Total N.C. State Board of Elections			<u>18,835</u>	<u>-</u>	<u>-</u>
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Social Services:					
<u>Foster Care and Adoption Cluster:</u> ⁴					
IV-E Child Protective Services	93.658		235,648	34,483	201,165
IV-E Admin County Paid to CCI/	93.658		32,977	16,489	16,489
IV-E Family Foster Max	93.658		202	-	82
IV-E Optional	93.659		19,912	-	17,678
IV-E Foster Care	93.658		103,628	21,019	21,017
IV-E Foster Care In Excess	93.658		1,201	245	245
IV-E Max Level III	93.658		62	-	25
IV-E Foster Care TRN	93.658		3,774	-	1,258
IV-E Foster Care/Off TRN	93.658		172,364	-	172,364
IV-E Adoption Subsidy & Vendor	93.659		339,661	69,205	69,126
Total Foster Care and Adoption Cluster			<u>909,429</u>	<u>141,440</u>	<u>499,449</u>
Work First Administration	93.558		118,093	-	103,851
Work First Service	93.558		726,559	-	541,543
Work First Benefits (WFB)	93.558		4,060	-	-
Family Preservation	93.556		2,587	-	-
TANF Domestic Violence	93.558		21,186	-	-
WF Funct Assess	93.558		1,000	-	-
TANF Payments & Penalties	93.558		334,665	(25)	-
TANF TEA Foster Care	93.558		634	-	-
AFDC Payments & Penalties	93.560		(1,206)	(331)	(331)
N. C. Child Support Enforcement Section	93.563		385,005	-	198,336
CSE Incentive Recovery	93.563		114,067	-	58,762
Administration	93.568		45,821	-	-
Energy Assistance Payments- Direct Benefit Payments	93.568		401,926	-	-

LINCOLN COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2010

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
Crisis Intervention Payments	93.568		247,135	-	-
Permanency Planning - Regular	93.645		16,883	6,059	-
Permanency Planning - Special	93.645		5,419	-	1,845
SSBG - Other Service and Training	93.667		151,026	12,804	54,610
Independent Living Grant	93.674		25,187	3,653	-
TANF (ARRA)	93.714		56,153	-	-
Adoption/Foster Care	93.558		80,349	-	2,168
County Funded Programs			-	-	264,523
Child Protective Services Expansion State			-	107,347	-
DCD Smart Start			-	67,130	-
State County Special Assistance			-	-	34,554
Work First Non Reimbursable			-	-	93,860
State Adult Protective Service			-	45,276	-
IV-D Offset Fees-ESC	93.563		393	(21)	224
IV-D Offset Fees-Federal	93.563		3,160	-	1,628
AFDC Incent/Program Integrity			-	193	-
TANF Incent/Program Integrity			-	639	-
AFDC Unemployed Parents Assistance	93.560		(82)	(22)	(22)
Special Children Adoption	93.558		39,000	-	-
CWS Adopt Subsidy & Vendor			-	282,433	91,821
F/C At Risk Maximization			-	1,282	686
SC/SA Domiciliary Care Payment			-	522,993	522,993
State Foster Home			-	56,123	56,123
Foster Care Special Provision			-	9,389	-
SFHF Maximization			-	35,941	35,941
Total Division of Social Services			3,688,449	1,292,302	2,562,564
Division of Aging:					
Division of Social Services:					
In-Home Services	93.667		2,363	-	338
In-Home Services over 60	93.667		5,731	-	819
Adult Day Care Fund	93.667		3,357	2,787	878
Adult Day Care Fund Over 60	93.667		-	164	23
Total Division of Aging			11,450	2,951	2,057
Subsidized Child Care Cluster: (2)					
<u>Child Care Development Fund Cluster</u>					
Division of Social Services					
Child Care Development Fund-Administration	93.596		102,250	-	-
Division of Child Development:					
Child Care and Development Fund -- Discretionary	93.575		674,469	-	-
Child Care and Development Fund -- Mandatory	93.596		211,342	-	-
Child Care and Development Fund -- Match	93.596		239,402	128,797	-
Total Child Care Fund Cluster			1,227,463	128,797	-
Social Services Block Grant					
Temporary Assistance for Needy Families (TANF)	93.667		6,449	-	-
Smart Start	93.558		211,718	-	-
State Appropriations			-	171,277	-
TANF-MOE			-	45,742	-
Total Subsidized Child Care Cluster			1,445,630	534,103	-
<u>Health Care Financing Administration</u>					
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Medical Assistance:					
Administration:					
North Carolina Health Choice	93.767		23,847	2,802	4,929
Adult Care Home (Case Management) and (Specialist)	93.778		69,676	33,612	36,063
Medical Assistance Admin	93.778		610,721	-	610,721
Medical Transportation Admin	93.778		82,790	-	82,790
Medical Transportation Service	93.778		16,187	5,625	-
Medical Assistance Expansion	93.778		11,121	11,121	-

LINCOLN COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2010

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
Direct Benefit Payments:					
Medical Assistance Program	93.778		56,719,055	19,494,515	(20,557)
Total Division of Medical Assistance			<u>57,533,396</u>	<u>19,547,675</u>	<u>713,946</u>
Passed-through the N.C. Office of Emergency Medical Services					
National Bioterrorism Hospital Preparedness Program	93.889	BT-08-1375	32,448	-	-
	93.889	HP-08-1476	<u>29,928</u>	<u>-</u>	<u>-</u>
Total N.C. Office of Emergency Medical Services			<u>62,376</u>	<u>-</u>	<u>-</u>
Passed-through the N.C. Department of Insurance					
Division of Seniors' Health Insurance Information Program					
Centers for Medicare and Medicaid Services	93.779	SHIIP PR8983852	2,930	-	-
Total N.C. Department of Insurance			<u>2,930</u>	<u>-</u>	<u>-</u>
<u>Health Resources and Services Administration</u>					
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Public Health:					
Family Planning Services	93.218		38,616	-	-
Immunization Program/Aid to County Funding	93.268		25,560	-	-
CDC Prevention Investigations and Tech Assistance	93.283		89,270	-	-
Temporary Assistance for Needy Families	93.558		6,312	-	-
Statewide Health Promotion Program	93.991		13,660	-	-
Maternal and Child Health Services Block Grant	93.994		<u>238,809</u>	<u>-</u>	<u>-</u>
Total Division of Public Health			<u>412,227</u>	<u>-</u>	<u>-</u>
Division of Facility Services					
Total U.S. Dept. of Health and Human Services			<u>63,405,091</u>	<u>21,640,657</u>	<u>3,329,609</u>
Total federal awards			<u>65,858,633</u>	<u>21,663,297</u>	<u>3,703,139</u>
State Awards:					
<u>N.C. Department of Environment and Natural Resources</u>					
Division of Parks and Recreation					
Parks and Recreation Trust Fund (PARTF)		2006-455 W Lincoln Park	-	500,000	-
		2006-456 Beatty Ford Park	-	500,000	-
Division of Soil & Water:					
AG Cost Share Funds			-	26,544	-
Administrative Match Funds			-	4,000	-
Division of Waste Management					
Scrap Tire Program					
Total N.C. Dept. of Environmental and Natural Resources			<u>-</u>	<u>60,967</u>	<u>-</u>
			<u>-</u>	<u>1,091,511</u>	<u>-</u>
<u>N.C. Dept. of Health and Human Services</u>					
Division of Social Services					
Passed through Centralina Council of Governments					
Fan/Heat Program			-	1,072	-
Senior Center General Purpose			<u>-</u>	<u>4,218</u>	<u>1,406</u>
Total N.C. Dept. of Health and Human Services			<u>-</u>	<u>5,290</u>	<u>1,406</u>
<u>Grantor/Program Title</u>					
Division of Public Health					
General			-	125,452	-
Arthritis			-	4,841	-
AIDS			-	500	-
Communicable Disease			-	12,488	-
Tuberculosis			-	1,825	-
Women's Preventable Health			-	3,538	-

LINCOLN COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2010

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
Breast and Cervical Cancer Control			-	11,220	-
Preparedness and Response			-	37,629	-
LHD Smokefree Law			-	527	-
TB Medical Services			-	787	-
Total Division of Public Health			-	198,807	-
Total N. C. Department of Health and Human Services			-	204,097	1,406
<u>Dept. of Juvenile Justice and Delinquency Prevention</u>					
Juvenile Crime Prevention Programs					
Administration			-	12,515	-
Strengthening Families			-	28,069	-
CIS Restitution & Mentoring			-	29,099	-
Equine Assisted Skill Building			-	23,070	-
Take Hole of the Reins (SA)			-	19,546	-
Shepherd's Ranch Savy Shepherd			-	25,420	-
Mediation			-	19,704	-
Multi-systemic Therapy			-	7,500	-
Total N.C. Department of Juvenile Justice			-	164,923	-
<u>N.C. Dept. of Public Instruction</u>					
Public School Building Capital Fund					
Lottery Proceeds			-	1,821,162	-
Total N.C. Department of Public Instruction			-	1,821,162	-
<u>N.C. Dept. of Transportation</u>					
Work First		DOT-16CL	-	20,750	-
Program (EDTAP)		DOT-16CL	-	89,204	-
ROAP Rural General Public Transportation		DOT-16CL	-	107,358	-
Total N.C. Dept. of Transportation			-	217,312	-
<u>N.C. Dept. of Administration</u>					
Veterans Services			-	2,000	-
Total State awards			-	3,501,005	1,406
Total federal and State awards			\$ 65,858,633	\$ 25,164,302	\$ 3,704,545

Notes to the Schedule of Expenditures of Federal and State Financial Awards:Basis of Presentation

- The accompanying schedule of expenditures of federal and State awards includes the federal and State grant activity of Carolina County and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the State Single Audit Implementation Act. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the 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 and Foster Care and Adoption