

**CHATHAM COUNTY
NORTH CAROLINA**

COMPLIANCE LETTERS

FOR THE YEAR ENDED JUNE 30, 2014

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

"A Professional Association of Certified Public Accountants and Management Consultants"

CHATHAM COUNTY, NORTH CAROLINA

COMPLIANCE LETTERS FOR THE YEAR ENDED JUNE 30, 2014

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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
Chatham County
Pittsboro, 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 discretely presented component unit, each major fund, and the aggregate remaining fund information of Chatham 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 Chatham County's basic financial statements, and have issued our report thereon dated December 18, 2014. The financial statements of the Chatham 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 Chatham 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 Chatham County's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Chatham County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, non-compliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County'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 18, 2014

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

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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
Chatham County
Pittsboro, North Carolina

Report On Compliance for Each Major Federal Program

We have audited Chatham 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 Chatham County's major federal programs for the year ended June 30, 2014. Chatham 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 Chatham 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; 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 Chatham 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 Chatham County's compliance.

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Opinion On Each Major Federal Program

In our opinion, Chatham 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 Chatham 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 Chatham 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 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 discretely presented component unit, each major fund, and the aggregate remaining fund information of Chatham County as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Chatham County's basic financial statements. We issued our report thereon dated December 18, 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 Chatham 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 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, 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 18, 2014

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Report On Compliance For the Major State Program; Report On Internal Control Over Compliance; Report On 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
Chatham County
Pittsboro, North Carolina

Report On Compliance for Each Major State Program

We have audited Chatham 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 Chatham County's major State programs for the year ended June 30, 2014. Chatham 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 Chatham 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*, 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 Chatham 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 Chatham 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, Chatham 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 Chatham 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 Chatham 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 discretely presented component unit, each major fund, and the aggregate remaining fund information of Chatham County as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Chatham County's basic financial statements. We issued our report thereon dated December 18, 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 Chatham 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 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, 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 18, 2014

CHATHAM 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 <u> X </u> No
• Significant deficiency(s) identified that are not considered to be material weaknesses?	_____ Yes <u> X </u> None reported
Non-compliance material to financial statements noted?	_____ Yes <u> X </u> No

Federal Awards

Internal control over major federal programs:	
• Material weakness(es) identified?	_____ Yes <u> X </u> No
• Significant deficiency(s) identified that are not considered to be material weaknesses?	_____ Yes <u> X </u> 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?	_____ Yes <u> X </u> No

Identification of major federal programs:

Program Name

CFDA#

Medicaid Cluster	93.778, 93.777, 93.775
Child Care Development Fund Cluster	93.575, 93.596
State Children's Insurance Program– N.C. Health Choice	93.767

Dollar threshold used to distinguish between Type A and Type B Programs:	\$1,251,434
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Auditee qualified as low-risk auditee?	_____ Yes <u> X </u> No
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CHATHAM COUNTY, NORTH CAROLINA

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

2. Financial Statement Findings

None reported.

3. Federal Award Findings and Questioned Costs

None reported.

4. State Award Findings and Questioned Costs

None reported.

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

None reported.

CHATHAM 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 Number</u>	<u>Federal (Direct & Pass-through) Expenditures</u>	<u>State Expenditures</u>
Federal Awards:			
<u>U.S. Dept. of Agriculture</u>			
Passed-through the N.C. Dept. of Health and Human Services:			
Division of Social Services:			
Administration:			
SNAP Cluster			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	\$ 416,156	\$ -
Supplemental Nutrition Assistance Program	10.561	2,974	-
Supplemental Nutrition Assistance Program-Fraud			-
Total SNAP Cluster		<u>419,130</u>	<u>-</u>
Passed-through the N.C. Dept. of Health and Human Services:			
Division of Public Health:			
Direct Benefit Payments:			
Special Supplemental Nutrition Program for Women, Infants, & Children	10.557	1,172,263	-
Passed through Triangle J Council of Governments			
USDA Supplement	10.570	20,424	-
Total U.S. Dept. of Agriculture		<u>1,611,817</u>	<u>-</u>
<u>U.S. Department of Housing and Urban Development</u>			
Passed through N.C. Housing Finance Agency			
HOME Investments Partnership Program-Single Family Rehabilitation	14.239	251,402	-
HOME Investments Partnership Program-Urgent Repair Program	14.239	72,293	-
Passed through N.C. Department of Commerce			
CDGB - State Administered CDGB Cluster:			
Division of Community Assistance			
Community Development Block Grant - Scattered Site Housing	14.228	16,954	-
Community Development Block Grant - Economic Recovery	14.228	227,399	-
Total U.S. Department of Housing and Urban Development		<u>568,048</u>	<u>-</u>
<u>U.S. Dept. of Justice</u>			
<u>Bureau of Justice Assistance</u>			
Passed-through N.C. Dept. of Crime Control and			
Public Safety:			
Grants to Encourage Arrest Policies & Enforcement of Protection Orders (EMI)	16.590	68,710	-
Crime Victim Assistance	16.575	37,797	-
JAG Cluster			
Byrne Justice Assistance Grant Program	16.738	20,081	-
Direct Program:			
Supervised Visitation, Safe Havens for Children	16.527	110,662	-
Grants to Encourage Arrest Policies & Enforcement of Protection Orders (EDVR)	16.590	131,960	-
Bulletproof Vest Partnership Program	16.607	4,147	-
State Criminal Alien Assistance Program	16.606	12,181	-
Total U.S. Dept. of Justice		<u>385,538</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			
Emergency Management Performance Grants	97.042	30,975	-
Total U. S. Department of Homeland Security		<u>30,975</u>	<u>-</u>

CHATHAM COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2014

<u>Grantor/Pass-through</u> <u>Grantor/Program Title</u>	<u>Federal</u> <u>CFDA</u> <u>Number</u>	<u>Federal</u> <u>(Direct &</u> <u>Pass-through)</u> <u>Expenditures</u>	<u>State</u> <u>Expenditures</u>
<u>U.S. Dept. of Health & Human Services</u>			
<u>Administration on Aging</u>			
<u>Division of Aging and Adult Services</u>			
Passed through Triangle J Council of Governments:			
Special Programs for the Aging - Title III D			
Disease Prevention and Health Promotion Services	93.043	4,785	282
<u>Aging Cluster:</u> *			
Special Programs for the Aging - Title III B			
Grants for Supportive Services and Senior Centers			
Access Services	93.044	71,338	4,196
Special Programs for the Aging			
Title III C - Nutrition Services			
Congregate Nutrition	93.045	111,592	6,564
Home Delivered Meals	93.045	58,687	3,452
Total Aging Cluster		241,617	14,212
National Family Caregiver Support	93.052	35,737	2,382
Social Service Block Grant (SSBG) - In Home Services:	93.667	14,288	408
		50,025	2,790
Administration of Children and Families			
Passed-through the N.C. Dept. of Health and Human Services:			
Division of Social Services:			
<u>Foster Care and Adoption Cluster (Note 4)</u>			
Administration:			
Title IV-E Adoption Training	93.659	43,749	38,837
Title IV-E Foster Care	93.658	385,739	33,678
Title IV-E Foster Care Training	93.658	(5,027)	
Direct Benefit Payments:			
Foster Care	93.658	125,536	36,719
Adoption Assistance	93.659	509,549	133,299
Total Foster Care and Adoption Cluster (Note 4)		1,059,546	242,533
Promoting Safe and Stable Families	93.556	25,165	-
Temporary Assistance for Needy Families (TANF) Cluster			
TANF	93.558	3,700	-
Work First Administration	93.558	47,029	-
Work First Service	93.558	212,325	-
Total TANF Cluster		263,054	-
N.C. Child Support Enforcement Section:			
IV-D Administration	93.563	345,456	-
IV-D Offset Fees - ESC	93.563	41	-
IV-D Offset Fees - Federal	93.563	1,145	-
Refugee and Entrant Assistance - State Administered Program	93.566	69	-
Low Income Home Energy Assistance			
Crisis Intervention Program	93.568	146,638	-
Low Income Energy Administrator	93.568	27,664	-
Low Income Home Energy	93.568	118,600	-
Child Welfare Services - State Grants:			
Permanency Planning - Special	93.645	38,780	-
Social Services Block Grant:			
CPS TANF to SSBG	93.667	367,184	-
In Home Services	93.667	6,856	-
In-Home Services over 60	93.667	10,652	-
Other Services and Training	93.667	158,544	15,612
Independent Living Grant:			
Links	93.674	22,662	4,477
State Children's Insurance Program			
N.C. Health Choice	93.767	32,071	1,714

**CHATHAM COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2014**

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal (Direct & Pass-through) Expenditures	State Expenditures
Medicaid Cluster:			
Medical Assistance Program - Direct Benefit Payment	93.778	32,273,206	17,647,813
Adt Cr Hm Cs Mgt/Spec	93.778	9,296	4,611
Medical Assistance Expansion	93.778	8,212	8,212
Medical Assistance Administration	93.778	668,940	-
Medical Transportation Administration	93.778	56,148	-
Medical Transportation Service	93.778	4,390	2,288
State County Special Assistance	93.778	21,132	-
Total Medicaid Cluster		33,041,324	17,662,924
Direct Benefit Payments			
Temporary Assistance for Needy Families (TANF) Cluster			
Special Children Adoption	93.558	-	31,200
TANF Payments and Penalties	93.558	177,914	-
TANF UP	93.558	(211)	-
Total TANF Cluster		177,703	31,200
Family Support Payments to States			
AFDC Payments and Penalties	93.560	(705)	(193)
Independent Living Grant			
Links Transitional Funds	93.674	18,303	-
		34,801,206	17,715,734
Division of Child Development:			
Subsidized Child Care (Note 4)			
Child Care Development Fund Cluster: ^{3,4}			
Division of Social Services:			
Child Care Development Fund-Administration	93.596	99,962	-
Division of Child Development:			
Child Care and Development -- Discretionary	93.575	624,703	-
Child Care and Development Fund -- Mandatory	93.596	367,124	-
Child Care and Development Fund -- Match	93.596	195,475	58,120
Total Child Care Development Fund Cluster		1,287,264	58,120
Temporary Assistance for Needy Families (TANF)	93.558	336,180	-
Foster Care Title IV-E	93.658	16,273	8,496
State Funds			
State Appropriations		-	202,150
TANF-MOE		-	187,238
Total Subsidized Child Care Cluster (Note 4)		1,639,717	456,004
Centers for Medicare and Medicaid Services			
Passed-through the N.C. Dept. of Health and Human Services:			
Division of Medical Assistance:			
Direct Benefit Payments:			
State Children's Insurance Program - N.C. Health Choice	93.767	1,152,329	363,475
Centers for Disease Control			
Passed-through the N.C. Dept. of Health and Human Services:			
Division of Public Health:			
Public Health Emergency Preparedness	93.069	35,411	-
Immunization Program/Aid to County Funding	93.268	13,994	-
Breast and Cervical Cancer Screening Opportunities for States, Tribes and Territories solely financed by 2012 Prevention and Public Health	93.744	303	-
Coop Agreement for Breast and Cervical Cancer	93.919	8,285	-
Statewide Health Promotion Program	93.991	20,699	-
Health Resources and Services Administration			
Passed-through the N.C. Dept. of Health and Human Services:			
Division of Public Health:			
Maternal and Child Health Services Block Grant	93.994	62,417	47,903

CHATHAM 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 Number</u>	<u>Federal (Direct & Pass-through) Expenditures</u>	<u>State Expenditures</u>
<u>Office of Population Affairs</u>			
Passed-through the N.C. Dept. of Health and Human Services:			
Office of Population Affairs			
Family Planning Services	93.217	27,750	-
Total U.S. Dept. of Health and Human Services		39,118,084	18,842,933
Total Federal Awards		41,714,462	18,842,933
State Awards:			
<u>N.C. Dept. of Cultural Resources</u>			
Division of State Library			
State Aid to Public Libraries		-	110,689
Total N.C. Dept. of Cultural Resources		-	110,689
<u>N.C. Department of Environment and Natural Resources</u>			
White Goods Management Program		-	1,012
Scrap Tire Grant		-	1,896
Waste Reduction Grant		-	3,502
Agricultural Cost Share-Technical Assistance		-	22,806
Education Grant		-	3,600
Total N.C. Dept. of Environmental and Natural Resources		-	32,816
<u>N.C. Dept. of Health and Human Services</u>			
Division of Social Services:			
Administration and Services			
AFDC-Program Integrity		-	664
Energy Assistance Private Grants		-	19,196
Foster Care		-	21,349
IV-E Adoption			
Direct Benefit Payments:			
State/County Special Assistance for Adults			
Domiciliary Care Payments		-	392,271
State Foster Home		-	27,218
State Foster Home Maximization		-	18,642
CWS Adoption Subsidy & Vendor		-	216,088
Total Division of Social Services		-	695,428
Division of Public Health			
Environmental Health		-	4,000
Food and Lodging Fees		-	12,252
General Aid to Counties		-	80,708
General Communicable Disease Control		-	1,610
Interpreter Grant II		-	6,968
Maternal Health (HMHC)		-	1,579
Pregnancy Care Mgmt for Women Ineligible for Maternal Care		-	12,887
Risk Reduction/Health Promotion		-	6,285
School Nurse Funding Initiative		-	100,000
Speech and Hearing		-	100,000
TB Medical Services		-	540
TPPI-Pregnancy Prevention		-	60,000
Tuberculosis		-	9,148
Women's Health Service Fund		-	8,652
Total Division of Public Health		-	404,629
Total N. C. Department of Health and Human Services		-	1,100,057
<u>N.C. Dept. of Public Instruction</u>			
Public School Building Capital Fund-Lottery Proceeds		-	573,328
Total N.C. Dept. of Public Instruction		-	573,328

CHATHAM COUNTY, NORTH CAROLINA
 SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
 FOR THE YEAR ENDED JUNE 30, 2014

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal (Direct & Pass-through) Expenditures	State Expenditures
<u>N.C. Dept. of Transportation</u>			
Rural Operating Assistance Program (ROAP)			
ROAP-Elderly and Disabled Transportation Assistance Program		-	70,992
ROAP Rural General Public Program		-	93,081
ROAP Work First Transitional - Employment Transportation Assistance Program		-	16,204
Total ROAP		<u>-</u>	<u>180,277</u>
<u>Passed through Triangle J Council of Governments</u>			
In-Home Services for Frail Older Individuals		-	154,034
Access for Grants for Supportive Services and Senior Centers		-	7,088
Home Delivered Meals		-	43,890
Senior Center Development		-	15,573
Total Passed through Triangle J Council		<u>-</u>	<u>220,585</u>
Total State awards		<u>-</u>	<u>2,217,753</u>
Total Federal and State awards		<u>\$ 41,714,462</u>	<u>\$ 21,060,685</u>

**CHATHAM COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2014**

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

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal and state awards includes the federal and State grant activity of the County of Chatham 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 Single Audit Implementation Act. Therefore, some amounts presented in this schedule may differ from amounts 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

Note 2 - Subrecipients

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

<u>Subrecipient/Program Title</u>	<u>Reference #</u>	<u>CFDA</u>	<u>State/Pass-Through</u>	<u>Federal</u>	<u>State Expenditures</u>
Piedmont Health Services					
Special Supplemental Nutrition Program for Women, Infants, and Children		10.557		\$ 1,172,263	
Communities in Schools					
Juvenile Crime Prevention Program	WP-13			\$	146,137
Chatham County Transit Network					
Elderly and Disabled Trans Assist Prog	WP-9 / 1		36235.19.1.2		70,992
Rural General Public Program	WP-9 / 2		36228.22.5.1		93,081
Work First / Employment Transport	WP-9 / 3		36236.11.3.1		16,204
El Futuro					
Juvenile Crime Prevention Program	WP-13				11,336
Haven House					
Juvenile Crime Prevention Program	WP-13				9,524
Mental Health America-Triangle					
Juvenile Crime Prevention Program	WP-13				5,980
NC Admin Office of the Courts					
Juvenile Crime Prevention Program	WP-13				4,441
Total Passed Through to Subrecipients				<u>\$ 1,172,263</u>	<u>\$ 357,695</u>

Note 3 - Major Programs

Cluster programs are considered as one program for determining major programs in accordance with OMB Circular A-133. Also, the federal portion of cluster programs is included when identifying major programs for calculating the percentage of coverage of awards expended.

Note 4 - State Clustered Programs

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

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