

LINCOLN COUNTY

NORTH CAROLINA



COMPLIANCE LETTERS

**For the Fiscal Year Ended
June 30, 2011**

LINCOLN COUNTY, NORTH CAROLINA

COMPLIANCE LETTERS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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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, 2011, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 5, 2011. 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

Management of Lincoln County is responsible for establishing and maintaining effective 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.

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.

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 financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

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 December 5, 2011.

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.

December 5, 2011

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

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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, 2011. Lincoln County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. 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, 2011.

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.

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.

Our consideration of the 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 the County's internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

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, North Carolina, as of and for the year ended June 30, 2011, which collectively comprise Lincoln County, North Carolina's basic financial statements, and have issued our report thereon dated December 5, 2011 which contained an unqualified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise Lincoln County, North Carolina's basic financial statements. The accompanying Schedule of Expenditures of Federal and State Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, 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 other procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditure of Federal and State Awards 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.
December 5, 2011

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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, 2011. Lincoln County's major State programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. 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, 2011.

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.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, non-compliance with a type of compliance requirement of a State program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is reasonable possibility that material non-compliance with a type of compliance requirement of a State program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of the 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 the County's internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

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, North Carolina, as of and for the year ended June 30, 2011, which collectively comprise Lincoln County, North Carolina's basic financial statements, and have issued our report thereon dated December 5, 2011 which contained an unqualified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise Lincoln County, North Carolina's basic financial statements. The accompanying Schedule of Expenditures of Federal and State Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, 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 other procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditure of Federal and State Awards 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.
December 5, 2011

LINCOLN COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2011

1. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

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

Non-compliance material to financial statements noted? _____ Yes X No

Federal Awards

Internal control over major federal programs:

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

Identification of major federal programs:

<u>Federal Program/Cluster Name</u>	<u>CFDA#</u>
Medicaid Cluster	93.778
TANF Cluster	93.558, 93.714
Foster Care	93.658
Adoption Assistance	93.659
State Children's Insurance Program	93.767

Dollar threshold used to distinguish between Type A and Type B Programs: \$ 1,925,475

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

LINCOLN COUNTY, NORTH CAROLINA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2011**

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

LINCOLN COUNTY, NORTH CAROLINA
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2011

Finding 2010-01 – corrected in the current year

LINCOLN COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2011

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:					
Supplemental Nutrition Assist. Program Cluster					
State Administrative Matching Grants for					
the Supplemental Nutrition Assistance Program	10.561		\$ 489,332	\$ -	\$ 397,679
Supplemental Nutrition Asst. Program E&T & Dep.	10.561		435	-	435
Supplemental Nutrition Assistance Fraud Admin	10.561		30,627	-	30,627
Total Supplemental Nutrition Assistance Cluster			520,394	-	428,741
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		378,769	-	-
Direct Benefit Payments:					
Special Supplemental Nutrition Program for					
Women, Infants, & Children	10.557		1,036,013	-	-
Passed-through Centralina Council of Governments					
USDA Supplement	10.570		8,239	-	-
Total U.S. Department of Agriculture			<u>1,943,415</u>	<u>-</u>	<u>428,741</u>
<u>U.S. Dept. of Justice</u>					
<u>Bureau of Justice Assistance</u>					
Public Safety Partnership & Community Policing COPS (ARRA)	16.710		344,923	-	-
Edward Byrne Memorial Justice Grant JAG Program	16.738		8,159	-	-
Edward Byrne Memorial Justice Grant (ARRA)	16.808		35,664	-	-
Total Bureau of Justice Assistance			388,746	-	-
Passed-through N.C. Dept. of Crime Control and					
Public Safety:					
State Criminal Alien Assistance Program (SCAAP)	16.606		17,433	-	-
		Gov Crime Comm			
Edward Byrne Memorial Justice Assistance (ARRA)	16.803		45,111	-	-
		JCPC Gang			
Edward Byrne Memorial Justice Assistance (ARRA)	16.803		9,701	-	-
		COPS 2009			
Project Safe Neighborhoods PSN	16.609	023-1-08-001-SG-506	2,590	-	-
Total U.S. Dept. of Justice			<u>463,581</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	51003.41.3.STT1	78,661	-	-
Passed-through the N.C. Department of Transportation					
Formula Grant Public Transportation Admin	20.509	36233.131.1.1	12,435	777	2,332
Formula Grant Public Transportation Admin	20.509	36233.131.1.3	217,060	27,133	27,133
Formula Grant Public Transportation Admin	20.509	36233.131.2.1	102,148	6,384	19,153
Formula Grant Public Transportation Admin	20.509	36233.131.2.3	1,829	229	229
Total U.S. Dept. of Transportation			<u>412,133</u>	<u>34,523</u>	<u>48,847</u>

LINCOLN COUNTY, NORTH CAROLINA

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2011**

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Fed. (Direct & Pass-through) Expenditures</u>	<u>State Expenditures</u>	<u>Local Expenditures</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-2010-37109	51,346	-	-
Homeland Security Grant	97.067	2009-SS-T9-046	10,000	-	-
Total U. S. Department of Homeland Security			<u>61,346</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					
Supportive Services and Senior Center					
Access	93.044		64,624	59,773	-
In-Home	93.044		69,422	171,208	-
Nutrition Services	93.045		85,106	5,010	-
Total Aging Cluster			<u>219,152</u>	<u>235,991</u>	<u>-</u>
Special Programs for the Aging - Title III B					
Disease Prevention and Health Promotion Services	93.043		5,739	338	-
National Family Caregiver Support	93.052		26,607	1,774	-
Total Centralina Council Governments			<u>251,498</u>	<u>238,103</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					
<u>Administration:</u>					
IV-E Optional Adopt TRN 50%	93.659		19,363	-	16,957
IV-E Child Protective Services	93.658		311,070	34,489	276,581
IV-E Foster Care TRN	93.658		3,742	-	1,247
IV-E Foster Care/Off TRN	93.658		172,950	-	172,950
<u>Direct Benefit Payments:</u>					
IV-E Adoption Subsidy & Vendor	93.659		320,866	72,024	76,343
IV-E Admin County Paid to CCI/	93.658		2,667	1,334	1,334
IV-E Family Foster Max	93.658		80	-	38
IV-E Foster Care	93.658		79,196	17,363	17,362
IV-E Max Level III	93.658		4,613	8	1,979
Total Foster Care and Adoption Cluster			<u>914,548</u>	<u>125,217</u>	<u>564,791</u>
Passed through N.C. Department of Health and Human Services					
Division of Social Services:					
<u>Administration:</u>					
North Carolina Health Choice	93.767		-	2,915	4,451
Independent Living Grant	93.674		12,870	3,218	-
Family Violence Prevention	93.671		3,313	-	-
Adult Day Care Fund	93.667		2,672	3,202	839
In-Home Services	93.667		7,934	-	752
In-Home Services over 60	93.667		2,485	-	355
SSBG - Other Service and Training	93.667		162,791	16,431	59,741
Permanency Planning - Special	93.645		28,215	-	13,297
Crisis Intervention Payments	93.568		319,426	-	4,040
Administration	93.568		41,973	-	-
CSE Incentive Recovery	93.563		16,723	-	8,516
N. C. Child Support Enforcement Section	93.563		444,837	-	229,158
Family Preservation	93.556		3,582	-	-

LINCOLN COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2011

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
IV-D Offset Fees-ESC	93.563		365	21	167
IV-D Offset Fees-Federal	93.563		2,749	-	1,376
Adoption/Foster Care			84,063	-	-
Job Boost			61,844	-	-
<u>Direct Benefit Payments:</u>					
Independent Living Transitional/Lin	93.674		38,964	-	-
Energy Assistance Payments- Direct Benefit Payments	93.568		550,880	-	-
Refugee Assistance Payment	93.566		2,213	-	-
AFDC Payments & Penalties	93.560		(227)	(62)	(62)
AFDC Unemployed Parents Assistance	93.560		(79)	(22)	(22)
Total Division of Social Services			1,787,594	25,704	322,609
<u>Temporary Assistance for Needy Families Cluster:</u>					
<u>Administration:</u>					
TANF Domestic Violence	93.558		17,569	-	-
Work First Administration	93.558		131,522	-	79,486
Work First Service	93.558		744,624	-	406,041
TANF (ARRA)	93.714		103,885	-	-
<u>Direct Benefit Payments:</u>					
Special Children Adoption	93.558		24,000	-	-
TANF Payments & Penalties	93.558		312,591	-	236
Total Temporary Assistance for Needy Families Cluster			1,334,191	-	485,763
<u>Subsidized Child Care Cluster: (2)</u>					
<u>Child Care Development Fund Cluster</u>					
Division of Social Services					
Child Care Development Fund-Administration	93.596		103,423	-	-
Division of Child Development:					
Child Care and Development Fund -- Discretionary	93.575		732,098	-	-
Child Care and Development Fund -- Mandatory	93.596		325,159	-	-
Child Care and Development Fund -- Match	93.596		188,586	102,357	-
Total Child Care Fund Cluster			1,349,266	102,357	-
Social Services Block Grant	93.667		1,518	-	-
Temporary Assistance for Needy Families (TANF)	93.558		238,706	-	-
ARRA - Emergency Contingency Fund for Temporary Assistance for Needy Families - State Programs	93.714		132,303	-	-
Smart Start			-	61,481	-
State Appropriations			-	51,115	-
TANF-MOE			-	268,281	-
Total Subsidized Child Care Cluster			1,721,793	483,234	-
<u>Centers for Medicare and Medicaid Services</u>					
Passed-through the N.C. Dept. of Health and Human Services:					
<u>Medicaid Cluster:</u>					
Division of Medical Assistance:					
Medical Assistance Assistance Program	93.778		65,393	25,229	-
Administration:					
Adult Care Home (Case Management) and (Specialist)	93.778		71,438	29,409	42,461
Medical Assistance Expansion	93.778		11,134	11,134	-
Medical Assistance Admin	93.778		675,094	-	683,466
Medical Transportation Admin	93.778		79,217	-	85,908
Medical Transportation Service	93.778		5,459	1,881	-
<u>Direct Benefit Payments:</u>					
Medical Assistance Program	93.778		53,897,898	22,202,934	4,138
Total Medicaid Cluster			54,805,633	22,270,587	815,973

LINCOLN COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2011

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>Centers for Disease Control and Prevention</u>					
Passed-through the N.C. Dept. of Health and Human Services					
Division of Public Health					
Public Health Emergency Preparedness	93.069		15,706	-	-
CDC Prevention Investigations and Tech Assistance	93.283		113,244	27	-
Statewide Health Promotion Program	93.991		13,660	-	-
<u>Immunization Cluster:</u>					
Immunization Program/Aid to County Funding	93.268		20,550	-	-
Total Immunization Cluster			<u>20,550</u>	<u>-</u>	<u>-</u>
<u>Administration for Children and Families</u>					
Passed-through the N.C. Dept. of Health and Human Services					
Division of Social Services					
Temporary Assistance for Needy Families	93.558		6,312	-	-
<u>Health Resources and Services Administration</u>					
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Public Health:					
Maternal and Child Health Services Block Grant	93.994		208,206	43,659	-
<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		31,909	-	-
Passed-through the N.C. Office of Emergency Medical Services					
National Bioterrorism Hospital Preparedness Program	93.889		72,529	-	-
Passed-through the N.C. Department of Insurance					
Division of Seniors' Health Insurance Information Program					
Centers for Medicare and Medicaid Services	93.779	SHIIP PR9830007	4,660	-	-
Total U.S. Dept. of Health and Human Services			<u>61,302,033</u>	<u>23,186,531</u>	<u>2,189,136</u>
Total Federal Awards			<u>64,182,508</u>	<u>23,221,054</u>	<u>2,666,724</u>
State Awards:					
<u>N.C. Dept. of Environmental and Natural Resources</u>					
<u>Division of Soil & Water</u>					
AG Cost Share Funds				27,575	-
Administrative Match Funds				3,960	-
<u>Division of Waste Management</u>					
Scrap Tire Program				98,625	-
Total N.C. Dept. of Environmental and Natural Resources				<u>130,160</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				1,865	-
Senior Center General Purpose				4,081	-
Total Centralina Council of Governments				<u>5,946</u>	<u>-</u>

LINCOLN COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2011

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Social Services:					
<u>Administration:</u>					
Child Protective Services Expansion State				106,358	-
DCD Smart Start				69,278	-
State Adult Protective Service				53,929	-
AFDC Incent/Program Integrity				47	-
TANF Incent/Program Integrity				737	-
County Funded Programs				-	426,837
State County Special Assistance				-	37,479
Work First Non Reimbursable				-	145,237
<u>Direct Benefit Payments:</u>					
CWS Adopt Subsidy & Vendor				265,919	86,316
F/C At Risk Maximization				4,607	2,466
SC/SA Domiciliary Care Payment				542,551	542,035
State Foster Home				55,171	55,170
SFHF Maximization				45,089	45,089
Total Division of Social Services				1,143,684	1,340,628
Division of Public Health					
General				125,452	-
AIDS-State				500	-
Communicable Disease				12,488	-
Tuberculosis				2,612	-
Women's Preventable Health				3,538	-
Rick Reduction/Health Promotion				4,840	-
Breast and Cervical Cancer Control				9,122	-
Preparedness and Response				48,820	-
Total Division of Public Health				207,372	-
Total N.C. Department of Health and Human Services				1,357,002	1,340,628
<u>Dept. of Juvenile Justice and Delinquency Prevention</u>					
Juvenile Crime Prevention Programs					
Administration				12,522	-
Strengthening Families				28,069	-
CIS Restitution & Mentoring				29,099	-
Equine Assisted Skill Building				26,681	-
Take Hole of the Reins (SA)				14,537	-
Shepher's Ranch Savy Shepherd				26,811	-
Mediation				19,704	-
Multisystemic 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				942,883	-
<u>N.C. Dept. of Transportation</u>					
Work First		DOT-16CL		25,110	-
Program (EDTAP)		DOT-16CL		89,119	-
ROAP Rural General Public Transportation		DOT-16CL		106,002	11,778
Total N.C. Dept. of Transportation				220,231	11,778

LINCOLN COUNTY, NORTH CAROLINA

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2011**

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Fed. (Direct & Pass-through) Expenditures</u>	<u>State Expenditures</u>	<u>Local Expenditures</u>
<u>N.C. Dept. of Administration</u>					
Veterans Services				2,000	-
Total State Awards				<u>2,817,199</u>	<u>1,352,406</u>
Total Federal and State Awards			<u>\$ 64,182,508</u>	<u>\$ 26,038,253</u>	<u>\$ 4,019,130</u>

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

Basis of Presentation

1. The accompanying Schedule of Expenditures of Federal and State Awards includes the federal and State grant activity of Lincoln 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.
2. The following are clustered by the NC Department of Health and Human Services and are treated separately for state audit requirement purposes: Aging, Foster Care and Adoption Cluster, and Subsidized Child Care.