

**TRANSYLVANIA COUNTY
NORTH CAROLINA**

COMPLIANCE LETTERS

FOR THE YEAR ENDED JUNE 30, 2015

TRANSYLVANIA COUNTY, NORTH CAROLINA

COMPLIANCE LETTERS FOR THE YEAR ENDED JUNE 30, 2015

TABLE OF CONTENTS

	<u>Page</u>
Report On Internal Control Over Financial Reporting And On Compliance And Other Matters Based On An Audit of Financial Statements Performed In Accordance With <i>Government Auditing Standards</i>	1-2
Report On Compliance For Each Major Federal Program; Report On Internal Control Over Compliance; And Report On The Schedule of Expenditures of Federal And State Awards Required By OMB Circular A-133; And The State Single Audit Implementation Act	3-5
Report On Compliance For Each Major State Program; Report On Internal Control Over Compliance; And Report On The Schedule of Expenditures of Federal And State Awards Required by OMB Circular A-133; And The State Single Audit Implementation Act	6-8
Schedule of Findings and Questioned Costs	9-11
Summary Schedule of Prior Year's Audit Findings	12
Schedule of Expenditures of Federal and State Awards	13-17

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
Transylvania County, 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 Transylvania County, North Carolina, as of and for the year ended June 30, 2015, not presented here, and the related notes to the financial statements which collectively comprise the County's basic financial statements, and have issued our report thereon dated November 16, 2015. The financial statements of the Transylvania Tourism Development Authority 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 Transylvania 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 Transylvania 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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Transylvania 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
November 16, 2015

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

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

Report On Compliance For Each Major Federal Program; Report On Internal Control Over Compliance; And 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
Transylvania County, North Carolina

Report on Compliance for Each Major Federal Program

We have audited Transylvania County, North Carolina'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 Transylvania County's major federal programs for the year ended June 30, 2015. Transylvania 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 each of its major federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Transylvania County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and the State Single Audit Implementation Act. Those standards, OMB Circular A-133, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Transylvania 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 Transylvania County's compliance.

Opinion on Each Major Federal Program

In our opinion, Transylvania County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

Report on Internal Control Over Compliance

Management of Transylvania 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, we considered Transylvania County's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program in order to determine our 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 Transylvania 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, noncompliance 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 noncompliance 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 deficiencies, 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 Transylvania County as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Transylvania County's basic financial statements. We issued our report thereon dated November 16, 2015, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Transylvania 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, the Schedule of Expenditures of Federal and State Awards is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
November 16, 2015

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

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

Report On Compliance For Each Major State Program; Report On Internal Control Over Compliance; And 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
Transylvania County, North Carolina

Report on Compliance for Each Major State Program

We have audited Transylvania 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 Transylvania County's major State programs for the year ended June 30, 2015. Transylvania 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 Transylvania 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 Transylvania 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 Transylvania County's compliance.

Opinion on Each Major State Program

In our opinion, Transylvania County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major State programs for the year ended June 30, 2015.

Report on Internal Control Over Compliance

Management of Transylvania 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 Transylvania 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 Transylvania County as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Transylvania County's basic financial statements. We issued our report thereon dated November 16, 2015, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Transylvania 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, the Schedule of Expenditures of Federal and State Awards is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
November 16, 2015

TRANSYLVANIA COUNTY, NORTH CAROLINA

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

1. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ Yes X No
- Are any significant deficiency(ies) identified that are not considered to be material weaknesses? _____ Yes X None reported

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

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? _____ Yes X No
- Are any significant deficiency(ies) identified that are not considered to be material weaknesses? _____ Yes X 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 X No

Identification of major federal programs:

Name of Federal Program or Cluster **CFDA #**
Medicaid Cluster 93.778, 93.775, 93.777

Dollar threshold used to distinguish between Type A and Type B programs: \$976,671

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

TRANSYLVANIA COUNTY, NORTH CAROLINA

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

1. Summary of Auditor's Results (continued):

State Awards

Internal control over major State programs:

- Material weakness(es) identified? Yes No
- Are any significant deficiency(ies) identified that are not considered to be material weaknesses? Yes None reported

Type of auditor's report issued on compliance for major State programs

Unmodified

Any findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act?

Yes No

Identification of Major State Programs:

Name of State Program or Cluster

Medicaid Cluster

TRANSYLVANIA COUNTY, NORTH CAROLINA

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

2. Findings and Responses Related to the Financial Statements

None

3. Findings and Responses Related to the Audit of Federal Awards

None

4. Findings and Responses Related to the Audit of State Awards

None

TRANSYLVANIA COUNTY, NORTH CAROLINA
SUMMARY SCHEDULE OF PRIOR YEAR'S AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2015

Finding 2014-001 – Corrected.

TRANSYLVANIA COUNTY, NORTH CAROLINA

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

Grantor / Pass-Through Grantor / Program Title	CFDA Number	State/ Pass-through Grantor's Number	Expenditures		
			Federal	State	County
Federal Awards:					
<u>U.S. Department of Health and Human Services:</u>					
<u>Administration for Children and Families:</u>					
Passed-through the N.C. Department of Health and Human Services:					
Division of Social Services:					
Temporary Assistance for Needy Families Cluster:					
Temporary Assistance for Needy Families (TANF)/ Work First	93.558	XXXX	\$ 413,422	\$ -	\$ 264,620
TANF/ Work First- Direct Benefit Payments	93.558	XXXX	136,677	-	-
Division of Public Health:					
Temporary Assistance for Needy Families	93.558	XXXX	618	-	-
Total TANF Cluster			550,717	-	264,620
NC Child Support Enforcement Section:					
IV-D Administration	93.563	XXXX	311,728	-	160,587
IV-D Offset Fees - ESC	93.563	XXXX	15	-	8
IV-D Offset Fees - Federal	93.563	XXXX	700	-	360
Low-Income Home Energy Assistance Block Grant:					
Administration	93.568	XXXX	299,984	-	-
Child Welfare Services- State Grants					
Permanency Planning- Families for Kids	93.645	XXXX	14,470	-	4,823
<u>Administration for Children and Families:</u>					
Passed-through the N.C. Department of Health and Human Services:					
Division of Social Services:					
Foster Care and Adoption Cluster (Note 4):					
Title IV-E Foster Care- Administration	93.658	XXXX	148,047	23,943	133,871
Foster Care- Administration	93.658	XXXX	98,424	14,700	-
Foster Care- Direct Benefit Payments	93.658	XXXX	76,812	23,470	24,600
Adoption Assistance- Administration	93.659	XXXX	7,350	-	7,350
Adoption Assistance-Direct Benefit Payments	93.659	XXXX	225,750	58,523	58,523
Total Foster Care and Adoption Cluster			556,383	120,636	224,344
Social Services Block Grant					
	93.667	XXXX	146,257	48,700	50,281
Promoting Safe and Stable Families					
	93.556	XXXX	11,071	-	-
LINKS - Administration					
	93.674	XXXX	3,340	835	-
Division of Child Development:					
Subsidized Child Care (Note 4)					
<u>Child Care Development Fund Cluster:</u>					
Division of Social Services:					
Child Care and Development Fund-Administration	93.596	XXXX	81,251	-	-
Division of Child Development:					
Child Care and Development Block Grant- Discretionary	93.575	XXXX	332,339	-	-
Child Care and Development Fund- Mandatory	93.596	XXXX	124,079	-	-
Child Care and Development Fund- Match	93.596	XXXX	204,751	87,565	-
Total Child Care and Development Fund Cluster			742,420	87,565	-
Foster Care Title IV-E					
Temporary Assistance for Needy Families	93.658	XXXX	6,539	3,387	-
ARRA- Emergency Contingency Fund for Temporary Assistance for Needy Families State Programs	93.558	XXXX	93,230	-	-
Smart Start	93.714	XXXX	-	-	-
State Appropriations		XXXX	-	157,584	-
TANF-Maintenance of Effort		XXXX	-	16,583	-
Total Subsidized Child Care Cluster			842,189	265,119	-
Total Administration for Children and Families			2,736,854	435,290	705,023

TRANSYLVANIA COUNTY, NORTH CAROLINA

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

Grantor / Pass-Through Grantor / Program Title	CFDA Number	State/ Pass-through Grantor's Number	Expenditures		
			Federal	State	County
<u>Centers for Medicare and Medicaid Services</u>					
Passed-through the N.C. Department of Health and Human Services:					
Medicaid Cluster:					
Division of Medical Assistance:					
Direct Benefit Payments:					
Medical Assistance Program	93.778	XXXX	26,655,820	14,334,613	-
Division of Social Services:					
Administration:					
Medical Assistance Program	93.778	XXXX	800,965	3,829	306,504
Total Medicaid Cluster			27,456,785	14,338,442	306,504
State Children's Health Insurance Program- N.C. Health Choice					
Administration	93.767	XXXX	22,891	1,685	5,504
Direct Benefit Payments	93.767	XXXX	562,883	177,299	-
Total Centers for Medicare and Medicaid Services			28,042,559	14,517,426	312,008
<u>Centers for Disease Control and Prevention</u>					
Passed-through the N.C. Department of Health and Human Services:					
Division of Public Health:					
Public Health Emergency Preparedness	93.069	XXXX	-	-	-
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	XXXX	30,783	-	-
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	XXXX	28	-	-
Immunization Grants	93.268	XXXX	6,656	-	-
State Health Promotion Program	93.991	XXXX	1,008	-	-
Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF)	93.758	XXXX	19,538	-	-
PPHF 2012: Breast and Cervical Cancer Screening Opportunities for States, Tribes and Territories solely financed by 2012 Prevention and Public Health Funds	93.744	XXXX	-	-	-
Cooperative Agreements for State-Based Comprehensive Breast and Cervical Cancer Early Detection Programs	93.919	XXXX	4,845	-	-
HIV Prevention Activities Health Department Based	93.940	XXXX	1,000	-	-
Preventive Health Services Sexually Transmitted Diseases Control Grants	93.977	XXXX	50	-	-
Total Centers for Disease Control and Prevention			63,908	-	-
<u>Health Resources and Service Administration</u>					
Passed-through the N.C. Department of Health and Human Services:					
Division of Public Health:					
Maternal and Child Health Services Block Grant	93.994	XXXX	32,095	24,074	-
<u>Office of Population Affairs</u>					
Passed-through the N.C. Department of Health and Human Services:					
Office of Population Affairs					
Family Planning Services	93.217	XXXX	21,702	-	-
<u>Administration on Aging</u>					
Division of Aging:					
Passed-through the N.C. Department of Health and Human Services					
Passed-through Land-of-Sky Regional Council					
Aging Cluster:					
Title III B (Legal, Access, In-Home)	93.044	14/15AANCT3SS	38,337	139,652	-
Title III C1 (Congregate Nutrition)	93.045	14/15AANCT3CM	82,907	4,877	-
Title III C2 (Home-Delivered Meals)	93.045	14/15AANCT3HD	11,078	9,923	-
Nutrition Services Incentive Program	93.053	14AANCNSIP	13,964	-	-
Total Aging Cluster			146,286	154,452	-
National Family Caregiver Support, Title III-E	93.052	14/15AANCT3FC	6,646	443	-
Senior Center General Purpose Funding	N/A	NC-01	-	11,680	-
Social Services Block Grant	93.667	NC-01	15,631	447	-
Medicare Enrollment Assistance Program	93.071	RQ17318461	500	-	-
Total Administration on Aging			169,063	167,022	-
Total U.S. Department of Health and Human Services			31,066,181	15,143,812	1,017,031

TRANSYLVANIA COUNTY, NORTH CAROLINA

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

Grantor / Pass-Through Grantor / Program Title	CFDA Number	State/ Pass-through Grantor's Number	Expenditures		
			Federal	State	County
<u>U.S. Department of Agriculture:</u>					
<u>Food and Nutrition Service:</u>					
Passed-through N.C. Department of Health and Human Services:					
Division of Social Services:					
Administration:					
Supplemental Nutrition Assistance Program Cluster:					
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	XXXX	296,278	(310)	296,278
Total Supplemental Nutrition Assistance Program Cluster			296,278	(310)	296,278
Division of Public Health:					
Administration:					
School Lunch Program	10.555	XXXX	-	-	-
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	XXXX	140,063	-	-
Women's Infant and Children Farmers Nutrition Program	10.572	XXXX	-	-	-
WIC Grants to States (WGS)	10.558	XXXX	1,355	-	-
Direct Benefit Payments:					
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	XXXX	437,236	-	-
Child Nutrition Cluster					
Summer Food Service Program for Children	10.559	XXXX	1,222	-	-
Total Child Nutrition Cluster			1,222	-	-
Total U.S. Department of Agriculture			876,154	(310)	296,278
<u>U.S. Department of Housing and Urban Development:</u>					
Passed-through N.C. Department of Commerce:					
CDBG- State Program and Non-Entitlement Grants in Hawaii					
Community Development Block Grant					
2011 Scattered Site Housing Project	14.228	09-E-2327	289,415	-	-
Total CDBG- State Program and Non-Entitlement Grants in Hawaii			289,415	-	-
Total U.S. Department of Housing and Urban Development			289,415	-	-
<u>U.S. Department of Homeland Security:</u>					
Passed-through N.C. Department of Public Safety					
Division of Crime Control and Public Safety:					
Emergency Management Performance Grants	97.042	XXXX	20,625	-	-
Emergency Management Grant Supplement	97.042	XXXX	17,595	-	-
Local Emergency Plan Committee	97.042	XXXX	1,104	-	-
Total Department of Homeland Security			39,324	-	-
<u>U.S. Department of Justice:</u>					
Bureau of Justice Assistance:					
State Criminal Alien Assistance Program	16.606	XXXX	2,416	-	-
Bulletproof Vest Partnership Program	16.607	XXXX	1,848	-	-
Federal Equitable Sharing Program	16.922	XXXX	50,456	-	-
Office of Victims of Crime:					
Passed-through N.C. Department of Crime Control and Public Safety:					
Crime Victim Assistance	16.575	XXXX	42,067	-	-
Total U.S. Department of Justice			96,787	-	-
<u>U.S. Department of Education:</u>					
Office of Special Education and Rehabilitative Services					
Passed-through N.C. Department of Health and Human Services:					
Special Education Cluster (IDEA)					
Special Education-Preschool Grants (IDEA Preschool)	84.173	XXXX	123,504	-	-
Total Special Education Cluster			123,504	-	-
Total U.S. Department of Education			123,504	-	-

TRANSYLVANIA COUNTY, NORTH CAROLINA

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

Grantor / Pass-Through Grantor / Program Title	CFDA Number	State/ Pass-through Grantor's Number	Expenditures		
			Federal	State	County
<u>U.S. Department of Transportation:</u>					
Passed-through N.C. Department of Transportation:					
Federal Transit Administration:					
Formula Grants for Rural Areas- Admin	20.509	(WBS #36233.104.16.1)	33,000	2,062	-
Formula Grants for Rural Areas- Admin	20.509	(WBS #36233.104.15.1)	31,329	1,958	-
Total U.S. Department of Transportation			64,329	4,020	-
Total Assistance- Federal Programs			32,555,694	15,147,522	1,313,309
State Awards:					
<u>N.C. Department of Public Safety:</u>					
Division of Juvenile Justice					
Juvenile Crime Prevention Programs		XXXX		102,534	-
Total NC Department of Public Safety				102,534	-
<u>N.C. Department of Health and Human Services:</u>					
Division of Social Services:					
Administration:					
Smart Start		XXXX		83	-
County Funded Programs		XXXX		-	509,441
Energy Assistance Private Grants		XXXX		22,019	-
Non-allocating County Costs		XXXX		-	5,913
Work First Non-reimbursable		XXXX		-	42,217
CPS Expansion - State		XXXX		112,109	-
AFDC-Program Integrity		XXXX		301	-
Direct Benefit Payments:					
CWS Adoption Subsidy		XXXX		83,790	26,030
F/C At Risk Maximization-direct benefit payments		XXXX		5,273	2,731
SC/SA Domiciliary Care Payments-direct benefit payments		XXXX		208,672	208,672
SFHF Maximization		XXXX		42,825	42,825
State Foster Home		XXXX		18,259	18,259
Total Division of Social Services				493,331	856,088
Division of Child Development and Early Education:					
NC Pre-K		XXXX		49,725	-
Division of Public Health:					
General Aid to Counties		XXXX		75,381	-
General Communicable Disease Control		XXXX		10,656	-
Food and Lodging Fees		XXXX		4,855	-
Women's Health Service Fund		XXXX		9,274	-
HIV/STD State		XXXX		400	-
HIV/STD SSBG Aid		XXXX		100	-
Sexually Transmitted Diseases		XXXX		90	-
Tuberculosis		XXXX		1,660	-
TB Medical Service		XXXX		540	-
School Nurse Funding Initiative		XXXX		50,000	-
Risk Reduction/Health Promotion		XXXX		6,286	-
Breast and Cervical Cancer Program		XXXX		5,100	-
Child Health		XXXX		800	-
HMHC-Family Planning		XXXX		2,307	-
Total Division of Public Health				167,449	-
Division of Aging and Adult Services:					
Seniors' Health Insurance Information Program (SHIIP)		XXXX		4,611	-
Total Division of Aging and Adult Services				4,611	-
Total N.C. Department of Health and Human Services				715,116	856,088
<u>N.C. Department of Environmental and Natural Resources</u>					
Division of Soil and Water Conservation:					
Streambank Stabilization and Restoration		XXXX		19,348	-
Total N.C. Department of Environmental and Natural Resources				19,348	-

TRANSYLVANIA COUNTY, NORTH CAROLINA

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

Grantor / Pass-Through Grantor / Program Title	CFDA Number	State/ Pass-through Grantor's Number	Expenditures		
			Federal	State	County
<u>N.C. Department of Transportation:</u>					
Rural Operating Assistance Program (ROAP)					
ROAP Elderly and Disabled Transportation Assistance Program		36220.10.5.1		55,714	-
ROAP Rural General Public Program		36228.22.5.1		54,048	-
ROAP Work First Transitional- Employment		36236.11.3.1		13,390	-
Total NC Department of Transportation				123,152	-
<u>N.C. Department of Cultural Resources</u>					
State Aid to Public Libraries		XXXX		83,496	-
<u>N.C. Department of Public Instruction:</u>					
Public School Building Capital Fund		XXXX		455,500	-
Total Assistance- State Programs				1,499,146	856,088
Total Federal and State Awards			\$ 32,555,694	\$ 16,646,668	\$ 2,169,397

Notes to the Schedule of Expenditures of Federal and State Awards:**1. Basis of Presentation**

The accompanying schedule of expenditures of federal and State awards (SEFSA) includes the federal and State grant activity of Transylvania County under the programs of the federal government and the State of North Carolina for the year ended June 30, 2015. The information in this SEFSA is presented in accordance with the requirements of Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and the State Single Audit Implementation Act. Because the SEFSA presents only a selected portion of the operations of Transylvania County, it is not intended to and does not present the financial position, changes in net position or cash flows of Transylvania County.

2. Summary of Significant Accounting Policies

Expenditures reported in the SEFSA are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments or cost principles contained in the Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursements. Pass-through entity identifying numbers are presented where available.

3. Subrecipients

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

Program Title	CFDA Number	Grantor's Number	Federal Expenditures	State Expenditures
Public School Building Capital Fund	N/A	N/A	\$ -	\$ 455,500

4. Cluster of Programs

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