

**MACON COUNTY
NORTH CAROLINA**

COMPLIANCE LETTERS

FOR THE YEAR ENDED JUNE 30, 2020

MACON COUNTY, NORTH CAROLINA

COMPLIANCE LETTERS FOR THE YEAR ENDED JUNE 30, 2020

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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
Macon County
Franklin, North Carolina

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Macon County, North Carolina, as of and for the year ended June 30, 2020, not presented here, and the related notes to the financial statements, which collectively comprise Macon County's basic financial statements, and have issued our report thereon dated December 7, 2020. The financial statements of the Macon County Airport Authority were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable non-compliance associated with the Macon County Airport Authority.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Macon County's internal control over financial reporting (internal control) as a basis for designing 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 Macon 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 County'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 a material weakness 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 Macon 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 financial statements. 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 County'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
December 7, 2020

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; Report on the Schedule of Expenditures of Federal and State Awards Required by the Uniform Guidance and the State Single Audit Implementation Act

Independent Auditor's Report

To the Board of Commissioners
Macon County
Franklin, North Carolina

Report On Compliance for Each Major Federal Program

We have audited Macon County, North Carolina's, compliance with the types of compliance requirements described in the *OMB 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 Macon County's major federal programs for the year ended June 30, 2020. Macon County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings, Responses, and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Macon 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the State Single Audit Implementation Act. Those standards, the Uniform Guidance, 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 Macon 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 Macon County's compliance.

Opinion on Each Major Federal Program

In our opinion, Macon County complied, in all material aspects, with the 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, 2020.

Report On Internal Control Over Compliance

Management of Macon 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 Macon County's internal control over compliance with the types of requirements that could have a direct and material effect on each 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 the Uniform Guidance, 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 Macon 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. *A significant deficiency in internal control over compliance* is a deficiency, or a 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 material weaknesses or significant deficiencies. 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance and the State Single Audit Implementation Act

We have audited the financial statements of governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Macon County, North Carolina, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Macon County's basic financials statements. We issued our report thereon dated December 7, 2020, 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 Macon 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 the Uniform Guidance 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 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 Expenditures of Federal and State Awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
December 7, 2020

MARTIN STARNES & ASSOCIATES, CPAs, P.A.

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Report on Compliance for Each Major State Program; Report on Internal Control Over Compliance; Report on the Schedule of Expenditures of Federal and State Awards Required by the Uniform Guidance and the State Single Audit Implementation Act

Independent Auditor's Report

To the Board of Commissioners
Macon County
Franklin, North Carolina

Report On Compliance for Each Major State Program

We have audited Macon 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 Macon County's major state programs for the year ended June 30, 2020. Macon County's major state programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings, Responses, and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with state statutes, regulations, and the terms and conditions of its state awards applicable to its state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Macon 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 Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as described in the *Audit Manual for Governmental Auditors in North Carolina*, and the State Single Audit Implementation Act. Those standards, the Uniform Guidance, 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 Macon 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 Macon County's compliance.

Opinion on Each Major State Program

In our opinion, Macon County complied, in all material respects, with the 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, 2020.

Report On Internal Control Over Compliance

Management of Macon 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 Macon County's internal control over compliance with the types of requirements that could have a direct and material effect on each 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 the Uniform Guidance, 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 Macon 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 a 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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weakness. 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report On Schedule of Expenditures of Federal and State Awards Required by the Uniform Guidance 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 Macon County, North Carolina, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Macon County's basic financial statements. We issued our report thereon dated December 7, 2020, 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 Macon 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 the Uniform Guidance 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 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.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
December 7, 2020

MACON COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2020

Section I. Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance to GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant deficiency(s) identified? None reported

Non-compliance material to financial statements noted? No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? No
- Significant deficiency(s) identified? No

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 2 CFR 200.516(a)? No

Identification of major federal programs:

Program Name	CFDA#
Medicaid Cluster	93.778
Aging Cluster	93.044, 93.045, 93.053
Appalachian Research, Technical Assistance, and Demonstration Projects Grant	23.011
Supplemental Nutrition Assistance Program Cluster	10.561
Foster Care	93.658
Adoption Assistance	93.659
Home Investment Partnerships Program	14.239

Dollar threshold used to distinguish between Type A and Type B programs \$750,000

Auditee qualified as low-risk auditee? No

MACON COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2020

Section I. Summary of Auditor's Results

State Awards

Internal control over major state programs:

- Material weakness(es) identified? No
- Significant deficiency(s) identified? None reported

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

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

Identification of major state programs:

Program Name

- Medicaid Cluster
- Aging Cluster
- School Nurse Funding Initiative
- Public School Building Capital Fund
- Foster Care and Adoption Cluster
- Urgent Repair Program

MACON COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2020

Section II. Financial Statement Findings

None reported

Section III. Federal Award Findings and Questioned Costs

None reported

Section IV. State Award Findings and Questioned Costs

None reported

MACON COUNTY, NORTH CAROLINA
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2020

None reported

MACON COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

<u>Grantor / Pass-Through Grantor / Program Title</u>	<u>Federal CFDA Number</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Federal (Direct & Pass-through) Expenditures</u>	<u>State Expenditures</u>	<u>Passed-through to Subrecipients</u>
Federal Awards					
<u>U.S. Department of Agriculture</u>					
Food and Nutrition Service:					
Passed through the 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	205NC406S2514	\$ 407,702	\$ -	\$ -
Total Supplemental Nutrition Assistance Program Cluster					
			407,702	-	-
Passed through the N.C. Department of Health and Human Services:					
Division of Public Health:					
Administration:					
WIC Special Supplemental Nutrition Program for Women, Infants, & Children					
	10.557	13A25403/5404/5405/5409/ 570B/570D	184,565	-	-
Natural Resources Conservation Service:					
Passed through the N.C. Department of Environmental Quality:					
Environmental Quality Incentives Program					
	10.912	NRCS-EQIP	6,346	-	-
National Institute of Food and Agriculture:					
Food Insecurity Nutrition Incentive Grants Program					
	10.331	2019-70030-30396	8,356	-	-
Total U.S. Department of Agriculture					
			606,969	-	-
<u>U.S. Department of Housing and Urban Development</u>					
Assistant Secretary For Community Planning and Development					
Passed through the N.C. Housing Finance Agency:					
Home Investment Partnerships Program					
	14.239	ESFRLP1714	101,665	-	-
Total U.S. Department of Housing and Urban Development					
			101,665	-	-
<u>U.S. Department of Transportation:</u>					
Federal Transit Administration:					
Passed through the N.C. Department of Transportation					
Transit Services Programs Cluster:					
Enhanced Mobility of Seniors and Individuals with Disabilities					
	20.513	51001.45.5.1, 51001.45.5.2	17,427	18,873	-
Total Transit Services Programs Cluster					
			17,427	18,873	-
Passed through the N.C. Department of Transportation					
Formula Grants for Rural Areas and Tribal Transit Program					
	20.509	36233.68.21.1	152,375	9,522	-
Formula Grants for Rural Areas and Tribal Transit Program					
	20.509	51081.5.3.3	64,640	8,080	-
Formula Grants for Rural Areas and Tribal Transit Program - CARES Act					
	20.509	49233.38.1.2	175,848	-	-
Federal Aviation Administration:					
Passed through the N.C. Department of Transportation					
Airport Improvement Program					
	20.106	36237.1.16.1	162,944	-	-
National Highway Traffic Safety Administration:					
Passed through the N.C. Department of Transportation					
Highway Safety Cluster:					
National Priority Safety Programs					
	20.616	M3DA-20-14-09	20,179	-	-
Total Highway Safety Cluster					
			20,179	-	-
Total U.S. Department of Transportation					
			593,413	36,475	-
<u>U.S. Department of Homeland Security</u>					
Federal Emergency Management Agency:					
Assistance to Firefighters Grant					
	97.044	EMW-2018-FO-00840	69,945	-	-
Passed through the N.C. Department of Public Safety:					
Emergency Management Performance Grants					
	97.042	EMPG-2019-19055	38,904	-	-
Homeland Security Grant Program					
	97.067	EMW-2018-SS-00053	43,746	-	-
Total U.S. Department of Homeland Security					
			152,595	-	-

MACON COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

<u>Grantor / Pass-Through Grantor / Program Title</u>	<u>Federal CFDA Number</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Federal (Direct & Pass-through) Expenditures</u>	<u>State Expenditures</u>	<u>Passed-through to Subrecipients</u>
U.S. Department of Health and Human Services					
Administration for Community Living:					
Passed through N.C. Department of Health and Human Services:					
Southwestern Commission Council of Governments:					
Aging Cluster:					
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	536333	25,317	39,784	-
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	536334	57,977	91,107	-
Special Programs for the Aging--Title III, Part B--Grants for Supportive Services and Senior Centers	93.044	536331	17,876	28,090	-
Special Programs for the Aging--Title III, Part B--Grants for Supportive Services and Senior Centers	93.044	536331	15,438	24,260	-
Special Programs for the Aging--Title III, Part B--Grants for Supportive Services and Senior Centers	93.044	536331	21,020	33,030	-
Nutrition Services Incentive Program	93.053	536160	6,152	-	-
Nutrition Services Incentive Program	93.053	536160	16,266	-	-
Total Aging Cluster			<u>160,046</u>	<u>216,271</u>	<u>-</u>
Total Administration for Community Living			<u>160,046</u>	<u>216,271</u>	<u>-</u>
Administration for Children and Families:					
Passed through the N.C. Department of Health and Human Services:					
Division of Social Services:					
Foster and Adoption Cluster (Note 3):					
Foster Care Title IV-E - Administration	93.658	2001NCFOST	174,509	16,827	-
Foster Care Title IV-E - Direct Benefit Payments	93.658	2001NCFOST	129,813	26,788	-
Foster Care Title IV-E	93.658	2001NCFOST	58,843	-	-
COVID-19 - Foster Care Title IV-E - Administration	93.658	2001NCFOST	4,433	283	-
COVID-19 - Foster Care Title IV-E - Direct Benefit Payments	93.658	2001NCFOST	6,700	8,500	-
Adoption Assistance - Administration	93.659	2001NCADPT	15,893	-	-
Total Foster Care and Adoption Cluster			<u>390,191</u>	<u>52,398</u>	<u>-</u>
Division of Social Services:					
Temporary Assistance for Needy Families -					
Work First - Administration	93.558	2001NCTANF	421,573	-	-
Temporary Assistance for Needy Families - State Program	93.558	13A15151T2	491	-	-
NC Child Support Enforcement Section:					
Child Support Enforcement - Administration / CSE Incentive Recovery	93.563	2001NCCES	265,094	-	-
Child Support Enforcement - Offset Fees - Federal	93.563	2001NCCES	2,685	-	-
Low-Income Home Energy Assistance Block Grant:					
Low Income Home Energy Assistance - Administration	93.568	G20B1NCLIEA	170,494	-	-
Low Income Home Energy Assistance - Crisis Intervention Program	93.568	G20B1NCLIEA	134,341	-	-
Stephanies Tubbs Jones Child Welfare Service Program	93.645	G2001NCCWSS	14,216	-	-
Social Services Block Grant - Other Service and Training	93.667	G2001NCSOSR	89,167	-	-
John H. Chafee Foster Care Independence Program for Successful Transition to Adulthood - Administration	93.674	2001NCCILP	6,411	1,603	-
John H. Chafee Foster Care Independence Program for Successful Transition to Adulthood - Direct Benefit Payment	93.674	2001NCCILP	5,099	-	-
MaryLee Allen Promoting Safe and Stable Families Program - Administration	93.556	2001NCFPSS	20,138	-	-
Division of Aging and Adult Services:					
Division of Social Services:					
Social Services Block Grant - State In Home Service Fund	93.667	G2001NCSOSR	6,302	-	-
Social Services Block Grant - State Adult Day Care	93.667	G2001NCSOSR	13,584	12,138	-
Social Services Block Grant - Adult Protective Service	93.667	G2001NCSOSR	16,391	-	-
Social Services Block Grant - CPS TANF	93.667	G2001NCSOSR	71,353	-	-
Total Social Service Block Grant			<u>107,630</u>	<u>12,138</u>	<u>-</u>
Division of Child Development:					
Subsidized Child Care (Note 3)					
Child Care Development Fund Cluster:					
Division of Social Services:					
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	G2001NCCCDF	79,587	-	79,587
Total Child Care Development Fund Cluster			<u>79,587</u>	<u>-</u>	<u>79,587</u>

MACON COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

<u>Grantor / Pass-Through Grantor / Program Title</u>	<u>Federal CFDA Number</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Federal (Direct & Pass-through) Expenditures</u>	<u>State Expenditures</u>	<u>Passed-through to Subrecipients</u>
Passed through the N.C. Department of Health and Human Services/ N.C. Department of Environmental Quality: Low-Income Home Energy Assistance - Weatherization Assistance for Low Income Persons	93.568	8000	53,950	-	-
Low-Income Home Energy Assistance - Heating & Air Repair and Replacement Program	93.568	8000	13,001	-	-
Total Administration for Children and Families			<u>1,774,068</u>	<u>66,139</u>	<u>79,587</u>
Centers for Medicare and Medicaid Services:					
Passed through the N.C. Department of Health and Human Services: Medicaid Cluster: Division of Social Services: Administration: Medical Assistance Program	93.778	XIX-MAP20	1,125,201	1,531	-
Total Medicaid Cluster			<u>1,125,201</u>	<u>1,531</u>	<u>-</u>
Division of Social Services: Administration: Children's Health Insurance Program - N.C. Health Choice Total State Children's Insurance Program					
93.767	CHIP20	44,987	235	-	-
		<u>44,987</u>	<u>235</u>	<u>-</u>	<u>-</u>
Total Centers for Medicare and Medicaid Services			<u>1,170,188</u>	<u>1,766</u>	<u>-</u>
Centers for Disease Control and Prevention:					
Passed through the N.C. Department of Health and Human Services: Division of Public Health: Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	12642680EN, EZ	31,418	-	-
COVID-19 – Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	12642680CP	26,368	-	-
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	1460272ENF	29	-	-
Immunization Cooperative Agreements	93.268	1331631AEJ	18,974	-	-
PPHF 2018: Office of Smoking and Health-National State-Based Tobacco Control Programs-Financed in part by 2018 Prevention and Public Health funds (PPHF)	93.305	1271341EST	68,906	-	-
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	11755176AA	35,657	-	-
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	6NU90TP921993	8,384	-	-
Well-Integrated Screening and Evaluation for Women Across the Nation (Wisewomen)	93.436	1313372AAL, 1313372BAL	6,065	-	-
Preventive Health and Health Services Block Grant	93.991	12615503PH	30,921	-	-
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898	1320310CD7	16,250	-	-
Total Centers for Disease Control and Prevention			<u>242,972</u>	<u>-</u>	<u>-</u>
Passed through the N.C. Department of Health and Human Services: Division of Public Health: Maternal and Child Health Services Block Grant to the States	93.994	1271----AP & 13A1----AP	22,999	10,020	-
Passed through the Appalachian Mountain Community Health Centers: Division of Public Health: Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality Improvement	93.912	GAIRH33482	30,034	-	-
Total Health Resources and Services Administration			<u>53,033</u>	<u>10,020</u>	<u>-</u>
Office of Assistant Secretary for Health:					
Passed through N.C. Department of Health and Human Services: Office of Population Affairs: Family Planning Services	93.217	13A1592BFP/13A1592CFP	36,392	-	-

MACON COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures	Passed-through to Subrecipients
Administration for Community Living					
Passed through N.C. Department of Insurance:					
State Health Insurance Assistance Program	93.324	SHIP 2020	6,004	-	-
Medicare Enrollment Assistance Program	93.071	MIPPA 2020	2,165	-	-
Substance Abuse and Mental Health Services Administration					
Passed through Vaya Health:					
Opioid STR	93.788	FY2020	29,273	-	-
Total U.S. Department of Health and Human Services			3,488,929	294,196	79,587
<u>U.S. Department of Energy</u>					
Passed through N.C. Department of Environmental Quality:					
Weatherization Assistance for Low-Income Persons	81.042	8000	75,717	-	-
Total Department of Energy			75,717	-	-
<u>U.S. Department of Justice</u>					
Bulletproof Vest Partnership Program	16.607		1,879	-	-
Total U.S. Department of Justice			1,879	-	-
<u>U.S. Department of Treasury</u>					
Equitable Sharing Program	21.016	NC0570000	15,944	-	-
Passed-through the Office of State Budget and Management:					
NC Pandemic Recovery Office					
Coronavirus Relief Fund	21.019	02-55	696,716	-	91,118
Total U.S. Department of Treasury			712,660	-	91,118
<u>Appalachian Regional Commission</u>					
Passed through Work Wise WNC:					
Appalachian Research, Technical Assistance, and Demonstration Projects	23.011	NC-19356-18	198,384	-	-
Total Appalachian Regional Commission			198,384	-	-
Total Federal Assistance			\$ 5,932,211	\$ 330,671	\$ 170,705
State Awards					
<u>N.C. Department of Health and Human Services</u>					
Division of Aging and Adult Services:					
Division of Social Services:					
Administration:					
AFDC Incent/Prog Integrity			-	219	-
ST Child Welfare/ CPS/CS LD			-	32,967	-
Energy Assist Private Grants			-	4,724	-
Direct Benefit Payments:					
State Foster Home			-	50,304	-
SFHF Maximization			-	24,127	-
Extended FC/Max Non IV-E			-	3,496	-
F/C At Risk Maximization			-	568	-
Total Division of Social Services			-	116,405	-

MACON COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

<u>Grantor / Pass-Through Grantor / Program Title</u>	<u>Federal CFDA Number</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Federal (Direct & Pass-through) Expenditures</u>	<u>State Expenditures</u>	<u>Passed-through to Subrecipients</u>
Division of Public Health:					
Other Receipts / State Supported Expenditures					
Food and Lodging Fees		11534752SZ	-	17,521	-
Aid-to-Counties		1161411000		82,398	
General Communicable Disease Control		1175451000	-	10,678	-
TB Control		1460455100 / 1460455400	-	2,120	-
Child Health		1271574500	-	3,091	-
Minority Diabetes Prevention Program		1262417900	-	119,270	-
School Nurse Funding Initiative		1332535800	-	150,000	-
HIV/STD State		13114536RR	-	400	-
Healthy Community Activities		1261550300	-	22,650	-
STD Drugs		13114601RQ	-	23	-
Family Planning - State		13A1573500	-	3,034	-
Maternal Health		13A1574000	-	31,778	-
Women's Health Service Fund		13A16020FR	-	5,981	-
Breast and Cervical Cancer Program		1320335504/1320559900	-	12,475	-
Total Division of Public Health			-	461,419	-
Office of Rural Health:					
Community Health Grant		00036067	-	81,515	-
Community Health Grant		00039175	-	82,156	-
Total Office of Rural Health			-	163,671	-
Total N.C. Department of Health and Human Services			-	741,495	-
<u>N.C. Department of Military and Veterans Affairs</u>					
Veterans Service		NCDMVA2020	-	2,182	-
<u>N.C. Department of Public Safety</u>					
Division of Emergency Management					
NC Tier II Grant		T2-2019	-	4,726	-
Adult Correction and Juvenile Justice					
Juvenile Crime Prevention Council		156-23206	-	16,852	16,852
Division of Juvenile Justice					
Juvenile Crime Prevention Council		157-10345	-	32,829	32,829
Juvenile Crime Prevention Council		157-10171	-	27,590	27,590
Juvenile Crime Prevention Council		157-10324	-	11,309	11,309
Juvenile Crime Prevention Council		157-11447	-	2,275	-
Juvenile Crime Prevention Council		156-12109	-	18,121	18,121
Total N.C. Department of Public Safety			-	113,702	106,701
<u>N.C. Department of Environmental Quality</u>					
Division of Waste Management:					
Scrap Tire Disposal Grant		SWS1030 & SWS1067	-	5,675	-
Electronics Management Fund		ELEC020029	-	2,115	-
Total N.C. Department of Environmental Quality			-	7,790	-
<u>N.C. Department of Transportation</u>					
ROAP Cluster:					
ROAP Work First Transitional Employment Transportation Assistance Program		36236.11.8.1	-	11,708	-
ROAP Rural Operating Assistance Program - General Public Program		36228.22.9.1	-	79,660	-
ROAP Elderly and Disabled Transportation Assistance Program		36220.10.9.1	-	74,116	-
Total ROAP Cluster			-	165,484	-
Total N.C. Department of Transportation			-	165,484	-
<u>N.C. Department of Public Instruction</u>					
Public School Building Capital Fund					
NC Lottery Proceeds		LEA 560	-	330,777	330,777
State Public School Funds		PRC 039- SRO	-	66,667	-
Total N.C. Department of Public Instruction			-	397,444	330,777

MACON COUNTY, NORTH CAROLINA

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2020**

<u>Grantor / Pass-Through Grantor / Program Title</u>	<u>Federal CFDA Number</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Federal (Direct & Pass-through) Expenditures</u>	<u>State Expenditures</u>	<u>Passed-through to Subrecipients</u>
<u>N.C. Housing Finance Agency</u>					
NC Housing Trust Fund					
Urgent Repair Program		URP1819	-	3,198	-
Urgent Repair Program		URP1920	-	96,971	-
Total N.C. Housing Finance Agency			-	100,169	-
<u>Office of State Budget and Management</u>					
NC Grant-In-Aid		#5867	-	65,000	-
Total State Assistance			-	1,593,266	437,478
Total Federal and State Assistance			<u>\$ 5,917,423</u>	<u>\$ 1,923,937</u>	<u>\$ 608,183</u>

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 Macon County under the programs of the federal government and the State of North Carolina for the year ended June 30, 2020. The information in this SEFSA is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the State Single Audit Implementation Act. Because the Schedule presents only a selected portion of the operations of Macon County, it is not intended to and does not present the financial position, changes in net position or cash flows of Macon 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 Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. Cluster of Programs

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

4. Indirect Cost Rate

Macon County has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

5. Coronavirus Relief Funds

Macon County received \$833,421 of funding from the Coronavirus Relief Fund (21.019) in accordance with HB 1043 and is scheduled to receive \$695,930 appropriated from HB 1023. At least twenty-five percent (25%) of the funds are mandated to go to municipalities within Macon County, at the discretion of the County. Municipalities are to have a plan to spend these funds by September 1, 2020, or any funds received are to be returned to the County. Counties and municipalities are liable to the State for funds not spent in accordance with US Dept. of Treasury, the granting agency, guidelines. According to the Office of State Budget and Management, the State's pass-through agency, municipalities are considered subrecipients of the Counties; however, municipalities are not liable to the County for any misused or misspent funds. CRF must be spent during the period March 1, 2020 to December 30, 2020.