

**MACON COUNTY
NORTH CAROLINA**

COMPLIANCE LETTERS

FOR THE YEAR ENDED JUNE 30, 2022

MACON COUNTY, NORTH CAROLINA

COMPLIANCE LETTERS FOR THE YEAR ENDED JUNE 30, 2022

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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 (*Government Auditing Standards*), 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, 2022, 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 November 22, 2022. 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be a material weakness or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings, Responses, and Questioned Costs as item 2022-001 that we consider to be a significant deficiency.

Report on 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*.

Macon County's Response to Finding

Government Auditing Standards require the auditor to perform limited procedures on the County's response to the finding identified in our audit and described in the accompanying Schedule of Findings, Responses, and Questioned Costs. The County's response was not subjected to the other auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on the response.

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
November 22, 2022

MARTIN STARNES & ASSOCIATES, CPAs, P.A.

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Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; Report on the Schedule of Expenditures of Federal and State Awards Required by 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

Opinion on Each Major Federal Program

We have audited Macon County, North Carolina's, compliance with the types of compliance requirements identified as subject to audit 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, 2022. 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.

In our opinion, Macon 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, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Macon County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Macon County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Macon County's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material non-compliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Macon County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance and the State Single Audit Implementation Act will always detect material non-compliance when it exists. The risk of not detecting material non-compliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Non-compliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about Macon County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance and the State Single Audit Implementation Act, we:

- exercise professional judgement and maintain professional skepticism throughout the audit.
- identify and assess the risks of material non-compliance, whether due to fraud or error, and design audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Macon County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of Macon County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and the State Single Audit Implementation Act, but not for the purpose of expressing an opinion on the effectiveness of Macon County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on the 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, 2022, and the related notes to the financial statements, which collectively comprise Macon County's basic financial statements. We issued our report thereon dated November 22, 2022, 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 basic financial statements as a whole.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
November 22, 2022

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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

Opinion on Each Major State Program

We have audited Macon County, North Carolina's, compliance with the types of compliance requirements identified as subject to audit 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 state programs for the year ended June 30, 2022. 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.

In our opinion, Macon 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 state programs for the year ended June 30, 2022.

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Macon County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state program. Our audit does not provide a legal determination of Macon County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Macon County's state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material non-compliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Macon County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act will always detect material non-compliance when it exists. The risk of not detecting material non-compliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Non-compliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about Macon County's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance and the State Single Audit Implementation Act, we:

- exercise professional judgement and maintain professional skepticism throughout the audit.
- identify and assess the risks of material non-compliance, whether due to fraud or error, and design audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Macon County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of Macon County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and the State Single Audit Implementation Act, but not for the purpose of expressing an opinion on the effectiveness of Macon County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 Auditors Responsibilities for the Audit of Compliance in the section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 the 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, 2022, and the related notes to the financial statements, which collectively comprise Macon County's basic financial statements. We issued our report thereon dated November 22, 2022, 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 as a whole.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
November 22, 2022

MACON COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022

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? Yes

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? 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 2 CFR 200.516(a)? No

Identification of major federal programs:

<u>Program Name</u>	<u>AL#</u>
Medicaid Cluster	93.778
Aging Cluster	93.044, 93.045, 93.053
Coronavirus State and Local Fiscal Recovery Funds (ARPA)	21.027

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

Auditee qualified as low-risk auditee? Yes

MACON COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022

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
- Urgent Repair Program

MACON COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022

Section II. Financial Statement Findings

Significant Deficiency

Finding 2022-001

Criteria: Management should have a system in place to reduce the likelihood of errors in financial reporting. Duties should be segregated to provide reasonable assurance that transactions are handled appropriately.

Condition: There is a lack of controls over cash collections at a department in the County. There are inherent limitations to the segregation of duties among personnel relating to cash receipts. There were instances where the same employee collects cash and performs the duties of reconciling the receipts for deposit.

Effect: Lack of proper implementation of internal controls greatly increases the risk of fraudulent activity and can result in improper financial reporting.

Cause: There is a lack of monitoring over cash deposits.

Recommendation: Management should assess the controls over collections and implement policies and procedures to address those concerns noted above.

Views of Responsible Officials and Planned Corrective Actions: Management concurs with this finding. Please refer to the Corrective Action Plan.

Section III. Federal Award Findings and Questioned Costs

None reported.

Section IV. State Award Findings and Questioned Costs

None reported.



**CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2022**

Section II – Financial Statement Findings

Finding: 2022-001

Name of Contact Person: Darlene Asher, Transit Director

Corrective Action: There will always be two employees check and count all incoming cash collections. There will be a camera installed where all funds are kept. Incoming collections will be checked and verified with reports from the software MCT uses. The cash handling policy and procedures will be used at all times and it will be enforced.

Proposed Completion Date: Immediately

MACON COUNTY, NORTH CAROLINA
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2022

None reported.

MACON COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

<u>Grantor / Pass-Through Grantor / Program Title</u>	<u>Federal Assistance Listing 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:					
COVID-19 - State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	225NC406S2514	\$ 33,612	\$ -	\$ -
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	225NC406S2514	347,428	-	-
Total Supplemental Nutrition Assistance Program Cluster			<u>381,040</u>	<u>-</u>	<u>-</u>
Passed through the N.C. Department of Health and Human Services:					
Division of Public Health:					
Administration:					
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	13A25403/5404/5405/5409/570C/570D/570E/570F	196,839	-	-
National Institute of Food and Agriculture:					
Food Insecurity Nutrition Incentive Grants Program	10.331	2019-70030-30396	134,410	-	-
Total U.S. Department of Agriculture			<u>712,289</u>	<u>-</u>	<u>-</u>
<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	ESFRLP2015	2,692	-	-
Home Investment Partnerships Program	14.239	ESFRLP1714	23,913	-	-
Total U.S. Department of Housing and Urban Development			<u>26,605</u>	<u>-</u>	<u>-</u>
<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	51001.45.7.3	82,500	-	-
Total Transit Services Programs Cluster			<u>82,500</u>	<u>-</u>	<u>-</u>
Passed through the N.C. Department of Transportation					
Formula Grants for Rural Areas and Tribal Transit Program	20.509	36233.68.23.1	161,705	10,106	-
Formula Grants for Rural Areas and Tribal Transit Program	20.509	51081.5.5.3	1,096	137	-
Formula Grants for Rural Areas and Tribal Transit Program - CARES Act	20.509	49233.38.1.2	2,944	-	-
			<u>165,745</u>	<u>10,243</u>	<u>-</u>
Total U.S. Department of Transportation			<u>248,245</u>	<u>10,243</u>	<u>-</u>
<u>U.S. Department of Homeland Security</u>					
Passed through the N.C. Emergency Management					
Emergency Management Performance Grants					
	97.042	EMA-2021-EP-00014 EMA-2021-EP-00015	50,353	-	-
Homeland Security Grant Program	97.067	MOA#1851/MOA#1997	152,040	-	-
Total U.S. Department of Homeland Security			<u>202,393</u>	<u>-</u>	<u>-</u>
<u>U.S. Department of Health and Human Services</u>					
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	21/22 AANCT3HD	93,052	146,224	-
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	2101NCHDC05	14,321	-	-
Special Programs for the Aging--Title III, Part B, Grants for Supportive Services and Senior Centers CARES Act	93.044	2001NCSSC#-00	44,151	-	-
Special Programs for the Aging--Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	20/21 AANCT3SS	23,948	37,634	-
Special Programs for the Aging--Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	21/22 AANCT3SS	3,644	5,725	-
Special Programs for the Aging--Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	21/22 AANCT3SS	14,286	9,091	-
Nutrition Services Incentive Program	93.053	21/22 AANCT3HD	31,698	-	-
Total Aging Cluster			<u>225,100</u>	<u>198,674</u>	<u>-</u>
Total Administration for Community Living			<u>225,100</u>	<u>198,674</u>	<u>-</u>

MACON COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

<u>Grantor / Pass-Through Grantor / Program Title</u>	<u>Federal Assistance Listing 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>
Administration for Children and Families:					
Passed through the N.C. Department of Health and Human Services:					
Division of Social Services:					
Foster Care, Adoption, and Guardianship Assistance Program Cluster (Note 3):					
Foster Care Title IV-E - Administration	93.658	2201NCFOST	201,453	19,925	-
Foster Care Title IV-E - Direct Benefit Payments	93.658	2001NCFOST	165,835	45,841	-
Foster Care Title IV-E	93.658	2201NCFOST	78,547	-	-
Adoption Assistance - Administration	93.659	2201NCADPT	17,763	-	-
Total Foster Care, Adoption, and Guardianship Assistance Program Cluster			<u>463,598</u>	<u>65,766</u>	<u>-</u>
Division of Social Services:					
Temporary Assistance for Needy Families Cluster:					
Temporary Assistance for Needy Families -					
Work First - Administration	93.558	2101NCTANF	449,029	-	-
Total Temporary Assistance for Needy Families Cluster			<u>449,029</u>	<u>-</u>	<u>-</u>
NC Child Support Enforcement Section:					
Child Support Enforcement - Administration / CSE Incentive Recovery	93.563	2201NCCES	218,351	-	-
Child Support Enforcement - Offset Fees - ESC	93.563	2101NCCES	2	-	-
Child Support Enforcement - Offset Fees - Federal	93.563	2101NCCES	1,586	-	-
Total Child Support Enforcement			<u>219,939</u>	<u>-</u>	<u>-</u>
Low-Income Home Energy Assistance Block Grant:					
Low Income Home Energy Assistance - Administration	93.568	2201NCLIEA	247,739	-	-
Low Income Home Energy Assistance - Crisis Intervention Program	93.568	2201NCLIEA	97,884	-	-
Low Income Home Energy Assistance ARPA	93.568	2201NCLIEA	243,418	-	-
Total Low-Income Home Energy Assistance Block Grant			<u>589,041</u>	<u>-</u>	<u>-</u>
John H. Chafee Foster Care Program for Successful					
Transition to Adulthood - Administration	93.674	2201NCC1LP	6,008	1,502	-
John H. Chafee Foster Care Program for Successful					
Transition to Adulthood - Direct Benefit Payment	93.674	2201NCC1LP	8,929	-	-
Special Children Adoption Fund Cluster (Note 3):					
MaryLee Allen Promoting Safe and Stable Families Program - Administration	93.556	2101NCFPSS	25,864	-	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	2201NCCWSS	17,891	-	-
Total Special Children Adoption Fund Cluster			<u>43,755</u>	<u>-</u>	<u>-</u>
Division of Aging and Adult Services:					
Division of Social Services:					
Social Services Block Grant - State In Home Service Fund	93.667	G2201NCSOSR	9,358	-	-
Social Services Block Grant - State Adult Day Care	93.667	G2201NCSOSR	1,255	2,510	-
Social Services Block Grant - Adult Protective Service	93.667	G2201NCSOSR	15,096	-	-
Social Services Block Grant - Adult Protective Service Essential Services	93.667	G2201NCSOSR	1,870	-	-
Social Services Block Grant - CPS TANF	93.667	G2201NCSOSR	72,575	-	-
Social Services Block Grant - Other Service and Training	93.667	G2201NCSOSR	92,459	-	-
Total Social Service Block Grant			<u>192,613</u>	<u>2,510</u>	<u>-</u>
Division of Child Development:					
Subsidized Child Care Program Cluster (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	2201NCCCDF	81,248	-	81,248
Total Subsidized Child Care Program Cluster / Child Care Development Fund Cluster			<u>81,248</u>	<u>-</u>	<u>81,248</u>
Total Subsidized Child Care Cluster			<u>81,248</u>	<u>-</u>	<u>81,248</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	CW19463	2,271	-	-
Low-Income Home Energy Assistance - Weatherization Assistance for Low Income Persons	93.568	CW22619	94,935	-	-
COVID-19 Low-Income Home Energy Assistance - Weatherization Assistance for Low Income Persons	93.568	CW26096	7,540	-	-
COVID-19 Low-Income Home Energy Assistance - Heating & Air Repair and Replacement Program	93.568	CW26096	49,623	-	-
Low-Income Home Energy Assistance - Heating & Air Repair and Replacement Program	93.568	CW19463	14,000	-	-
Low-Income Home Energy Assistance - Heating & Air Repair and Replacement Program	93.568	CW22619	33,396	-	-
Total Low-Income Home Energy Assistance			<u>201,765</u>	<u>-</u>	<u>-</u>

MACON COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

<u>Grantor / Pass-Through Grantor / Program Title</u>	<u>Federal Assistance Listing 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>
Total Administration for Children and Families			2,255,925	69,778	81,248
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-MAP22	1,178,042	2,466	-
Total Medicaid Cluster			1,178,042	2,466	-
Division of Social Services:					
Administration:					
Children's Health Insurance Program - N.C. Health Choice	93.767	CHIP22	26,342	836	-
Total State Children's Insurance Program			26,342	836	-
Total Centers for Medicare and Medicaid Services			1,204,384	3,302	-
Centers for Disease Control and Prevention:					
Passed through the N.C. Department of Health and Human Services:					
Division of Public Health:					
Public Health Emergency Preparedness	93.069	12642680EQ, 12642680ER	5,806	-	-
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	14602720ENF	29	-	-
Immunization Cooperative Agreements	93.268	1331631CEJ	18,974	-	-
COVID-19 -Immunization Cooperation Agreements	93.268	1331629B4Q, 13316315LD	87,811	-	-
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	1175883AP5,1175878AHH, 1332892AL5	171,894	-	-
National and State Tobacco Control Program	93.387	12713410QF	68,906	-	-
COVID-19 Activities to Support State, Tribal, Local and Territorial (STLT)					
Health Department Response to Public Health or Healthcare Crises	93.391	11617955LZ	10,636	-	-
Well-Integrated Screening and Evaluation for Women Across the Nation (Wisewomen)	93.436	13133720AL, 1313372CAL	1,880	-	-
Preventive Health and Health Services Block Grant	93.991	12615503PH	17,143	-	-
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898	13203100D7, 1320310ED7	7,500	-	-
Total Centers for Disease Control and Prevention			390,579	-	-
Health Resources and Services Administration:					
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	12715318AR, 12715351AR, 12715745AR, 13A15735AP, 13A15740AP	23,770	8,842	-
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	G25RH32399	43,058	-	-
Total Health Resources and Services Administration			66,828	8,842	-
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	13A15900FP	31,144	-	-
Total Office of Assistant Secretary for Health			31,144	-	-
Administration for Community Living:					
Passed through N.C. Department of Insurance:					
State Health Insurance Assistance Program	93.324	SHIP 2022	4,351	-	-
Medicare Enrollment Assistance Program	93.071	MIPPA 2022	5,759	-	-
Total Administration for Community Living			10,110	-	-
Total U.S. Department of Health and Human Services			4,184,070	280,596	81,248
U.S. Department of Energy					
Passed through N.C. Department of Environmental Quality:					
Weatherization Assistance for Low-Income Persons	81.042	8217	51,807	-	-
Total Department of Energy			51,807	-	-

MACON COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

<u>Grantor / Pass-Through Grantor / Program Title</u>	<u>Federal Assistance Listing 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 Justice					
Bulletproof Vest Partnership Program	16.607		5,567	-	-
Total U.S. Department of Justice			<u>5,567</u>	<u>-</u>	<u>-</u>
U.S. Department of Treasury					
Coronavirus State and Local Fiscal Recovery Fund	21.027		1,841,923	-	-
Total U.S. Department of Treasury			<u>1,841,923</u>	<u>-</u>	<u>-</u>
Appalachian Regional Commission					
Passed through Work Wise WNC:					
Appalachian Research, Technical Assistance, and Demonstration Projects	23.011	NC-19356-18	189,017	-	-
Total Appalachian Regional Commission			<u>189,017</u>	<u>-</u>	<u>-</u>
Total Federal Assistance			<u>7,461,916</u>	<u>290,839</u>	<u>81,248</u>
State Awards					
N.C. Department of Health and Human Services					
Division of Social Services:					
Administration:					
ST Child Welfare/ CPS/CS LD			-	31,702	-
Direct Benefit Payments:					
State Foster Home			-	107,261	-
SFHF Maximization			-	29,508	-
IV-B EFT Chaf Indep Liv			-	33,556	-
F/C At Risk Maximization			-	228	-
Total Division of Social Services			<u>-</u>	<u>202,255</u>	<u>-</u>
Division of Public Health:					
Other Receipts / State Supported Expenditures					
Food and Lodging Fees		11534752SZ	-	13,860	-
Aid-to-Counties		1161411000	-	82,398	-
General Communicable Disease Control		1175451000	-	10,678	-
TB Control		1460455100 / 1460455400	-	2,120	-
Child Health		1271574500	-	1,457	-
Minority Diabetes Prevention Program		1262417900	-	137,467	-
School Nurse Funding Initiative		1332535800	-	150,000	-
HIV/STD State		13114536RR	-	100	-
Healthy Communities		1261550300	-	22,526	-
Family Planning - State		13A1573500	-	7,506	-
Maternal Health		13A1574000	-	26,449	-
Women's Health Service Fund		13A16021FR	-	5,981	-
Breast and Cervical Cancer Program		1320559900	-	10,400	-
Total Division of Public Health			<u>-</u>	<u>470,942</u>	<u>-</u>
Office of Rural Health:					
Community Health Grant		00042614	-	45,166	-
Total Office of Rural Health			<u>-</u>	<u>45,166</u>	<u>-</u>
Total N.C. Department of Health and Human Services			<u>-</u>	<u>718,363</u>	<u>-</u>
N.C. Department of Military and Veterans Affairs					
Veterans Service		NCDMVA2022	-	2,109	-
Total N.C. Department of Military and Veterans Affairs			<u>-</u>	<u>2,109</u>	<u>-</u>
N.C. Department of Public Safety					
Current Operations Appropriations Act of 2021		MACON COUNTY 2021-2023	-	84,270	-
Adult Correction and Juvenile Justice					
Juvenile Crime Prevention Council		156-23206	-	23,362	23,362
Division of Juvenile Justice					
Juvenile Crime Prevention Council		1256-23478	-	32,829	32,829
Juvenile Crime Prevention Council		157-10324	-	11,309	11,309
Juvenile Crime Prevention Council		157-11447	-	2,017	-
Juvenile Crime Prevention Council		156-12109	-	46,351	46,351
Total N.C. Department of Public Safety			<u>-</u>	<u>200,138</u>	<u>113,851</u>

MACON COUNTY, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

<u>Grantor / Pass-Through Grantor / Program Title</u>	<u>Federal Assistance Listing 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. Department of Environmental Quality</u>					
<u>Division of Waste Management:</u>					
Scrap Tire Disposal Grant		SWS1118/SWS1155	-	5,797	-
Total N.C. Department of Environmental Quality			-	5,797	-
<u>N.C. Department of Transportation</u>					
<u>ROAP Cluster:</u>					
ROAP Work First Transitional Employment Transportation Assistance Program		36236.11.9.1	-	10,881	-
ROAP Rural Operating Assistance Program - General Public Program		36228.22.10.1	-	72,288	-
ROAP Elderly and Disabled Transportation Assistance Program		36220.10.10.1	-	67,090	-
Total ROAP Cluster			-	150,259	-
State Aid to Airports Program		36244.2.12.1	-	28,790	-
Total N.C. Department of Transportation			-	179,049	-
<u>N.C. Department of Public Instruction</u>					
<u>Public School Building Capital Fund</u>					
NC Lottery Proceeds		LEA 560	-	355,758	355,758
State Public School Funds		PRC 039- SRO	-	66,666	-
Total N.C. Department of Public Instruction			-	422,424	355,758
<u>N.C. Housing Finance Agency</u>					
<u>NC Housing Trust Fund</u>					
Urgent Repair Program		URP2023	-	67,949	-
Urgent Repair Program		URP2120	-	94,920	-
Total N.C. Housing Finance Agency			-	162,869	-
Total State Assistance			-	1,690,749	469,609
Total Federal and State Assistance			\$ 7,461,916	\$ 1,981,588	\$ 550,857

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, 2022. 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:
Foster Care, Adoption, and Guardianship Assistance Program Cluster, Subsidized Child Care Program Cluster, and Special Children Adoption Fund Cluster

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.