

Compliance Report



Gould Killian CPA Group, P.A.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

Report On Internal Control Over Financial Reporting And On Compliance And Other Matters Based On An Audit Of Financial Statements Performed In Accordance With Government Auditing Standards

To the Board of County Commissioners
Buncombe County, North Carolina

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregated remaining fund information of Buncombe County, North Carolina as of and for the year ended June 30, 2008, which collectively comprises Buncombe County's basic financial statements, and have issued our report thereon dated October 31, 2008. We did not audit the financial statements of the Asheville Area Regional Airport Authority. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Asheville Area Regional Airport Authority is based solely on the reports of the other auditors. We conducted our audit 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Buncombe County's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance 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 noncompliance or other matters that are required to be reported under *Government Auditing Standards*. We noted certain matters that we reported to management of Buncombe County in a separate letter dated October 31, 2008.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Buncombe County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of Buncombe County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the County's financial statements that is more than inconsequential will not be prevented or detected by the County's internal control. We consider the deficiencies noted as 08-1 and 08-2 described in the accompanying schedule of findings and responses to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the County's internal control.

Board of Commissioners
Page Two

Our consideration of the internal control over financial reporting was for limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, we believe none of the significant deficiencies described above is a material weakness.

This report is intended for the information of the audit committee, management, members of the Board of Commissioners, and federal and state awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

Donald Killian CPA Group, P.A.

Asheville, North Carolina
October 31, 2008

Gould Killian CPA Group, P.A.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

Report On Compliance With Requirements Applicable To Each Major Federal Program And Internal Control Over Compliance In Accordance With OMB Circular A-133 And The State Single Audit Implementation Act

To the Board of Commissioners
Buncombe County, North Carolina

Compliance

We have audited the compliance of Buncombe County, North Carolina, 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 are applicable to each of its major federal programs for the year ended June 30, 2008. Buncombe County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Buncombe County's management. Our responsibility is to express an opinion on Buncombe County's compliance based on our audit.

Buncombe County's financial statements include the operations of the Asheville Regional Airport Authority, which received \$2,274,602 in federal awards which is not included in the accompanying schedule of expenditures of federal and state awards for the year ended June 30, 2008. Our audit, described below, did not include operations of the Asheville Regional Airport Authority because the Authority engaged other auditors to perform an audit in accordance with OMB Circular A-133.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the State Single Audit Implementation Act. Those standards, OMB Circular A-133, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance 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 Buncombe County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Buncombe County's compliance with those requirements.

In our opinion, Buncombe County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133 and the State Single Audit Implementation Act, and which are described in the accompanying schedule of findings and questioned costs as items 08-3 and 08-4.

Internal Control Over Compliance

The management of Buncombe County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Buncombe County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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.

Our consideration of the internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses as defined below. However, as we discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of a compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the County's internal control. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 08-3 and 08-4 to be significant deficiencies.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the County's internal control. We did not consider any of the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses.

Buncombe County's response to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the County's response and, accordingly, we express no opinion on it.

This report is intended for the information of the audit committee, management, members of the Board of Commissioners, and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

Donald Killian CPA Group, P.A.

Asheville, North Carolina
October 31, 2008

Gould Killian CPA Group, P.A.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

Report On Compliance With Requirements Applicable To Each Major State Program And Internal Control Over Compliance In Accordance With OMB Circular A-133 And The State Single Audit Implementation Act

To the Board of Commissioners
Buncombe County, North Carolina

Compliance

We have audited the compliance of Buncombe County, North Carolina, with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that are applicable to each of its major State programs for the year ended June 30, 2008. Buncombe County's major State programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major State programs is the responsibility of Buncombe County's management. Our responsibility is to express an opinion on Buncombe County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations* as described in the *Audit Manual for Governmental Auditors in North Carolina*, 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 noncompliance 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 Buncombe County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Buncombe County's compliance with those requirements.

In our opinion, Buncombe County complied, in all material respects, with the requirements referred to above that are applicable to each of its major State programs for the year ended June 30, 2008. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements that are required to be reported in accordance with applicable sections of OMB Circular A-133 and the State Single Audit Implementation Act and which are described in the accompanying schedule of findings and questioned costs as items 08-3 and 08-4.

Internal Control Over Compliance

The management of Buncombe County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to State programs. In planning and performing our audit, we considered Buncombe County's internal control over compliance with requirements that could have a direct and material effect on a major State program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance 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.

Our consideration of the internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses as defined below. However, as we discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

Board of Commissioners

Page Two

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a state program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies that adversely affects the entity's ability to administer a state program such that there is more than a remote likelihood that noncompliance with a type of a compliance requirement of a state program that is more than inconsequential will not be prevented or detected by the County's internal control. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 08-3 and 08-4 to be significant deficiencies.

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Buncombe County's response to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the County's response and, accordingly, we express no opinion on it.

This report is intended for the information of the audit committee, management, members of the Board of Commissioners, and State awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

Donald Killian CPA Group, P.A.

Asheville, North Carolina

October 31, 2008

BUNCOMBE COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the year ended June 30, 2008

I. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? ___yes X no
- Significant Deficiency(s) identified that are not considered to be material weaknesses ___X yes ___none reported

Noncompliance material to financial statements noted ___yes X no

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? ___yes X no
- Significant Deficiency(s) identified that are not considered to be material weaknesses? ___X yes ___none reported

Type of auditor's report issued on compliance for major federal programs: Unqualified.

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133 ___X yes ___no

Major federal programs for Buncombe County for the fiscal year ended June 30, 2008 are:

<u>Program Name</u>	<u>CFDA #</u>
Food Stamp Cluster	10.551, 10.561
Workforce Investment Act Cluster	17.258, 17.259, 17.260, 17.266
CDC Prevention and Tech. Assistance/Bioterrorism	93.283
NC Child Support Enforcement	93.563
Crisis Intervention and Energy Assistance	93.568
Foster Care and Adoption	93.658, 93.659
Title XIX Medicaid	93.778
Child Welfare Services	93.645

The threshold for determining Federal Type A programs for Buncombe County is \$3,000,000.

Buncombe County does qualify as a low risk auditee under Section .530 of Circular No. A-133.

BUNCOMBE COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the year ended June 30, 2008

State Awards

Internal control over major State programs:

- Material weakness(es) identified? yes no
- Significant Deficiency(s) identified that are not considered to be material weaknesses yes none reported

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

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

yes no

Major State programs (over \$300,000) for Buncombe County for the fiscal year ended June 30, 2008 are:

Program Name

Public Transportation for Nonurbanized Areas
Foster Care and Adoption
Aging Cluster
State/County Special Assistance for Adults
Hurricane Recovery Assistance
Title XIX Medicaid
Child Welfare Services – State Grants

BUNCOMBE COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the year ended June 30, 2008

II. Financial Statement Findings

Finding 08-1

Criteria: G.S. 159-8(a) states that all moneys received and expended by a local government or public authority should be included in the budget ordinance.

Condition: Internal Service Fund expenditures exceeded appropriations by \$60,234.

Recommendation: Budget amendments should be adopted when expenditures exceed estimated expenditures in the budget ordinance prior to expending the funds.

Current Status / Corrective Action plan: The County agrees with this finding. Special care will be taken to insure all necessary budget amendments are made.

Finding 08-2

Condition: Audit procedures discovered a check that had been prepared and recorded as a disbursement, but not distributed until weeks after year-end. Holding checks after preparation presents additional check security issues, as well as distorts cash and accounts payable balances until distributed.

Recommendation: Checks should be prepared and signed only when intended to be distributed immediately.

Current Status / Corrective Action plan: The County agrees with this finding. If for any reason checks are held in the future, appropriate adjustments will be made to cash and accounts payable, and additional security measures will be taken to secure the check while it is being held.

III. Federal Award Findings and Questioned Costs

Finding 08-3

Centers for Medicare and Medicaid Services

Passed through the North Carolina Department of Health and Human Services
Program name: Medical Assistance Program – Direct Benefit Payments

Criteria: Form DMA-5046, Notice of Rights to Transportation, is required to notify Medicaid applicants of their rights concerning transportation options.

Condition: Two files out of our sample did not contain the required Form DMA-5046 or documentation that it was sent to the applicant.

Recommendation: Additional staff training and possibly additional file reviews are needed to insure required documentation is present in all files.

Current Status / Corrective Action plan: The County agrees with this finding. Additional staff training will occur to insure all staff are aware of documentation requirements.

BUNCOMBE COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the year ended June 30, 2008

Finding 08-4

U. S. Department of Health and Human Services, Administration for Children and Families

Passed through the North Carolina Department of Health and Human Services, Division of Social Services

Program name: North Carolina Child Support Enforcement, Crisis Intervention and Energy Assistance, Foster Care and Adoption, child welfare services, and Medical Assistance Program administration.

Criteria: Form DSS-1571 is required to be submitted to the North Carolina Department of Health and Human Services, Division of Social Services monthly to report applicable expenditures of the County's social services programs.

Condition: The County's method of estimating accrued salaries could have resulted in a misstatement of total salaries incurred for a particular month when the month end did not coincide with the end of the pay period.

Recommendation: Changes to the formula used to accrue salaries should be made to better allocate salaries to the month in which they occur.

Current Status / Corrective Action plan: The County agrees with this finding and has implemented measures to correct the formula used to accrue salaries.

IV. State Award Findings and Questioned Costs

Findings 08-3 and 08-4 described above

BUNCOMBE COUNTY, NORTH CAROLINA
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
For the year ended June 30, 2008

None reported.

BUNCOMBE COUNTY GOVERNMENT

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

For the Year ended June 30, 2008

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Fed.(Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
Federal Awards:					
<u>U. S. Dept. of Agriculture</u>					
<u>Food and Nutrition Service</u>					
Passed-through N. C. Department of Health and Human Services:					
Division of Social Services:					
Administration:					
<u>Food Stamp Cluster:</u>					
Food Stamp Program - Direct Benefit Payment	10.551		\$ 23,652,272	\$ -	-
State Administrative Matching Grants for the Food Stamp Program	10.561		1,386,918	-	1,386,918
Total Food Stamp Cluster			25,039,190	-	1,386,918
Passed-through N. C. Department of Health and Human Services:					
Divison of Public Health					
Administration:					
Special Supplemental Food Program for Women,					
Infants, and Children	10.557		753,635	-	180,109
Breastfeeding Contract	10.557		97,224	-	32,650
Direct Benefit Payments:					
Special Supplemental Food Program for Women,					
Infants, and Children	10.557		3,605,029	-	-
Administration:					
Child and Adult Care Food Program	10.558		118,276	-	-
Passed through the Office of State Budget and Management:					
Schools and Roads - Grants to States and Counties	10.665		22,666	-	-
Total U.S. Department of Agriculture			29,636,020	-	1,599,677
<u>U.S. Department of Housing & Urban Development</u>					
Passed-through N. C. Department of Commerce:					
Community Development Block Grant	14.228		371,394	-	-
Passed-through the City of Asheville:					
HOME Investment Partnership Programs	14.239		75,620	-	13,590
Total U.S. Department of Housing & Urban Development			447,014	-	13,590
<u>U.S. Department of Justice</u>					
Passed-Through N.C. Department of Crime Control and Public Safety:					
Juvenile Accountability Incentive Block Grant	16.523		161,820	-	-
Total U.S. Department of Justice			161,820	-	-
<u>U. S. Department of Labor</u>					
<u>Employment and Training Administration</u>					
Passed-through N.C. Department of Commerce:					
Division of Employment and Training:					
TA/Incentive	17.266		397,579	-	-
<u>Workforce Investment Act Cluster:</u>					
WIA Adult Program	17.258		450,728	-	-
WIA Youth Program	17.259		417,457	-	-
WIA Dislocated Workers	17.260		767,300	-	-
Work Incentive Grants	17.266		74,594	-	-
Total Workforce Investment Act Cluster			1,710,079	-	-
Total U. S. Department of Labor			2,107,658	-	-
<u>U.S. Dept. of Transportation</u>					
<u>Federal Transit Administration</u>					
Passed-through N.C. Department of Transportation:					
Public Transportation for Nonurbanized Areas:					
Administration	20.509	36221.3.6.1	-	257,247	56,725
Capital	20.509	36226.16.8.3	-	354,211	77,245
Total U.S. Dept. of Transportation			-	611,457	133,970

BUNCOMBE COUNTY GOVERNMENT

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

For the Year ended June 30, 2008

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Fed.(Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
<u>U.S. Department of Education</u>					
Passed-through N. C. Department of Cultural Resources:					
Public Library Services - LSTA Grant	45.310		47,175	-	-
Total U.S. Department of Education			47,175	-	-
<u>Environmental Protection Agency</u>					
Passed-through N.C. Department of Environment and Natural Resources:					
Division of Water Quality					
Nonpoint Source Implementation Grants - Section 319	66.460		98,174	-	-
Total Environmental Protection Agency			98,174	-	-
<u>U.S. Department of Homeland Security</u>					
Passed-through N.C. Department of Crime Control and Public Safety:					
Homeland Security Grant Program - Urban Search and Rescue	97.067		25,281	-	-
Hazard Mitigation Planning Grant	97.039		402,364	-	-
Emergency Management Performance Grants	97.042		97,945	-	-
Total U.S. Department of Homeland Security			525,590	-	-
<u>U. S. Department of Health and Human Services</u>					
<u>Administration for Children and Families</u>					
Medical Reserve Corps	93.008		9,522	-	-
Passed-through N.C. Board of Elections:					
State Accessibility Grant Project	93.617		6,428	-	-
Passed-through N.C. Department of Health and Human Services:					
Division of Aging and Adult Services:					
SSBG - In-Home Services	93.667		19,977	-	2,854
SSBG - Adult Day Care	93.667		61,052	52,023	16,154
Total Division of Aging			81,029	52,023	19,007
Division of Social Services:					
Family Preservation Services Program	93.556		29,973	-	-
Work First/Temporary Assistance for Needy Families (TANF)	93.558		3,217,459	1,600	2,526,186
Work First/TANF- Direct Benefit Payments	93.558		2,179,714	(227)	4,328
Direct Benefit Payments - AFDC	93.560		(3,117)	(429)	(855)
Crisis Intervention Program	93.568		851,083	-	-
Energy Assistance Payments - Direct Benefit Payments	93.568		419,393	-	93
Low Income Home Energy Assistance Block Grant - Administration	93.568		73,532	-	-
Refugee and Entrant Assistance - Cash & Medical Payments	93.566		19,539	-	-
Refugee and Entrant Assistance - State Administered Program	93.566		-	-	-
N.C. Child Support Enforcement Section	93.563		1,221,180	-	629,093
Child Welfare Services - State Grants					
- Permanency Planning Grant - Families for Kids	93.645		45,348	9,522	5,594
Child Welfare Services - State Grants					
- Adoption Guardianship	93.645		36,503	-	12,168
Child Welfare Services - State Grants					
- Adoption Subsidy - Direct Benefit Payments	93.645		-	1,089,239	298,330
SSBG - Other Services	93.667		666,482	70,398	245,516
Independent Living Grant - LINKS	93.674		62,853	9,297	-
Total Division of Social Services			8,819,942	1,179,400	3,720,454
<u>Foster Care and Adoption³:</u>					
Title IV-E Foster Care- Administration	93.658		752,910	-	731,188
Foster Care- Direct Benefits Payments	93.658		637,372	103,088	301,270
Foster Care - Adoption	93.658		296,337	-	1,745
Foster Care IV-E-CPS	93.658		1,891,709	279,256	1,612,453
Adoption Assistance	93.659		118,279	-	118,279
Adoption Assistance-Direct Benefit Payments	93.659		1,282,023	364,901	348,806
Total Foster Care and Adoption			4,978,630	747,245	3,113,741
Division of Child Development:					

BUNCOMBE COUNTY GOVERNMENT

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

For the Year ended June 30, 2008

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Fed.(Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
<u>Subsidized Child Care</u>					
<u>Child Care Development Cluster ³:</u>					
Division of Social Services:					
Childcare Development Fund - Administration	93.596		293,829	-	-
Division of Child Development:					
Child Care and Development Fund - Discretionary	93.575		2,303,810	-	-
Child Care and Development Fund - Mandatory	93.596		1,148,832	-	-
Child Care and Development Fund - Match	93.596		671,850	351,485	-
Total Child Care Development Fund Cluster			<u>4,418,321</u>	<u>351,485</u>	<u>-</u>
Social Service Block Grant	93.667		203,909	-	-
Temporary Assistance for Needy Families	93.558		1,452,015	-	-
Smart Start	XXXX		-	919,738	-
State Appropriations	XXXX		-	1,355,128	-
TANF - Maintenance of Effort	XXXX		-	988,142	-
Total Subsidized Child Care			<u>1,655,924</u>	<u>3,263,007</u>	<u>-</u>
Total Administration for Children and Families			<u>19,969,796</u>	<u>5,593,160</u>	<u>6,853,202</u>
<u>Centers for Medicare and Medicaid Services</u>					
Passed-through N. C. Department of Health and Human Services:					
Division of Medical Assistance:					
Medical Assistance Program - Administration	93.778		4,150,019	154,379	4,006,601
Medical Assistance Program - Direct Benefit Payments	93.778		157,046,102	80,667,604	10,812,111
State Children's Insurance Program - N.C. Health Choice	93.767		189,422	12,696	50,763
<u>Centers for Disease Control</u>					
Passed-through N. C. Department of Health and Human Services:					
Division of Public Health:					
HIV State Funds - Sexually Trans. Diseases Comm. Exp. Budget	93.940		28,000	-	70,669
CDC - Tuberculosis	93.116		8,695	-	-
Immunization Program/Aid to County Funding	93.268		47,612	-	-
Division of Community Health:					
Tobacco Prevention	93.283		-	8,000	-
Preventive Health and Health Services Block Grant	93.991		21,313	13,078	47,971
Administration - Preventive Health	XXXX		-	240,346	2,912,289
Children's Special Health Services	XXXX		-	35,250	362
Women's Preventive Health	93.994		38,817	31,658	11,102
Women's Preventive Health - TANF	93.558		20,382	-	-
Bioterrorism/Bioterrorism Regional Response Team	93.283		626,915	-	47,737
CDC Chronic Disease	93.283		34,935	-	-
CDC Breast and Cervical Cancer	93.283		114,125	227,220	5,025
CDC Restaurant Heart Healthy Survey	93.283		59,119	-	25,201
Cooperative Agreements for State-Based Comprehensive					
Breast and Cervical Cancer Early Detection Programs	93.919		110,413	-	56,530
Refugee Health Services	93.575		125	-	469
Refugee Health Services	93.576		1,375	-	7,073
Passed-through N. C. Department of Environmental and Natural Resources:					
Childhood Lead	93.197		-	1,500	-
<u>Health Resources and Services Administration</u>					
Passed-through N. C. Department of Health and Human Services:					
Division of Public Health:					
Child Care Coordination	93.994		43,481	32,614	10,555
Child Health	93.994		69,478	215,535	897,388
Maternal and Child Health Services Block Grant	93.994		63,659	47,749	250,267
Maternity Care Coordination	XXXX		-	35,160	-
Cardiovascular Health	XXXX		-	800	-
Adolescent Health Care	XXXX		-	232,790	65,578
Passed-through Health Partners					

BUNCOMBE COUNTY GOVERNMENT

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

For the Year ended June 30, 2008

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Fed.(Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
Healthy Carolinians Partnership Support	XXXX		-	12,048	-
<u>Office of the Population Affairs</u>					
Passed-through N. C. Department of Health and Human Services:					
Division of Public Health:					
Family Planning Services Title X	93.217		155,708	-	25,446
<u>Administration on Aging</u>					
<u>Division of Aging and Adult Services</u>					
Passed-through Land of the Sky Regional Council:					
Nutrition Services Incentive Program	93.053	NC-77	25,356	-	-
Social Services Block Grant-Respite	93.667	NC-77	74,244	2,121	26,607
<u>Aging Cluster:</u>					
Special Program for the Aging Title IIIB - Support Services Grants for Supportive Services and Senior Centers	93.044	NC-77	353,441	773,591	392,679
Special Program for the Aging Title IIIC -Nutrition Services Title III C1 - Congregate	93.045	NC-77	66,567	23,238	81,716
Title III C2 - Home-Delivered Meals	93.045	NC-77	26,072	19,361	58,567
Total Aging Cluster			446,080	816,190	532,962
Total U. S. Department of Health and Human Services			183,345,171	88,379,899	26,715,909
Total Federal Awards			\$ 216,368,623	\$ 88,991,356	\$ 28,463,146
State Awards:					
<u>N.C. Department of Cultural Resources</u>					
Division of State Library:					
State Aid to Public Libraries			\$ -	\$ 263,503	\$ -
Total N. C. Department of Cultural Resources			-	263,503	-
<u>N.C. Department of Environment & Natural Resources</u>					
Technical Assistance-Soil/Water			-	4,000	-
Soil & Water Conservation			-	43,245	-
Swannanoa River Cleanup			-	49,905	-
Biltmore Estate Stream Restoration			-	44,958	-
Recreation Trails			-	42,751	-
Environmental Health			-	15,613	-
Food & Lodging			-	17,129	-
Scrap Tire Disposal Grant			-	5,999	-
Total N. C. Department of Environment and Natural Resources			-	223,599	-
<u>N.C. Dept. of Health and Human Services</u>					
Division of Child Development:					
Passed-through Buncombe County Smart Start					
Smart Start Health Consultants			-	-	65,356
Smart Start Early Intervention			-	-	45,635
Smart Start Early Childhood Dental Program			-	-	29,342
More at Four			-	42,403	-
Child Care Quality Enhancement			-	141,704	-
Center Incentives			-	46,142	-
Passed-through Madison County Smart Start					
REWARDS			-	17,560	-
Passed-through Southwest Child Development Commission, Inc.					
Regional Initiatives			-	431,755	-
Total Division of Child Development			-	679,564	140,333
Division of Public Health:					
Communicable Disease Control	9945100011		-	7,807	559,528
Tuberculosis			-	32,935	165,745
Total Division of Public Health			-	40,742	725,274

BUNCOMBE COUNTY GOVERNMENT

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

For the Year ended June 30, 2008

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Fed.(Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
Division of Social Services:					
Non-Allocating County Costs			-	-	863,283
State/County Special Assistance-Administration			-	-	906,717
State/County Special Assistance for Adults - Direct Benefit Payments			-	2,125,813	2,125,813
State Foster Care Benefits Program			-	261,816	230,586
CP&L Energy Program			-	(565)	-
CPS Expansion Program			-	295,536	-
DCD Smart Start			-	88,787	-
Energy Assistance - Private Grants			-	76,161	-
State Aid to Counties			-	155,548	-
Other County Funded Programs			-	-	2,224,789
Total Division of Social Services			-	3,003,097	6,351,188
Division of Veterans Affairs:					
Veteran Services		GS 165-6(9)	-	2,000	-
Total N.C. Department of Health and Human Services			-	3,725,403	7,216,795
Office of the Governor					
Department of Juvenile Justice and Delinquency Prevention					
Non-Secure Detention			-	7,875	-
Gang Violence Prevention Program			-	78,108	-
Juvenile Crime Prevention Council Programs			-	523,327	-
Total Office of the Governor			-	609,310	-
N.C. Department of Crime Control and Public Safety					
Division of Emergency Management					
Hurricane Recovery Assistance			-	752,270	-
Crisis Housing Assistance Fund			-	69,614	-
Total N.C. Department of Crime Control and Public Safety			-	821,884	-
N.C. Department of Public Instruction					
Public School Building Capital Fund:					
Corporate Income Tax Collections			-	1,150,099	-
Total N.C. Department of Public Instruction			-	1,150,099	-
N.C. Department of Transportation					
Rural Operating Assistance Program (ROAP)					
Elderly and Disabled Transportation Assistance Program		DOT-16CL	-	168,698	-
Rural General Public Transportation		DOT-16CL	-	116,713	12,968
Work First/Employment		DOT-16CL	-	35,880	-
Total N.C. Department of Transportation			-	321,291	12,968
Total State Awards			\$ -	\$ 7,115,089	\$ 7,229,763
Total Federal and State Awards			\$ 216,368,623	\$ 96,106,445	\$ 35,692,909

BUNCOMBE COUNTY GOVERNMENT
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year ended June 30, 2008

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 includes the federal and state grant activity of Buncombe County and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and the State Single Audit Implementation Act. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic financial statements. Benefit payments directly to recipients and are not included in the County's basic financial statements. However, due to the County's involvement in determining eligibility, they are considered federal awards to the County and are included on this schedule.

2. Subrecipients

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

Subrecipient	Program Name	Federal CFDA Number	State Grant Number/Name	Federal	State
Professional Parenting/App State Univ	Home Based Services for Juv Sex Offenders		Juv. Crime Prev		82,768
Caring for Children	Trinity Place		Juv. Crime Prev		75,000
Caring for Children	Crossroads		Juv. Crime Prev		80,000
Caring for Children	Counterpoint		Juv. Crime Prev		60,000
Buncombe Alternatives, Inc.	Earn and Learn Program		Juv. Crime Prev		71,714
The Mediation Center	Youth & Victim Offender Mediation		Juv. Crime Prev		16,000
The Mediation Center	Life Skills		Juv. Crime Prev		19,000
Partners Unlimited, Inc.	Family Choices		Juv. Crime Prev		31,789
Buncombe Alternatives, Inc.	Teen Court		Juv. Crime Prev		29,074
Mountin' Hopes	Horsepower		Juv. Crime Prev		22,482
Caring for Children	Latino-Paid Mentoring Outreach		Gang Viol Prev		19,208
Partners Unlimited, Inc.	New Day Program		Gang Viol Prev		17,575
Horse Sense	Horse Sense		Gang Viol Prev		21,579
YWCA	SOS		Gang Viol Prev		19,209
Health Partners	Healthy Carolinians Partnership Support				12,048
ABCCM	TANF - Emergency Assistance	93.558		13,400	-
ABCCM	TANF - Crisis Intervention	93.568		286,128	-
ABCCM	Helping Each Member Cope	-			2,566
ABCCM	Energy Neighbor	-			12,336
				<u>\$ 299,528</u>	<u>\$ 592,348</u>

3. 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, Foster Care and Adoption, Mental Health Services, Developmental Disability Waiting List Services, and Substance Abuse Services.