



**GUILFORD COUNTY, NORTH  
CAROLINA**

**SCHEDULE OF EXPENDITURES OF FEDERAL  
AND STATE AWARDS**

*As of and for the Year Ended June 30, 2016*

*And Report of Independent Auditor*

**GUILFORD COUNTY, NORTH CAROLINA**

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**Report of Independent Auditor 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***

The Board of County Commissioners  
Guilford County, 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 discretely presented component unit, each major fund, and the aggregate remaining fund information of Guilford County, North Carolina (the "County"), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprises the County's basic financial statements, and have issued our report thereon dated October 28, 2016. The financial statements of the Greensboro/Guilford County Tourism Development Authority were not audited in accordance with *Government Auditing Standards*.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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 material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, 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*.

**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.

Channing Ricketts LLP

Raleigh, North Carolina  
October 28, 2016

**Report of Independent Auditor on Compliance for Each Major Federal Program and  
on Internal Control Over Compliance in Accordance with OMB Uniform Guidance  
and the State Single Audit Implementation Act**

The Board of County Commissioners  
Guilford County, North Carolina

**Report on Compliance for Each Major Federal Program**

We have audited Guilford County, North Carolina (the "County"), compliance with the types of compliance requirements<sup>i</sup> described in the OMB *Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*,<sup>ii</sup> issued by the Local Government Commission, that could have a direct and material effect<sup>iii</sup> on each of the County's major federal programs for the year ended June 30, 2016. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the 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 OMB Uniform Guidance, 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 the 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 the County's compliance.

**Opinion on Each Major Federal Program**

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2016.

**Other Matters**

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2016-002, 2016-003, 2016-004, and 2016-005. Our opinion on each major federal program is not modified with respect to these matters.

The County's responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

## **Report on Internal Control Over Compliance**

Management of the 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 the County's internal control over compliance with the types of requirements that could have a direct and material effect on a 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 OMB 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 the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be a material weakness. However, we identified a deficiency in internal control over compliance as described in the accompanying schedule of findings and questioned costs as Finding 2016-001 that we consider to be a significant deficiency.

The County's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

## **Schedule of Expenditures of Federal and State Awards**

We have audited the financial statements of the governmental activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the County as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated October 28, 2016, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying schedule of expenditures of federal and State awards is presented for purposes of additional analysis as required by OMB 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, 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 taken as a whole.



Raleigh, North Carolina  
October 28, 2016

## **Report of Independent Auditor on Compliance for Each Major State Program and on Internal Control Over Compliance in Accordance with OMB Uniform Guidance and the State Single Audit Implementation Act**

The Board of County Commissioners  
Guilford County, North Carolina

### **Report on Compliance for Each Major State Program**

We have audited Guilford County, North Carolina (the “County”), 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 the County’s major State programs for the year ended June 30, 2016. The County’s major State programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

### **Management’s Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state programs.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on compliance for each of the 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; and 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 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 the 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 on the County’s compliance.

### **Opinion on Each Major State Program**

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major State programs for the year ended June 30, 2016.

### **Report on Internal Control Over Compliance**

Management of the 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 the County’s internal control over compliance with the types of requirements that could have a direct and material effect on a major State program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major State program and to test and report on internal control over compliance in accordance with 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 the County’s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance 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 noncompliance with a type of compliance requirement of a State program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a State program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

#### **Schedule of Expenditures of Federal and State Awards**

We have audited the financial statements of the governmental activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the County as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated October 28, 2016, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying schedule of expenditures of federal and State awards is presented for purposes of additional analysis as required by OMB 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, 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 taken as a whole.



Raleigh, North Carolina  
October 28, 2016



**GUILFORD COUNTY, NORTH CAROLINA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

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**Section I – Summary of Auditor’s Results**

**Financial Statements**

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_ yes    no   X
- Significant deficiency(s) identified? \_\_\_ yes    none reported   X
- Noncompliance material to financial statements noted? \_\_\_ yes    no   X

**Federal Awards**

Internal control over major federal programs:

- Material weaknesses identified? \_\_\_ yes    no   X
- Significant deficiency(s) identified?   X   yes    none reported
- Noncompliance material to federal awards noted? \_\_\_yes    no   X

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)?   X   yes    no

Identification of major federal programs:

<u>CFDA #</u>	<u>Program Name</u>
93.558	Temporary Assistance to Needy Families Cluster
93.767	Health Choice
93.767	N.C. Health Choice
93.767	Direct Benefit Payment - Health Choice

**GUILFORD COUNTY, NORTH CAROLINA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

*FOR THE FISCAL YEAR ENDED JUNE 30, 2016*

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**Section I – Summary of Auditor’s Results (continued)**

Identification of major federal programs (continued):

<u>CFDA #</u>	<u>Program Name</u>
93.778	Medicaid Cluster
93.596, 93.575, 93.558, 93.658	Subsidized Child Care Cluster
93.568	Low Income Home Energy Assistance Crisis Intervention Payment
93.568	Low Income Home Energy Assistance
93.568	Low Income Energy Administration

Federal programs that did not meet the criteria for a major program using the criteria discussed in OMB Uniform Guidance §200.518 but were tested as a major program because the State awards met the threshold for a major State program or were required to be tested as a major program by the State are included in the list of major federal programs.

**GUILFORD COUNTY, NORTH CAROLINA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

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**Section I – Summary of Auditor’s Results (continued)**

Dollar threshold used to distinguish  
between Type A and Type B Programs \$ 3,000,000

Auditee qualified as low-risk auditee  yes  no

**State Awards**

Internal control over major State programs:

• Material weakness(es) identified?  yes  no

• Significant deficiency(s) identified?  yes  no

Noncompliance material to State awards?  yes  no

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  yes  no

Identification of major State programs:

Program Name

Smart Start - Division of Child Development  
Smart Start Child Care Nurse  
Smart Start Newborn Visits

Juvenile Crime Prevention Council Programs

Major State programs for Guilford County are Medicaid Cluster, N.C. Health Choice, Subsidized Child Care Cluster, and Temporary Assistance for Needy Families, which are State matches on federal programs. Therefore, these programs have been included in the list of major federal programs above.

**GUILFORD COUNTY, NORTH CAROLINA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

*FOR THE FISCAL YEAR ENDED JUNE 30, 2016*

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**Section II – Financial Statement Findings**

None reported.

**Section III – Federal Awards Findings and Questioned Costs**

**U.S. Department of Health and Human Services**  
**Passed through the N.C. Department of Health and Human Services**  
**Low-Income Energy Assistance**  
**CFDA # 93.568**

**Finding 2016-001**

**Significant Deficiency – Quality Review of case files**

**Criteria:** An effective system of internal control contemplates that management properly review and assess the eligibility of individuals to ensure the accuracy of the benefits being provided. This includes ensuring that all reviewers have the proper training and qualifications in order to appropriately assess the eligibility of participants.

**Condition:** We noted where the program listed above administered under the department of Health and Human Services did not have proper review controls in place to ensure that proper eligibility determinations were being made.

**Effect:** Applicants may be incorrectly deemed eligible or ineligible resulting in funding to individuals who are not eligible or not provided to individuals who are eligible.

**Cause:** Insufficient Quality Review procedures over eligibility determinations.

**Recommendation:** We recommend that management implement proper review procedures over the Low-Income Energy Assistance program eligibility determinations to ensure that records contain current, reliable and appropriate documentation in each participant file.

**Views of responsible officials:** Guilford County agrees with finding

**GUILFORD COUNTY, NORTH CAROLINA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

*FOR THE FISCAL YEAR ENDED JUNE 30, 2016*

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**Section III – Federal Awards Findings and Questioned Costs - continued**

**U.S. Department of Health and Human Services**  
**Passed through the N.C. Department of Health and Human Services**  
**Low-Income Energy Assistance**  
**CFDA # 93.568**

**Finding 2016-002**

**Nonmaterial Noncompliance – Eligibility; Special Tests and Provisions**

**Criteria:** The County should have adequate monitoring controls to ensure that all required physical documentation is included in the file to properly document eligibility in accordance with Sections 300.07 or 500.02 of the Energy Program Manual.

**Condition:** Two instances in which evidence of income was missing from the file and one instance where income was greater than 130% of the current poverty level. One instance of incorrect eligibility determination was noted.

**Questioned costs:** \$200. Total amount of costs paid on behalf of individual who was deemed ineligible.

**Context:** We examined 40 case files to ensure that each case record complied with the specific eligibility requirements documented in the Energy Programs Manual Sections 300.07 or 500.02. Of the 40 case files reviewed two did not contain proper support for income and one benefit was incorrectly calculated.

Upon reexamination of the file, the County was able to substantiate that two individuals were eligible and one was ineligible to receive Low-Income Energy Assistance benefits.

**Effect:** By not having the required documentation in the files or income being incorrectly calculated, eligibility cannot be readily substantiated and there is a risk that the County could provide funding to individuals who are not eligible.

**Cause:** The contract agency Salvation Army does not have access to OVS or NCFast verifications.

**Recommendation:** Although these issues will occur from time to time considering the volume of case files that the County processes and maintains, we recommend that an internal control be put in place in order to ensure that proper eligibility determinations are made and that all proper documentation is kept and maintained in the case file.

**Views of responsible officials:** Guilford County agrees with the finding

# GUILFORD COUNTY, NORTH CAROLINA

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

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### Section III – Federal Awards Findings and Questioned Costs – continued

**U.S. Department of Health and Human Services**  
**Passed through the N.C. Department of Health and Human Services**  
**Medical Assistance**  
**CFDA # 93.778**

#### Finding 2016-003

##### Nonmaterial Noncompliance – Eligibility

**Criteria:** The County should have adequate monitoring controls to ensure that all information is updated appropriately in recipient's files and in the NC Fast system, and to ensure that all required physical documentation is located in the file to properly document eligibility with program requirements.

**Condition:** Twenty instances in which documentation was missing or incorrectly documented in the case file. One instance of incorrect eligibility determination was noted. The lack of controls allows for inaccuracies with the potential for over or under payment of benefits.

**Questioned costs:** \$2,338. Total amount of costs reported on the final State Report for individual who was deemed ineligible.

**Context:** We examined 60 case files. Of the 60 files sampled, we noted 12 of the files had missing or incorrect documentation as follows:

- One SSI Ex Parte review was not performed to determine if eligible for Medical Assistance Programs
- Four cases where the automated income and resource matches were not completed
- Three cases where the Budget was not calculated correctly or budget was not properly documented
- Four cases where the Budget was not calculated correctly or budget was not properly documented, automated income and resource matches were not completed and income verification was not completed and/or documented.

Upon reexamination of each of the files listed above, the County was able to substantiate that all but five of the recipients were eligible to receive Medicaid benefits. This was accomplished by such means as re-computation of the budget by retrieving the online verification form (OLV) which matched the Medicaid Coverage period to ensure all appropriate income sources were included in the computation.

**Effect:** By not having the required documentation in the files or information being incorrectly documented, eligibility cannot be readily substantiated and there is a risk that the County could provide funding to individuals who are not eligible.

**Cause:** The following factors contributed to the above findings. Guilford County experienced a large influx of reviews being processed due to the roll forward that occurred with the conversion into NCFAS. Staff continued to work this backlog through July 2015. This also causes a large number of recertification's coming due the next year for the months of April 2016 through July 2016. This created the need for supervisors, lead workers and eligibility workers to process larger than normal amounts to insure that families maintained Medicaid coverage. This caused few second party reviews to be completed and an increase in errors by staff.

**GUILFORD COUNTY, NORTH CAROLINA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

*FOR THE FISCAL YEAR ENDED JUNE 30, 2016*

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**Section III – Federal Awards Findings and Questioned Costs – continued**

**Recommendation:** Although these issues will occur from time to time considering the volume of case files that the County processes and maintains, we recommend that an internal control be put in place in order to ensure that all proper documentation is kept and maintained in the case file in an attempt to prevent loose filings resulting in missing documentation.

**Views of responsible officials:** Agree with above findings

# GUILFORD COUNTY, NORTH CAROLINA

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

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### Section III – Federal Awards Findings and Questioned Costs - continued

**U.S. Department of Health and Human Services**  
**Passed through the N.C. Department of Health and Human Services**  
**N.C. Health Choice**  
**CFDA # 93.767**

#### Finding 2016-004

##### Nonmaterial Noncompliance – Eligibility

**Criteria:** The County should have adequate monitoring controls to ensure that all information is updated appropriately in recipient's files and in the NC Case Profile system, and to ensure that all required physical documentation is located in the file to properly document eligibility with program requirements.

**Condition:** Thirty-four instances in which documentation was missing or incorrectly documented in the case file. Five instances of incorrect eligibility determination were noted. The lack of controls allows for inaccuracies with the potential for over or under payment of benefits.

**Questioned costs:** \$5,656 Total amount of costs reported on the final State Report for individual which was deemed ineligible.

**Context:** We examined 60 case files. Of the 60 files sampled, we noted 22 of the files had missing or incorrect documentation as follows:

- One missing automated Inquiry and match procedures and required verification of citizenship could not be substantiated in the case record
- Three missing automated Inquiry and match procedures and income was not properly verified.
- Two required verification of citizenship could not be substantiated in the case record
- One missing automated Inquiry and match procedures and income was over the limit
- Two missing automated Inquiry and match procedures, income was not properly verified, budget was computed incorrectly
- Five budgets were computed incorrectly
- Two missing automated Inquiry and match procedures and budget was computed incorrectly
- Two missing automated Inquiry and match procedures
- One income was not properly verified, budget was computed incorrectly
- One individual did not meet age requirements for program
- Two missing budget verification forms

Upon reexamination of each of the files listed above, the County was able to substantiate that all but five of the NC Health Choice recipients were eligible to receive NC Health Choice benefits. This was accomplished by such means as re-computation of the budget by retrieving the online verification form (OLV) which matched the Coverage period to ensure all appropriate income sources were included in the computation.

**Effect:** By not having the required documentation in the files or information being incorrectly documented, eligibility cannot be readily substantiated and there is a risk that the County could provide funding to individuals who are not eligible.

**Cause:** The following factors contributed to the above findings. Guilford County experienced a large influx of reviews being processed due to the roll forward that occurred with the conversion into NCFAS.



**GUILFORD COUNTY, NORTH CAROLINA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

*FOR THE FISCAL YEAR ENDED JUNE 30, 2016*

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**Section III – Federal Awards Findings and Questioned Costs – continued**

Staff continued to work this backlog through July 2015. This also causes a large number of recertification's coming due the next year for the months of April 2016 through July 2016. This created the need for supervisors, lead workers and eligibility workers to process larger than normal amounts to insure that families maintained Medicaid coverage. This caused few second party reviews to be completed and an increase in errors by staff.

**Recommendation:** Although these issues will occur from time to time considering the volume of case files that the County processes and maintains, we recommend that management enforce proper review procedures over North Carolina Health Choice eligibility determinations to ensure that all proper documentation is kept and maintained in the case file for proper determinations.

**Views of responsible officials:** Guilford County agrees with the finding of the auditors with the exception of the one individual which did not meet age requirements for program. Rebuttal explanation provided to auditor.

**GUILFORD COUNTY, NORTH CAROLINA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

*FOR THE FISCAL YEAR ENDED JUNE 30, 2016*

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**U.S. Department of Health and Human Services**  
**Passed-through the N.C. Dept. of Health and Human Services**  
**Division of Social Services:**  
**Program Name: Temporary Assistance for Needy Families**  
**CFDA # 93.558**

**Finding 2016-005**

**Nonmaterial Noncompliance – Eligibility**

**Criteria:** County should adhere to all determinations and redeterminations in accordance with program eligibility requirements.

**Condition:** During our testing of eligibility for temporary assistance for needy families, we noted six instances where there was noncompliance with the Temporary Assistance for Needy Families program requirements.

**Questioned costs:** \$3,142 which is the actual over-payment of benefits to two individuals during fiscal year 2015-2016.

**Context:** We examined 60 case files and reviewed to ensure that each case record complied with the specific eligibility requirements which are documented in the Manual. Of the 60 sampled, we noted 6 cases with the following documentation issues:

- Four case files had missing MRA's
- One case file had no documentation resulting in questioned cost of \$2,537
- One case file had incorrect payment amount resulting in questioned cost of \$605

Upon reexamination of each of the files listed above, the County was able to substantiate that all were eligible to receive TANF benefits, with the exception of the one who was paid the incorrect amount.

**Effect:** The County may provide benefits to individuals that are not eligible for the program.

**Cause:** Missing forms and documentation for WFFA cases was caused by workers failing to scan into Northwoods document management system.

**Recommendation:** Although these issues will occur from time to time considering the volume of case files that the County processes and maintains, it is recommended that procedures are enforced to verify that all required eligibility information is obtained, recorded, and updated appropriately.

**Views of responsible officials:** We agree with the findings in regards to missing information and one case that a child was not eligible to receive WFFA services based on CAP policy.

# GUILFORD COUNTY, NORTH CAROLINA

## SCHEDULE OF CORRECTIVE ACTION PLAN

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

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### 2016-001

**Name of contact person:** Elizabeth White

**Corrective Action:** Complete second party reviews for compliance with eligibility policies will be completed monthly and refresher training will be given to Salvation Army staff as needed based on these reviews.

**Proposed Completion Date:** Guilford County started completing second party reviews of the eligibility requirements for CIP applications processed by the Salvation Army in September, reviewing August applications. This will also be completed on LIEAP applications once this program starts and will be an ongoing process.

### 2016-002

**Name of contact person:** Elizabeth White

**Corrective Action:** Guilford County has added a process to alleviate this finding. The staff at the Salvation Army has a list of agency contacts to call if they need to have verification of SSI, SSA, or other forms of income through OVS. This information is then uploaded to Northwoods for future documentation verification.

**Proposed Completion Date:** This process was started 7/2016.

### 2016-003

**Name of Contact Person:** Elizabeth White

**Corrective Action:** Refresher training on the requirement of running OVS and reviewing all results in OVS, as well as budgeting will be completed for all workers in the Medicaid program area. A simplified monitoring tool is being designed to check for issues such as OVS, budget and documentation. This tool will assist with both the staff and supervisors/management with identifying which staff need further training.

**Proposed Completion Date:** Monitoring tool and training to begin 10/31/16 with refresher training to be completed by 12/31/16 and monitoring tool to be used continuously.

### 2016-004

**Name of contact person:** Marissa D. Adams

**Corrective Action:** Refresher training on the requirement of running OVS and reviewing all results in OVS, as well as budgeting will be completed for all workers in the NC Health Choice program area. A simplified monitoring tool is being designed to check for issues such as OVS, budget and documentation. This tool will assist with both the staff and supervisors/management with identifying which staff need further training.

**Proposed Completion Date:** Monitoring tool and training to begin 10/31/16 with refresher training to be completed by 12/31/16 and monitoring tool to be used continuously.

**GUILFORD COUNTY, NORTH CAROLINA**  
**SCHEDULE OF CORRECTIVE ACTION PLAN**

*FOR THE FISCAL YEAR ENDED JUNE 30, 2016*

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**2016-005**

**Name of contact person:** Elizabeth White

**Corrective Action:** Effective July 2016, scanning baskets were placed in the application and recertification areas so the Business office could scan all paperwork and forms into Northwoods. All mail, faxes and dropped off information is now scanned into Northwoods and tasked to the worker through that system.

**Proposed Completion Date:** Completed July 2016

**GUILFORD COUNTY, NORTH CAROLINA**  
**SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS**

*FOR THE FISCAL YEAR ENDED JUNE 30, 2016*

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**Finding #: 2015-001**

Status: Corrected

**Finding #: 2015-002**

Status: Not corrected. See 2016-003

**Finding #: 2015-003**

Status: Not corrected. See 2016-004

**Finding #: 2015-004**

Status: Not corrected. See 2016-005

**Finding #: 2015-005**

Status: Corrected

**Finding #: 2015-006**

Status: Corrected.

**GUILFORD COUNTY, NORTH CAROLINA**  
**Schedule of Expenditures of Federal and State Awards**  
**For the Fiscal Year Ended June 30, 2016**

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	State/Pass-Through Grantor's Number	Expenditures		
			Federal	State	Passed Through to Subrecipients
<b>FEDERAL AWARDS</b>					
<u>U.S. Department of Agriculture</u>					
<i>Child Nutrition Cluster:</i>					
Passed Through N.C. Department of Public Instruction:					
National School Lunch Program	10.555	1167	\$ 51,966	-	-
School Breakfast Program	10.553	1167	25,914	-	-
Passed Through N.C. Department of Health and Human Services:					
Division of Women's and Children's Health:					
Summer Food Service Program	10.559	12725767W441	2,780	-	-
<i>Total Child Nutrition Cluster</i>			<u>80,660</u>	<u>-</u>	<u>-</u>
Passed Through N.C. Department of Health and Human Services:					
Division of Social Services:					
<i>Supplemental Nutrition Assistance Program (SNAP) Cluster:</i>					
Supplemental Nutrition Assistance Program Administration (Note 1)					
	10.561	-	4,334,287	-	-
Supplemental Nutrition Assistance Fraud Administration (Note 1)					
	10.561	-	116,647	-	-
<i>Total Supplemental Nutrition Assistance Program (SNAP) Cluster</i>			<u>4,450,934</u>	<u>-</u>	<u>-</u>
Division of Women's and Children's Health:					
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	13A25403GG41, 13A25403GF41, 13A25409GG41, 13A25409GF41, 13A25416GG41, 13A25404GG41, 13A25404GF41, 13A2570HJQ41, 13A2570KJQ41, 13A25405GG41, 13A25405GF41	2,364,007	-	-
Direct Programs:					
NIFA Urban Oasis Project	10.331	2015-70018-23349	54,401	-	31,073
Farmers Market Promotion Program	10.168	15FMPPNC0068	163	-	-
Direct Benefit Payments:					
Special Supplemental Nutrition Program for Women, Infants, and Children - Non Cash	10.557	-	10,473,529	-	-
<i>Total U.S. Department of Agriculture</i>			<u>17,423,694</u>	<u>-</u>	<u>31,073</u>
<u>U.S. Department of Justice</u>					
Passed Through N.C. Department of Crime Control and Public Safety:					
Passed through N.C. Department of Public Safety:					
<i>JAG Program Cluster:</i>					
Edward Byrne Memorial Justice Assistance Grant-Crime Solutions thru Technology					
	16.738	2015-DJ-BX-0176	18,427	-	-
Edward Byrne Memorial Justice Assistance Grant-Technology Improvement					
	16.738	2013-DJ-BX-0189	28,037	-	-
Passed Through City of Greensboro, North Carolina:					
Edward Byrne Memorial Justice Assistance Grant	16.738	2014-DJ-BX-0968	53,736	-	-
Edward Byrne Memorial Justice Assistance Grant	16.738	2015-DJ-BX-1033	24,613	-	-
<i>Total JAG Program Cluster</i>			<u>124,813</u>	<u>-</u>	<u>-</u>
Violence against Women Formula Grant	16.588	2015-WF-AX-0025	43,636	-	-
Direct Programs:					
Federal Forfeitures	16.922	-	132,831	-	-
State Criminal Alien Assistance Program	16.606	2014-AP-BX-0571	49,991	-	-
<i>Total U.S. Department of Justice</i>			<u>351,271</u>	<u>-</u>	<u>-</u>
<u>U.S. Department of Labor</u>					
Passed Through N.C. Department of Commerce:					
Division of Workforce Solutions:					
Passed Through City of Greensboro, North Carolina:					
<i>WIA/WIOA Cluster:</i>					
WIA/WIOA Adult Program	17.258	3-2020-42	10,411	-	-
WIA/WIOA Dislocated Workers Formula Grants	17.278	3-2030-42	3,864	-	-
WIA/WIOA Youth Activities	17.259	3-2040-42	16,178	-	-
<i>Total Workforce Investment Act Cluster</i>			<u>30,453</u>	<u>-</u>	<u>-</u>
<i>Total U.S. Department of Labor</i>			<u>30,453</u>	<u>-</u>	<u>-</u>

**GUILFORD COUNTY, NORTH CAROLINA**  
**Schedule of Expenditures of Federal and State Awards**  
**For the Fiscal Year Ended June 30, 2016**

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	State/Pass-Through Grantor's Number	Expenditures		
			Federal	State	Passed Through to Subrecipients
<b>FEDERAL AWARDS</b> (Continued)					
<u>U.S. Department of Transportation</u>					
<i>Transit Services Programs Cluster:</i>					
Passed Through the N.C. Department of Transportation:					
Enhance Mobility of Seniors with Disabilities	20.513	16-ED-049	\$ 101,000	-	-
Passed Through City of Greensboro, North Carolina:					
Enhance Mobility for Seniors Program	20.513	NC-37-X020	48,690	-	-
<i>Total Transit Services Programs Cluster</i>			<u>149,690</u>	<u>-</u>	<u>-</u>
<i>Federal Transit Cluster:</i>					
Passed Through the N.C. Department of Transportation:					
Federal Transit Urbanized Area Formula Program	20.507	16-90-049	35,000	-	-
<i>Total Federal Transit Cluster</i>			<u>35,000</u>	<u>-</u>	<u>-</u>
<i>Highway Safety Cluster:</i>					
Law Enforcement-Bike Safety Program	20.600	MC-2015-11-05	1,491	-	-
Law Enforcement-Bike Safety Program	20.600	MC-2016-03-02	2,209	-	-
Highway Safety Program-LEL	20.600	PT-2016-06-10	11,488	-	-
Highway Safety Program-LEL	20.600	PT-2015-09-07	6,154	-	-
Highway Safety Program	20.607	154aL-2016-12-18	45,147	-	-
Highway Safety Program	20.607	154AL-2015-02-21	62,013	-	-
Highway Safety Program	20.616	M2HVE-2016-13-08	163,105	-	-
Highway Safety Program	20.616	M5HVE-2016-01-02	57,365	-	-
Highway Safety Program	20.616	M2HVE-2015-08-03	348,972	-	-
Highway Safety Program	20.616	M5HVE-2015-04-02	<u>57,365</u>	<u>-</u>	<u>-</u>
<i>Total Highway Safety Cluster</i>			<u>348,972</u>	<u>-</u>	<u>-</u>
Public Transportation and Rail Division:					
Community Transportation Program - Administration	20.509	16-CT-049	84,007	152,010	-
<i>Total U.S. Department of Transportation</i>			<u>617,669</u>	<u>152,010</u>	<u>-</u>
<u>U.S. Department of Health and Human Services</u>					
Passed Through N.C. Department of Health and Human Services:					
Division of Social Services:					
Adoption Fostercare	93.XXX	-	194,899	-	-
Work First Administration	93.558	-	635,389	-	-
Work First Service	93.558	-	2,378,316	-	-
Family Preservation	93.556	-	114,602	-	-
Child Support Enforcement IV-D Administration	93.563	-	5,507,269	-	-
Child Support Enforcement IV-D Incentive	93.563	-	619,093	-	-
Refugee Assistance Administration	93.566	-	793	-	-
Permanency Planning - Special	93.645	-	139,843	-	-
Adult Day Care	93.667	-	75,772	68,896	-
In-Home Services	93.667	-	133,625	-	-
SSBG Other Services and Training	93.667	-	2,064,222	234,283	-
Adult Protective Services	93.667	-	27,418	-	-
Links	93.674	-	68,156	17,039	-
Independent Living Special Links Fund	93.674	-	24,491	-	-
Adult Care Home Case Management	93.778	-	129,712	30,644	-
<i>Low-Income Home Energy Assistance:</i>					
Crisis Intervention Payment	93.568	-	2,558,556	-	-
Low Income Home Energy Assistance	93.568	-	1,882,081	-	-
Low Income Energy Administration	93.568	-	358,515	-	-
<i>Total Low-Income Home Energy Assistance</i>			<u>4,799,152</u>	<u>-</u>	<u>-</u>

**GUILFORD COUNTY, NORTH CAROLINA**  
**Schedule of Expenditures of Federal and State Awards**  
**For the Fiscal Year Ended June 30, 2016**

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	State/Pass-Through Grantor's Number	Expenditures		Passed Through to Subrecipients
			Federal	State	
<b>FEDERAL AWARDS</b> (Continued)					
U.S. Department of Health and Human Services (continued)					
Passed Through N.C. Department of Health and Human Services: (continued)					
Division of Social Services: (continued)					
<i>Foster Care and Adoption Cluster: (Note 3)</i>					
IV-E Foster Care	93.658	-	\$ 753,020	192,363	-
IV-E Foster Care Maximization	93.658	-	472,659	120,671	-
IV-E Child Protective Services	93.658	-	288,072	900,404	-
IV-E Optional Administration	93.658	-	1,168,822	-	-
IV-E Administration County Paid to CCI	93.658	-	507,805	253,902	-
IV-E Family Foster Max	93.658	-	5,721	-	-
IV-E Max Level III	93.658	-	3,599	-	-
IV-E Foster Care Training	93.658	-	9,628	-	-
Adoption Assistance - IVE	93.659	-	16,335	8,168	-
IV-E Administration	93.658	-	13,031	-	-
IV-E Optional Adoption Training	93.659	-	244,863	-	-
Foster Care At Risk Maximization	N/A	-	-	14,442	-
Direct Benefit Payments:					
Adoption Assistance - IVE	93.659	-	2,684,406	685,788	-
<i>Total Foster Care and Adoption Cluster</i>			<u>6,167,961</u>	<u>2,175,738</u>	<u>-</u>
<i>Special Children Adoption Fund Cluster: (Note 3)</i>					
Special Children Adoption Fund (Adoption Promotion Program Fund)	93.558	-	402,000	108,000	-
<i>Total Special Children Adoption Fund Cluster</i>			<u>402,000</u>	<u>108,000</u>	<u>-</u>
Direct Benefit Payments:					
Temporary Assistance for Needy Families	93.558	-	2,016,549	-	-
Aid to Families with Dependent Children	93.560	-	(2,012)	(551)	-
Refugee Assistance Administration	93.566	-	163,891	-	-
Aid to the Blind	93.667	-	93,197	17,633	-
Division of Medical Assistance:					
Direct Benefit Payments:					
Medical Assistance Program	93.778	-	357,919,574	195,072,878	-
Division of Social Services:					
Administration:					
Medicaid Transportation Reimbursement	93.778	-	1,987,173	1,018,209	-
Medical Assistance Program	93.778	-	8,823,303	-	-
MAC-Medicaid Administrative Claiming	93.778	-	257,476	-	-
DMA Equipment	93.778	-	84,045	-	-
Medical Transportation Service	93.778	-	234	105	-
<i>Total Medical Assistance Program</i>			<u>369,071,805</u>	<u>196,091,192</u>	<u>-</u>
Direct Benefit Payments:					
State Children's Insurance Program-NC Health Choice	93.767	-	6,092,585	314,932	-
Division of Social Services:					
Administration:					
State Children's Insurance Program-NC Health Choice	93.767	-	244,793	8,545	-
<i>Total State Children's Insurance Program-NC Health Choice</i>			<u>6,337,378</u>	<u>323,477</u>	<u>-</u>
<i>Subsidized Child Care Cluster (Note 3):</i>					
<i>Child Care Development Fund Cluster:</i>					
Division of Social Services:					
Child Care Development Fund - Administration	93.596	-	768,543	-	-
Division of Child Development:					
Child Care and Development Fund - Discretionary	93.575	-	8,157,464	-	-
Child Care and Development Fund - Mandatory	93.596	-	2,629,099	-	-
Child Care and Development Fund - Match	93.596	-	3,414,861	1,280,877	-
<i>Total Child Care Development Fund Cluster</i>			<u>14,969,967</u>	<u>1,280,877</u>	<u>-</u>
TANF	93.558	-	2,272,150	-	-
Foster Care Title IV-E	93.658	-	152,611	78,175	-
TANF Maintenance of Effort	N/A	-	-	1,305,466	-
State Appropriations	N/A	-	-	924,952	-
<i>Total Subsidized Child Care Cluster</i>			<u>17,394,728</u>	<u>3,589,470</u>	<u>-</u>



**GUILFORD COUNTY, NORTH CAROLINA**  
**Schedule of Expenditures of Federal and State Awards**  
**For the Fiscal Year Ended June 30, 2016**

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	State/Pass-Through Grantor's Number	Expenditures		
			Federal	State	Passed Through to Subrecipients
<b>FEDERAL AWARDS</b> (Continued)					
<u>U.S. Department of Health and Human Services (continued)</u>					
Passed Through N.C. Department of Health and Human Services: (continued)					
Division of Mental Health, Developmental Disabilities and Substance Abuse Services:					
<i>Substance Abuse Services Cluster:</i>					
Passed Through Sandhills Center for Mental Health: Block Grant for Prevention and Treatment of Substance Abuse:					
Work First Program	93.959	536975-1463-52215G	\$ 24,000	40,000	-
<i>Total Substance Abuse Services Cluster</i>			<u>24,000</u>	<u>40,000</u>	<u>-</u>
Division of Public Health:					
Maternal Child Health Block Grant:					
Child Health	93.994	12715745AP41, 12715745AP41, 127157450041, 133253580041, 13B04354PF40	296,836	358,058	-
Child Fatality	93.994	12715351AP41, 12715351AP41	2,481	1,861	-
Child Service Coordination	93.994	12715318AP41, 12715318AP41	96,752	72,572	-
Maternal Health	93.994	13A15740AP41, 13A151070041, 13A157400041, 13A15107AP41,	100,985	125,384	-
Family Planning	93.994	13A15735AP41, 13A157350041, 13A16016FR41	79,521	145,586	-
<i>Immunization Cluster:</i>					
Immunization Action Plan	93.268	1331623DVJ41, 1331623CVJ41, 1331625DVL41, 1331625CVL41, 1331631DEJ41, 1331631CEJ41	75,578	-	-
<i>Total Immunization Cluster</i>			<u>75,578</u>	<u>-</u>	<u>-</u>
Public Health Emergency Preparedness	93.069	12642680EW41	80,000	-	-
Family Planning TANF	93.558	13A15151T241	48,881	-	-
BT Preparedness & Response-Ebola Supplement	93.074	12642680MB41	23,754	-	-
Tobacco Prevention	93.305	1271341BST41, 1271341AST41	96,550	-	-
CDC Refugee	93.576	1370810B7J41, 1370810C7J41	42,636	-	-
<i>HIV Cluster: (Note 3)</i>					
Aid-To-County (Federal)	93.940	1311981EHV41, 1311981DHV41, 1311981DHV42	29,981	-	-
HIV/STD Sexually Transmitted Disease (GISP)	93.977	1311462BNB41	10,254	-	-
Jail Screening	93.940	1311439DHV41, 1311439EHV41	135,327	-	116,929
Syphilis Elimination Project	93.977	1311462BNB41	3,360	-	-
HIV/STD Non-Traditional C/T	N/A	13114541RQ41, 13114541RR41	-	297,565	229,184
HIV/STD State	N/A	13114536RR41, 13114536RQ41	-	25,000	-
Passed Through Wake Forest University Health Science:					
HIV/STD Prevention Training	93.977	WFUHS 112256	34,457	-	-
<i>Total HIV Cluster</i>			<u>213,379</u>	<u>322,565</u>	<u>346,113</u>
Title X Family Planning	93.217	13A1592AFP41, 13A1592DFP41, 1460272ANF41, 1460272BNF41,	150,868	-	-
CDC Tuberculosis	93.116	146045510041	38,318	-	-
Healthy Communities	93.758	12615503PF41	30,738	-	-
Passed through NC A & T State University:					
Be SAFE Program	93.243	-	10,000	-	-

**GUILFORD COUNTY, NORTH CAROLINA**  
**Schedule of Expenditures of Federal and State Awards**  
**For the Fiscal Year Ended June 30, 2016**

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	State/Pass-Through Grantor's Number	Expenditures		
			Federal	State	Passed Through to Subrecipients
<b>FEDERAL AWARDS</b> (Continued)					
<u>U.S. Department of Health and Human Services (continued)</u>					
Passed Through N.C. Department of Health and Human Services: (continued)					
Division of Aging:					
Passed Through the Piedmont Triad Regional Council:					
SSBG Supportive Services for the Aging	93.667	-	\$ 75,171	2,104	25,056
<i>Aging Cluster:</i>					
Special Programs for the Aging:					
Title III-B, Supportive Services	93.044	-	155,455	9,121	53,364
Access	93.044	-	286,645	354,905	94,354
Title III-C-1, Congregate Meals	93.045	-	301,648	17,759	319,407
Title III-C-2, Home Delivered Meals	93.045	-	150,786	268,880	419,666
Nutrition Service Incentive Program	93.053	-	123,943	-	123,943
<i>Total Aging Cluster</i>			<u>1,018,477</u>	<u>650,665</u>	<u>1,010,734</u>
Total U.S. Department of Health and Human Services			<u>421,063,174</u>	<u>204,374,616</u>	<u>1,381,903</u>
<u>U.S. Department of Homeland Security</u>					
Passed Through United States Coast Guard, National:					
Pollution Funds Center:					
Hazardous Spill Cleanup	97.XXX	-	594	-	-
Passed Through N.C. Department of Public Safety:					
Hazardous Materials Emergency Planning	20.703	HM-HMP-0446-14-01-00-1409	9,500	-	-
Emergency Management (Pre-Disaster Mitigation)	97.047	PDM-PL-04-NC-2013-001	11,634	-	-
Emergency Management Performance	97.042	EMPG-2015-37081	80,417	-	-
Total U.S. Department of Homeland Security			<u>102,145</u>	<u>-</u>	<u>-</u>
<u>Executive Office of the President</u>					
Direct Programs:					
Office of National Drug Control Policy: High Intensity Drug Trafficking Areas	95.001	OND1070DB1516XX-G15GA0005A	89,227	-	-
Office of National Drug Control Policy: High Intensity Drug Trafficking Areas	95.001	OND1070DB1415XX-G14GA0005A	55,893	-	-
Total Executive Office of the President			<u>145,120</u>	<u>-</u>	<u>-</u>
<b>TOTAL FEDERAL AWARDS</b>			<u>\$ 439,733,526</u>	<u>204,526,626</u>	<u>1,412,976</u>

**GUILFORD COUNTY, NORTH CAROLINA**  
**Schedule of Expenditures of Federal and State Awards**  
**For the Fiscal Year Ended June 30, 2016**

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	State/Pass-Through Grantor's Number	Expenditures		Passed Through to Subrecipients
			Federal	State	
<b><u>STATE AWARDS</u></b>					
<b><u>N.C. Department of Health and Human Services:</u></b>					
Division of Social Services:					
CWS Adoption Assistance	N/A	-	\$ -	12,096	-
State Foster Home	N/A	-	-	383,257	-
State Foster Home - Maximization	N/A	-	-	583,440	-
Aid to Veterans Affairs	N/A	-	-	2,288	-
Collections Incentives/Program Integrity	N/A	-	-	94,342	-
Share the Warmth	N/A	-	-	86,993	-
Direct Benefit Payments:					
CWS Adoption Assistance	N/A	-	-	1,937,365	-
SC/SA Certain Disabled	N/A	-	-	45	-
SC/SA Domiciliary Care	N/A	-	-	2,504,124	-
Division of Aging:					
Passed Through the Piedmont Triad Regional Council:					
In Home Services	N/A	-	-	717,236	232,565
Caregiver Match	N/A	-	-	43,199	14,007
Division of Child Development:					
DCD Smart Start	N/A	-	-	115,025	-
Division of Public Health:					
General	N/A	116141100041	-	228,797	-
		126C55290041,			
Healthier Communities	N/A	12615503PH41, 126155030041	-	-	-
Communicable Disease	N/A	117545100041	-	14,625	-
Tuberculosis	N/A	146045510041	-	79,241	-
TB Medical Services	N/A	146045540041	-	5,575	-
Maternal Health High Risk	N/A	13A157460041	-	25,578	-
STD Drugs	N/A	13114601RR41, 13114601RQ41	-	10,131	-
Passed Through NC Partnership for Children and Guilford County Partnership for Children:					
Smart Start Child Care Nurse	N/A	3-1516-06-3414	-	354,549	-
Smart Start Newborn Visits	N/A	3-1516-06-3414	-	610,560	-
Office of Public Health Nursing and Professional Development:					
Public Health Nurse Training	N/A	1161430100	-	800	-
Office of Rural Health and Community Care:					
Community Health Grant	N/A	90008438	-	34,463	-
Division of Vocational Rehabilitation Services:					
Medical Evidence Fees	N/A	-	-	624	-
Total N.C. Department of Health and Human Services			-	7,844,353	246,572
<b><u>N.C. Department of Environment and Natural Resources</u></b>					
Division of Environmental Health:					
Centralized Intern Training	N/A	215315310441	-	617	-
Food and Lodging	N/A	11534752SZ41	-	74,853	-
Division of Water Quality:					
Soil and Water Conservation	N/A	071563613	-	30,229	-
Division of Waste Management:					
Leaking Petroleum Underground Storage Tank Cleanup	N/A	-	-	15,000	-
Total N.C. Department of Environment and Natural Resources			-	120,699	-
<b><u>N.C. Department of Transportation</u></b>					
<i>Rural Operating Assistance Program (ROAP) Cluster:</i> <i>(Note 3)</i>					
Elderly and Handicapped Transportation (E&DTAP)	N/A	DOT-16CL	-	182,052	-
Rural General Public (RGP)	N/A	DOT-16CL	-	119,623	-
Work First Employment Transportation Assistance	N/A	DOT-16CL	-	82,291	-
<i>Total Rural Operating Assistance Program (ROAP) Cluster</i>			-	383,966	-
Total N.C. Department of Transportation			-	383,966	-

**GUILFORD COUNTY, NORTH CAROLINA**  
**Schedule of Expenditures of Federal and State Awards**  
**For the Fiscal Year Ended June 30, 2016**

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	State/Pass-Through Grantor's Number	Expenditures		
			Federal	State	Passed Through to Subrecipients
<b>STATE AWARDS (Continued)</b>					
<u>N.C. Department of Public Safety</u>					
Juvenile Crime Prevention Council Programs	N/A	341-10097,341-10099,341-11524, 341-11525,341-11606 341-11939, 341-12278 341-12281,341-12454 341-22274,341-22277 341-22280, 341-11431	\$ -	1,024,477	1,015,187
Total N.C. Department of Public Safety			-	1,024,477	1,015,187
<u>N.C. Department of Commerce</u>					
One North Carolina Fund - Business Expansion	N/A	-	-	238,680	-
<u>N.C. Department of Public Instruction</u>					
Public School Building Capital Fund - ADM Corp Tax	N/A	-	-	3,194	3,194
Public School Building Capital Fund - NC Education Lottery	N/A	-	-	4,799,500	4,799,500
Total N.C. Department of Public Instruction			-	4,802,694	4,802,694
<u>University of North Carolina</u>					
Passed Through the Greensboro Area Health Education Center:					
Student Preceptor - Family Planning	N/A	-	-	575	-
<b>TOTAL STATE AWARDS</b>			-	14,415,444	6,064,453
<b>TOTAL FEDERAL AND STATE AWARDS</b>			\$ 439,733,526	218,942,070	7,477,429

**GUILFORD COUNTY, NORTH CAROLINA**  
**Schedule of Expenditures of Federal and State Awards**  
**For the Fiscal Year Ended June 30, 2016**

**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 Guilford County under the programs of the federal government and the State of North Carolina for the year ended June 30, 2016. The information in this SEFSA is presented in accordance with the requirements of Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards 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. "Direct Benefit Payments" are paid directly to recipients and are not included in the County's basic financial statements. However, due to the County's involvement in determining eligibility, they are considered Federal awards to the County and are included on this schedule with the exception of \$144,213,281 for the Supplemental Nutrition Assistance Program (SNAP). The U.S. Department of Agriculture, Food and Nutrition Services (FNS) has requested that County governments not report benefit payments for SNAP in the SEFSA because SNAP benefits are provided exclusively by Electronic Benefit Transfer (EBT) where there is no pass-through of Federal funds for SNAP benefits. Rather, benefits are processed and expenditures determined by State-level EBT systems. With respect to counties, therefore SNAP benefits do not meet the definitions of "Federal Award" and "Federal Financial Assistance" as set out in OMB Uniform Guidance, §200.502.

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

3. The following Clusters of Programs 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, HIV, Rural Operating Assistance Program, and Special Children Adoption Fund.