

# **ORANGE COUNTY, NORTH CAROLINA**

## **COMPLIANCE REPORT**

*As of and for the Year Ended June 30, 2021*

*And Reports of Independent Auditor*

# ORANGE 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***

To the Board of County Commissioners  
Orange 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 Orange County, North Carolina (the "County"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprises the County's basic financial statements, and have issued our report thereon dated January 21, 2022. The financial statements of the Orange County ABC Board 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") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of 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 entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Cheryl Bekaert LLP

Raleigh, North Carolina  
January 21, 2022

**Report of Independent Auditor on Compliance for Each Major Federal Program and on  
Internal Control over Compliance as required by the Uniform Guidance  
and the State Single Audit Implementation Act**

To the Board of County Commissioners  
Orange County, North Carolina

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

We have audited Orange County, North Carolina's (the "County") compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget ("OMB") Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the North Carolina Local Government Commission, that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2021. 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.

The County's basic financial statements include the operations of a discretely presented component unit, which is not included in County's schedule of expenditures of federal and state awards during the year ended June 30, 2021. Our audit, described below, did not include the operations of the discretely presented component unit since it was audited by other auditors.

***Management's Responsibility***

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

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of 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 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 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 major federal programs for the year ended June 30, 2021.

### **Other Matters**

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with applicable sections of the Uniform Guidance as described in the Audit Manual for Governmental Auditors in North Carolina and which is described in the accompanying schedule of findings and questioned costs as item 2021-001. Our opinion on each major federal program is not modified with respect to this matter.

The County's response to the noncompliance 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 it.

### **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 federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance and the State Single Audit Implementation Act, but not for the purpose of expressing an opinion on the effectiveness of 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 a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated January 21, 2022, which contained an unmodified opinion on those financial statements. We did not audit the financial statements of the discretely presented component unit. 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 for the discretely presented component unit, is based solely on the reports of the other auditors. Our audit was conducted for the purpose of forming opinions on the financial statements as a whole. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by the Uniform Guidance and the State Single Audit Implementation Act and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal and state awards is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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 and the State Single Audit Implementation Act. Accordingly, this report is not suitable for any other purpose.

Cheryl Bekaert LLP

Raleigh, North Carolina  
January 21, 2022

**Report of Independent Auditor on Compliance for Each Major State Program and on  
Internal Control over Compliance as required by the Uniform Guidance  
and the State Single Audit Implementation Act**

To the Board of County Commissioners  
Orange County, North Carolina

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

We have audited Orange County, North Carolina's (the "County") compliance with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the North Carolina 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, 2021. 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.

The County's basic financial statements include the operations of a discretely presented component unit, which is not included in County's schedule of expenditures of federal and state awards during the year ended June 30, 2021. Our audit, described below, did not include the operations of the discretely presented component unit since it was audited by other auditors.

**Management's Responsibility**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and the State Single Audit Implementation Act. Those standards, the Uniform Guidance, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether 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 our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of 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 major state programs for the year ended June 30, 2021.

### **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 item 2021-001. Our opinion on each major state program is not modified with respect to this matter.

The County's response to the noncompliance 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 it.

### **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 each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an 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 a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2021-002, that we consider to be a material weakness.

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 it.

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

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated January 21, 2022, which contained an unmodified opinion on those financial statements. We did not audit the financial statements of the discretely presented component unit. 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 for the discretely presented component unit, is based solely on the reports of the other auditors. Our audit was conducted for the purpose of forming opinions on the financial statements as a whole. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by the Uniform Guidance and the State Single Audit Implementation Act and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal and state awards is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

**Purpose of this Report**

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 and the State Single Audit Implementation Act. Accordingly, this report is not suitable for any other purpose.

*Chemy Bekaert LLP*

Raleigh, North Carolina  
January 21, 2022



**ORANGE COUNTY, NORTH CAROLINA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**

*FISCAL YEAR ENDED JUNE 30, 2021*

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

Dollar threshold used to distinguish between Type A and Type B Programs \$ 870,249

Auditee qualified as low-risk auditee  yes  no

**State Awards**

Internal control over major State programs:

- Material weakness(es) identified?  yes  no
- Significant deficiency(ies) identified?  yes  none reported

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:

- State Program Name
- Aging Cluster
- Temporary Assistance for Needy Families
- Medical Assistance Program (Medicaid)
- State County Domiciliary Care
- Public School Building Capital Fund – Lottery Funds

**ORANGE COUNTY, NORTH CAROLINA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**

*FISCAL YEAR ENDED JUNE 30, 2021*

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**Section II – Financial Statement Findings**

None noted.

**ORANGE COUNTY, NORTH CAROLINA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**

*FISCAL YEAR ENDED JUNE 30, 2021*

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

**Finding 2021-001**

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

**Nonmaterial noncompliance – Eligibility of MOE Cases**

**Criteria:** Only a financially needy family that consists of, at a minimum, a minor child living with a parent or other caretaker relative, or a pregnant woman may receive TANF “assistance” or most MOE-funded benefits. The minor child must be living in the home.

**Condition:** In one case tested, the youngest member in the household was 26 years old. No child was in the home.

**Context:** In one case of a total 20 cases tested, there was no minor child living in the home.

**Questioned costs:** \$21,526.

**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 County oversight when performing reviews over applications.

**Recommendation:** Although these issues will occur from time to time considering the volume of case files the County processes and maintains, we recommend procedures be reinforced in order to ensure all proper documentation is kept and maintained in the case file in an attempt to prevent loose filings resulting in missing documentation. It is recommended employees be provided training on the program specifics regarding minor children living in the homes of the program beneficiaries.

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

**ORANGE COUNTY, NORTH CAROLINA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**

*FISCAL YEAR ENDED JUNE 30, 2021*

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**Section IV – State Awards Findings and Questioned Costs**

**Finding 2021-001 (see Section IV – Federal Awards Finding and Questioned Costs)**

**Finding 2021-002**

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

**Material Weakness – Eligibility Second Party Reviews**

**Criteria:** Per the DSS Administrative Letter for Economic and Family Service 07-2018, Work First Program Second Party Review Checklists must be completed at application and recertification for no less than 25% of the monthly ongoing Work First cases. The protocol must outline the persons responsible for completing the reviews and the process for follow-up as required. If second party reviews identify a trend in deficiencies; the County process for providing necessary training must also be outlined.

**Condition:** Orange County was not abiding by the State policy and procedures outlined above. Reviews were not taking place at the frequency level based on number of monthly active cases. The County only reviewed six cases during the 2021 fiscal year.

**Context:** Orange County had completed second party reviews for six cases during fiscal year 2021. Based on the size of the active cases averages approximately 84 cases a month. Orange County was not meeting the proper policy procedures of examining no less than 25% of cases monthly.

**Questioned costs:** None.

**Effect:** Lack of appropriate level of reviews occurring during the year, there is a risk that the County could provide benefits to individuals that are not eligible to receive those benefits.

**Cause:** The County was unaware of the NC DHSS Administrative Letter that went into effect in 2018.

**Recommendation:** It is recommended that the County abide by the State policies in terms of the frequency and amount of case reviews each month. We also recommend that policies and procedures are documented surrounding second party reviews and be reinforced to ensure that reviews are being completed and followed-up as necessary.

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



FINANCE *and* ADMINISTRATIVE SERVICES

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**Finding:** 2021-001

**Name of contact person:** Nancy Coston, Director of the Department of Social Services

**Corrective Action:** All employees and supervisors are receiving additional training regarding the different emergency programs.

**Proposed Completion Date:** February 1, 2022

**Finding:** 2021-002

**Name of Contact Person:** *Nancy Coston, Director of the Department of Social Services*

**Corrective Action:** Supervisory staff will assure that at least 25% of all TANF cash cases will receive a second party review.

**Proposed Completion Date:** February 1, 2022

**ORANGE COUNTY, NORTH CAROLINA**  
**SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS**

*FISCAL YEAR ENDED JUNE 30, 2021*

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**Section V – Status of Prior Year Findings and Questioned Costs**

None noted.

**ORANGE COUNTY, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**

FISCAL YEAR ENDED JUNE 30, 2021

Federal Grantor/Program Title	State/Pass-Grantor's Number	Federal AL#	(Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures	Provided to Subrecipients
<b>Federal Awards:</b>						
<b><u>U. S. Department of Agriculture:</u></b>						
Direct Programs:						
<u>Natural Resources Conservation Service:</u>						
Soil And Water Conservation	None	10.902	\$ 27,721	\$ -	\$ -	\$ -
Division of Social Services:						
<u>Supplemental Nutrition Assistance Program Cluster:</u>						
SNAP Administration	DMAR016-76	10.561	1,332,733	-	1,332,733	-
SNAP Fraud Administration	DMAR016-76	10.561	7,961	-	7,961	-
SNAP E&T and Dependent Care	DMAR016-76	10.561	350,749	-	350,749	-
SNAP E&T	DMAR016-76	10.561	-	-	-	-
<b>Total Supplemental Nutrition Assistance Program Cluster</b>			<b>1,691,443</b>	<b>-</b>	<b>1,691,443</b>	<b>-</b>
<b>Total U. S. Department of Agriculture</b>			<b>1,719,164</b>	<b>-</b>	<b>1,691,443</b>	<b>-</b>
<b><u>Institute of Museum and Library Services:</u></b>						
Passed-Through State Library of NC						
Library Services & Technology Act (LSTA)	None	45.310	71,872	-	-	-
<b>Total Institute of Museum and Library Services</b>			<b>71,872</b>	<b>-</b>	<b>-</b>	<b>-</b>

**ORANGE COUNTY, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (CONTINUED)**

FISCAL YEAR ENDED JUNE 30, 2021

Federal Grantor/Program Title	State/Pass- Grantor's Number	Federal AL#	(Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures	Provided to Subrecipients
<b><u>U. S. Department of Housing and Urban Development:</u></b>						
<u>Direct Programs:</u>						
<u>Office of Fair Housing and Equal Opportunity:</u>						
Cooperative Fair Housing Assistance Program	None	14.401	\$ 12,639	\$ -	\$ -	\$ -
<u>Office of Community Planning and Development:</u>						
Emergency Solutions Grant Program	None	14.231	59,949	-	19,837	-
Home Investment Partnership Program	None	14.239	376,249	-	-	-
Continuum of Care Program	None	14.267	147,284	-	22,575	-
<u>Office of Public and Indian Housing:</u>						
<u>Indian CDBG Program Cluster:</u>						
Single Family Housing Rehabilitation Grant - Indian CDBG Program	None	14.862	19,376	-	19,376	-
<u>Housing Voucher Cluster:</u>						
Housing Choice Vouchers	None	14.871	4,365,948	-	308,010	-
<b>Total Housing Voucher Cluster</b>			<b>4,365,948</b>	<b>-</b>	<b>308,010</b>	<b>-</b>
<b>Total U. S. Department of Housing and Urban Development</b>			<b>4,981,445</b>	<b>-</b>	<b>369,798</b>	<b>-</b>
<b><u>U. S. Department of Justice – Office of Justice Programs:</u></b>						
Passed-through N.C. Department of Commerce Workforce Innovation and Opportunity Act (WIOA)	None	17.259	312,986	-	7,431	-
<b>Total Workforce Investment Act Cluster</b>			<b>312,986</b>	<b>-</b>	<b>7,431</b>	<b>-</b>
<b>Total U. S. Department of Labor</b>			<b>312,986</b>	<b>-</b>	<b>7,431</b>	<b>-</b>

**ORANGE COUNTY, NORTH CAROLINA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (CONTINUED)**

FISCAL YEAR ENDED JUNE 30, 2021

Federal Grantor/Program Title	State/Pass-Grantor's Number	Federal AL#	(Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures	Provided to Subrecipients
<b><u>U. S. Department of Transportation:</u></b>						
<u>Federal Transit Administration</u>						
	36233.80.16.1/362					
	33.80.17.1/49233.4					
Formula Grants for Rural Areas and Tribal Transit Program	7.1.2	20.509	\$ 275,680	\$ 6,252	\$ -	\$ -
Federal Transit Formula Grants Covid 19	21-CS-056B, 21-CS-056A, 19-SU-056	20.507	893,854	-	-	-
Passed-Through NC Department of Transportation						
<u>National Highway Traffic Safety Administration</u>						
State and Community Highway Safety	22020.6.14	20.600	18,473	-	-	-
<b>Total U. S. Department of Transportation</b>			<b>1,188,006</b>	<b>6,252</b>	<b>-</b>	<b>-</b>
<b><u>U.S. Department of Health and Human Services</u></b>						
Passed-Through N. C. Department of Health and Human Services						
<u>Administration for Community Living:</u>						
Special Programs for the Aging - Title III, Part D - Disease	DAAS 19-09 FY21	93.043	7,577	446	-	-
Disease Prevention and Health Promotion Services						
National Family Caregiver Support, Title III, Part E	DAAS 12-07 FY21	93.052	69,103	4,607	-	-
<u>Aging Cluster:</u>						
Nutrition Services Incentive Program	DAAS-734 FY 2021	93.053	22,985	-	-	-
HCCBG - Access	DAAS-735 FY 2021	93.044	193,177	76,260	-	-
HCCBG - Congregate Meals	DAAS-735 FY 2021	93.045	90,581	72,227	-	-
<b>Total Aging Cluster</b>			<b>383,423</b>	<b>153,540</b>	<b>-</b>	<b>-</b>

**ORANGE COUNTY, NORTH CAROLINA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (CONTINUED)**

FISCAL YEAR ENDED JUNE 30, 2021

Federal Grantor/Program Title	State/Pass- Grantor's Number	Federal AL#	(Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures	Provided to Subrecipients
<u>Centers for Medicare and Medicaid Services</u>						
Passed through NC Department of Health and Human Services						
<u>Division of Medical Assistance:</u>						
<u>Medicaid Cluster:</u>						
Adult Care Home Case Management	DMAR016-76	93.778	\$ 39,510	\$ 10,538	\$ 28,972	\$ -
MAC	DMAR016-76	93.778	30,016	-	30,016	-
Medical Assistance - Administration	DMAR016-76	93.778	2,223,972	-	741,362	-
State County Special Assistance	DMAR016-76	93.778	23,931	-	8,130	-
Medical Transport Admin	DMAR016-76	93.778	24,450	-	24,450	-
<b>Total Medicaid Cluster</b>			<u>2,341,879</u>	<u>10,538</u>	<u>832,930</u>	<u>-</u>
<u>Division of Public Health:</u>						
Public Health Emergency Preparedness	12642680EN/1264 1680EQ	93.069	38,836	-	-	-
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	14602720NF/14602 72ANF	93.116	50	-	-	-
COVID-19 Vaccination Programs	1331629B4Q/1331 639BP7	93.268	436,688	-	-	-
Immunization Grants	1331628BE2/13316 31BEJ	93.268	30,699	-	-	-
Refugee and Entrant Assistance Targeted Assistance Grants	1370810B68/13708 10A68	93.566	855	-	-	-
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	1175878AHH/1175 883AP5	93.323	880,270	-	-	-
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	1175870AWT	93.323	44,724	-	-	-
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	1320310DD7	93.898	4,225	-	-	-
COVID-19 - Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	12642680CP	93.354	23,299	-	-	-
Family Planning Services	13A1592CFP/13A1 592DFP	93.217	87,836	-	-	-
Maternal and Child Health Services Block Grant	12715318AR/1271 5351AR/12715745 AR/13A15735AP	93.994	101,609	12,804	-	-

**ORANGE COUNTY, NORTH CAROLINA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (CONTINUED)**

FISCAL YEAR ENDED JUNE 30, 2021

Federal Grantor/Program Title	State/Pass-Grantor's Number	Federal AL#	(Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures	Provided to Subrecipients
Preventive Health and Health Services Block Grant	12615503PH	93.991	\$ 30,607	\$ -	\$ -	\$ -
	1311981CHV/1311					
HIV Prevention Activities_Health Department Based	4300HV	93.940	31,000	-	-	-
	1311462BNB/1311					
Preventive Health Services_Sexually Transmitted Diseases Control Grants	4631NB	93.977	100	-	-	-
Temporary Assistance for Needy Families	13A15151T2	93.558	10,194	-	-	-
<b>Total Division of Public Health</b>			<u>1,720,992</u>	<u>12,804</u>	<u>-</u>	<u>-</u>
<u>Administration of Children and Families</u>						
<u>Division of Social Services:</u>						
Child Care Development Fund-Administration	DMAR016-76	93.596	216,394	-	-	-
<u>Social Services Block Grant</u>						
Social Services Block Grant	DMAR016-76	93.667	365,210	-	121,737	-
Social Services Block Grant - In Home Services	DMAR016-76	93.667	86,052	-	12,293	-
Social Services Block Grant - In Home Services over 60	DMAR016-76	93.667	15,127	-	2,161	-
Social Services Block Grant - Incen Fund	DMAR016-76	93.667	-	3,823	-	-
Social Services Block Grant - Adult Protective Services	DMAR016-76	93.667	5,893	-	-	-
Social Services Block Grant - Adult Daycare over 60	DMAR016-76	93.667	2,304	12	331	-
CPS TANF to SSBG	DMAR016-76	93.667	80,029	-	-	-
<b>Total Social Services Block Grant</b>			<u>771,009</u>	<u>3,835</u>	<u>136,521</u>	<u>-</u>
<u>Temporary Assistance for Needy Families Cluster:</u>						
<u>Administration:</u>						
TANF- Work First Admin	DMAR016-76	93.558	212,305	-	358,150	-
TANF- Work First Service	DMAR016-76	93.558	767,111	-	1,112,885	-
TANF- Special Children Adoption	DMAR016-76	93.558	-	37,139	-	-
Temporary Assistance for Needy Families		93.558	-	-	-	-
<u>Direct Benefit Payments:</u>						
TANF- Payments & Penalties	DMAR016-76	93.558	264,377	236	(236)	-
<b>Total Temporary Assistance for Needy Families Cluster</b>			<u>1,243,793</u>	<u>37,375</u>	<u>1,470,799</u>	<u>-</u>

**ORANGE COUNTY, NORTH CAROLINA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (CONTINUED)**

*FISCAL YEAR ENDED JUNE 30, 2021*

Federal Grantor/Program Title	State/Pass-Grantor's Number	Federal AL#	(Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures	Provided to Subrecipients
<u>Foster Care and Adoption Cluster (Note 4):</u>						
<u>Administration:</u>						
IV-E CPS	DMAR016-76	93.658	\$ 300,586	\$ 96,300	\$ 204,286	\$ -
IV-E Foster Care Trn	DMAR016-76	93.658	13,426	-	4,475	-
IV-E Foster Care/ Off Trn	DMAR016-76	93.658	676,603	-	676,603	-
IV-E Adoption Training	DMAR016-76	93.659	185	-	62	-
IV-E Adoption /Off Trn	DMAR016-76	93.659	24,550	-	24,550	-
IV-E Optional Adoption Trn 5	DMAR016-76	93.659	16,680	-	16,680	-
<u>Direct Benefit Payments:</u>						
IV-E Adopt & Vendor	None	93.659	794,043	142,896	142,896	-
IV-E Admin County Paid to CCI	None	93.658	22,307	11,153	11,153	-
IV-E Family Foster Max	None	93.658	626	-	224	-
IV-E Foster Care	None	93.658	278,240	-	53,449	-
IV-E Foster Care & Extend Max	None	93.658	16,410	3,068	2,822	-
IV-E Foster Care & Extend Reg		93.658	148,939	33,450	20,197	-
<b>Total Foster Care and Adoption Cluster</b>			<b>2,292,595</b>	<b>286,868</b>	<b>1,157,399</b>	<b>-</b>

**ORANGE COUNTY, NORTH CAROLINA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (CONTINUED)**

*FISCAL YEAR ENDED JUNE 30, 2021*

Federal Grantor/Program Title	State/Pass-Grantor's Number	Federal AL#	(Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures	Provided to Subrecipients
IV-D Administration	DMAR016-76	93.563	\$ 1,368,218	\$ -	\$ 704,839	\$ -
IV-D Offset Fees - Esc	DMAR016-76	93.563	10	1	5	-
IV-D Offset Fees - Esc Admin	DMAR016-76	93.563	-	-	-	-
IV-D Offset Fees - Federal	DMAR016-76	93.563	4,577	387	1,971	-
Family Preservation	DMAR016-76	93.556	29,341	-	-	-
Community Based Respite Serv -Admin	DMAR016-76	93.556	101,492	-	-	-
Refugee Assistance Payment	DMAR016-76	93.566	1,267	-	-	-
Refugee Assistance Admin	DMAR016-76	93.566	314	-	-	-
Crisis Intervention Payments	DMAR016-76	93.568	375,306	-	-	-
Low Income Home Energy Administration	DMAR016-76	93.568	61,976	-	-	-
Low Income Home Energy Assistance	DMAR016-76	93.568	356,175	-	-	-
Low Income Home Energy Assistance COVID 19	DMAR016-76	93.568	203,236	-	-	-
Low Income Home Energy Administration COVID 19	DMAR016-76	93.568	19,960	-	-	-
Permanency Planning - Service & Admin	DMAR016-76	93.645	30,889	-	10,296	-
LINKS	DMAR016-76	93.674	16,948	4,237	-	-
LINKS CHAFEE	DMAR016-76	93.674	4,650	-	42,152	-
Independent Living - LINKS	DMAR016-76	93.674	9,268	-	-	-
NC Health Choice	DMAR016-76	93.767	121,752	1,551	22,363	-
<b>Total Division of Social Services</b>			<u>2,705,379</u>	<u>6,176</u>	<u>781,626</u>	<u>-</u>
<b>Total U.S. Department of Health and Human Services</b>			<u>11,459,069</u>	<u>511,135</u>	<u>4,379,275</u>	<u>-</u>

**ORANGE COUNTY, NORTH CAROLINA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (CONTINUED)**

*FISCAL YEAR ENDED JUNE 30, 2021*

Federal Grantor/Program Title	State/Pass- Grantor's Number	Federal AL#	(Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures	Provided to Subrecipients
<b><u>U. S. Department of Homeland Security:</u></b>						
Passed-Through N. C. Department of Public Safety Division of Emergency Management Disaster Grants - Public Assistance (Presidentially Declared Disasters)	4487 COVID-19 DHS-21-GPD-042- 04-01	97.036  97.042	\$ 638,957  53,753	\$ -  -	\$ -  45,446	\$ -  -
<b>Total U.S. Department of Homeland Security</b>			<u>692,710</u>	<u>-</u>	<u>45,446</u>	<u>-</u>
<b><u>U.S. Election Assistance Commission:</u></b>						
Passed-Through N. C. Board of Elections Help America Vote Act Requirements Payments	NC20101001-68	90.401	<u>79,544</u>	<u>15,909</u>	<u>-</u>	<u>-</u>
<b><u>U. S. Department of Treasury:</u></b>						
American Rescue Plan Act Passed-through the Office of State Budget and Management: NC Pandemic Recovery Office Coronavirus Relief Fund	None  None	21.027  21.019	325,575  4,261,702	-  -	-  466,343	-  1,150,536
Passed through NC Office of Recovery and Resiliency	None	21.019	2,058,703	-	-	-
Passed through NC Dept. of Health and Human Services	None	21.019	463,522	-	-	-
Passed through Federal Emergency Management Agency	None	21.019	186,240	-	-	-
Passed through NC Dept. of Commerce	None	21.019	36,600	-	-	-
Passed through NC Arts Commission	None	21.019	166,510	-	-	-
Passed through U.S Dept. of Housing and Urban Development	None	21.019	797,825	-	-	-
Passed through NC Board of Elections	None	21.019	206,842	-	-	-
<b>Total U.S. Department of Treasury</b>			<u>8,503,519</u>	<u>-</u>	<u>466,343</u>	<u>1,150,536</u>
<b>Total Federal Awards</b>			<u>29,008,314</u>	<u>533,296</u>	<u>6,959,736</u>	<u>1,150,536</u>

**ORANGE COUNTY, NORTH CAROLINA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (CONTINUED)**

FISCAL YEAR ENDED JUNE 30, 2021

Federal Grantor/Program Title	State/Pass- Grantor's Number	Federal AL#	(Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures	Provided to Subrecipients
<b>State Awards:</b>						
<b><u>N. C. Department of Health and Human Services:</u></b>						
<b><u>Division of Social Services:</u></b>						
<b><u>Direct Benefit Payments:</u></b>						
CWS Adopt Subsidy & Vendor	DMAR016-76		\$ -	\$ 171,763	\$ 55,986	\$ -
F/C at risk maximization	DMAR016-76		-	3,305	1,186	-
Extended FC/Max Non IV-E	DMAR016-76		-	29,829	-	-
Extended FC>20 STIPEND	DMAR016-76		-	4,900	-	-
Foster Care Stipend	DMAR016-76		-	29,400	-	-
APS/CPS Care COVID 19	DMAR016-76		-	101,787	230	-
State Child Welfare/CPS/CS LD	DMAR016-76		-	189,629	-	-
SFHF Maximization	DMAR016-76		-	4,341	4,341	-
DCD Smart Start	DMAR016-76		-	29,894	-	-
State Foster Home	DMAR016-76		-	51,201	51,201	-
SAA/SAD HB 1030	DMAR016-76		-	259,594	-	-
Foster Care	DMAR016-76		-	-	-	-
SC/SA Domiciliary Care	DMAR016-76		-	402,155	402,155	-
Work First Non Reimbursable	DMAR016-76		-	-	300,982	-
State Aid to Counties	DMAR016-76		-	-	-	-
County Funded Programs	DMAR016-76		-	-	4,762,360	-
Non Allocated County Cost	DMAR016-76		-	-	328,390	-
<b>Total Division of Social Services</b>			<b>-</b>	<b>1,277,799</b>	<b>5,906,833</b>	<b>-</b>

**ORANGE COUNTY, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (CONTINUED)**

FISCAL YEAR ENDED JUNE 30, 2021

Federal Grantor/Program Title	State/Pass- Grantor's Number	Federal AL#	(Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures	Provided to Subrecipients
<u>Office of Juvenile Justice:</u>						
Juvenile Crime Prevention Council		536920	\$ -	\$ -	\$ -	\$ -
<u>Division of Child Health:</u>						
<u>Pass-Through Orange County Partnership for Young Children</u>						
Smart Start Admin			-	-	-	-
<u>Division of Public Health:</u>						
<u>Other Receipts / State Supported Expenditures</u>						
Food and Lodging Fees			-	24,384	-	-
General Communicable Disease Control			-	3,708	-	-
CLAS Standards Advancing Health Equity			-	-	-	-
Aid-to-Counties			-	105,921	-	-
Breast and Cervical Cancer Program			-	4,225	-	-
Child Health			-	1,815	-	-
Healthy Community Activities			-	3,747	-	-
Family Planning - State			-	57,534	-	-
Maternal Health - State			-	24,955	-	-
Women's Health Service Fund			-	16,122	-	-
Sexually Transmitted Diseases			-	1,753	-	-
TPPI-Adolescent Parenting Program			-	60,491	-	-
Tuberculosis Control			-	12,264	-	-
<b>Total Division of Public Health</b>			-	316,919	-	-
<b>Total N. C. Department of Health and Human Services</b>			-	1,594,718	5,906,833	-

**ORANGE COUNTY, NORTH CAROLINA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (CONTINUED)**

*FISCAL YEAR ENDED JUNE 30, 2021*

Federal Grantor/Program Title	State/Pass- Grantor's Number	Federal AL#	(Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures	Provided to Subrecipients
<b><u>N.C. Department of Natural and Cultural Resources</u></b>						
State Arts Grant			\$ -	\$ 216,918	\$ -	\$ -
State Historic Preservation Office Historic Resources Grant (CLG)			-	14,700	-	-
<b><u>Division of State Library:</u></b>						
Library State Aid						
State Aid to Public Libraries			-	104,692	-	-
<b>Total N. C. Department of Natural and Cultural Resources</b>			<b>-</b>	<b>336,310</b>	<b>-</b>	<b>-</b>
<b><u>N. C. Department of Public Safety</u></b>						
Juvenile Crime Prevention Council			-	355,976	1,434,731	-
Local Reentry Council Grant		GS143B-604	-	140,042	-	-
Safe Roads Act		SL1983-435	-	9,706	-	-
<b>Total N. C. Department of Crime Control and Public Safety</b>			<b>-</b>	<b>505,724</b>	<b>1,434,731</b>	<b>-</b>
<b><u>N. C. Housing Trust Fund</u></b>						
<b><u>Passed-through North Carolina Housing Finance Agency</u></b>						
Urgent Repair Grant			-	93,178	-	-
Single Family Housing Rehabilitation			-	17,191	-	-
<b>Total N.C. Housing Trust Fund</b>			<b>-</b>	<b>110,369</b>	<b>-</b>	<b>-</b>

**ORANGE COUNTY, NORTH CAROLINA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (CONTINUED)**

*FISCAL YEAR ENDED JUNE 30, 2021*

Federal Grantor/Program Title	State/Pass- Grantor's Number	Federal AL#	(Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures	Provided to Subrecipients
<b><u>N. C. Department of Public Instruction:</u></b>						
Public School Capital Building Fund - Lottery Proceeds			\$ -	\$ 1,402,354	\$ -	\$ -
<b><u>N.C. Department of Environment and Natural Resources</u></b>						
NC Water Quality Grant			-	3,300	-	-
<b><u>N.C. Department of Insurance</u></b>						
SHIIP Funds			-	9,266	-	-
<b>Total State Awards</b>			<b>-</b>	<b>3,962,040</b>	<b>7,341,564</b>	<b>-</b>
<b>Total Federal and State Awards</b>			<b>\$29,008,314</b>	<b>\$ 4,495,336</b>	<b>\$14,301,300</b>	<b>\$ 1,150,536</b>

**ORANGE COUNTY, NORTH CAROLINA**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND**  
**STATE FINANCIAL ASSISTANCE**

*FISCAL YEAR ENDED JUNE 30, 2021*

**Note 1—Basis of presentation**

The accompanying schedule of expenditures of federal and State awards (“SEFSA”) includes the federal and State grant activity of the Orange County, North Carolina (the “County”) under the programs of the federal government and the State of North Carolina for the year ended June 30, 2021. The information in this SEFSA is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements* (“Uniform Guidance”) for Federal Awards and the State Single Audit Implementation Act. Because the Schedule presents only a selected portion of the operations of the County, it is not intended to, and does not present the financial position, changes in net position or cash flows of the County. Direct benefit payments are paid directly to recipients and are not included in the County’s basic financial statements.

**Note 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. The County has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

**Note 3—Clusters of programs**

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

**Note 4—Coronavirus Relief Fund reimbursed to the following subrecipients as reported on the SEFSA**

<u>Municipality</u>	<u>Program</u>	<u>Amount</u>
Town of Chapel Hill	CARES Act Grant	\$ 805,196
Town of Carrboro	CARES Act Grant	163,642
Town of Hillsborough	CARES Act Grant	126,224
Town of Mebane	CARES Act Grant	55,474
Total Reimbursement		<u>\$ 1,150,536</u>

**Note 5—Benefit Payments Issued by the State**

NC FAST Food & Nutritional Service	\$ 27,185,979
Women, Infants, and Children	914,359
Health Choice	2,623,244
Medicaid	127,223,613