

**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  
Durham County, North Carolina  
Durham, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Durham County, North Carolina (the "County"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise County's basic financial statements and have issued our report thereon dated November 29, 2022.

Our report includes a reference to other auditors, who audited the financial statements of the Durham County ABC Board (the "Board"), as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported separately by those auditors. The financial statements of the Board were not audited in accordance with *Government Auditing Standards*.

**Report on 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 or significant deficiencies may exist that were not identified.

### **Report on 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 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.

*Cherry Bekaert LLP*

Raleigh, North Carolina  
November 29, 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  
Durham County, North Carolina  
Durham, North Carolina

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

***Opinion on Each Major Federal Program***

We have audited Durham County, North Carolina's (the "County") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the Audit Manual for Governmental Auditors in North Carolina, issued by the Local Government Commission, that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2022. 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, 2022. Our audit, described below, did not include the operations of the discretely presented component unit since it was audited by other auditors.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"); and the State Single Audit Implementation Act. Our responsibilities under those standards, the Uniform Guidance, and the State Single Audit Implementation Act are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

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

***Responsibilities of Management for Compliance***

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

### ***Auditor's Responsibilities for the Audit of Compliance***

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

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

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

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

### ***Other Matters***

The results of our auditing procedures disclosed other instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and State Single Audit Implementation and which are described in the accompanying schedule of findings and questioned costs as items 2022-001, 2022-002, and 2022-003. Our opinion on each major federal program is not modified with respect to these matters.

*Government Auditing Standards* requires the auditor to perform limited procedures on the County's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### ***Report on Internal Control over Compliance***

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance 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 material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

*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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as 2022-001, 2022-002, and 2022-003 to be significant deficiencies.

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

### **Durham County's Response to Findings**

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, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated November 29, 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 State Single Audit Implementation Act. Accordingly, this report is not suitable for any other purpose.

*Cherry Bekaert LLP*

Raleigh, North Carolina  
November 29, 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  
Durham County, North Carolina  
Durham, North Carolina

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

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

We have audited Durham 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 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, 2022. 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, 2022. Our audit, described below, did not include the operations of the discretely presented component unit since it was audited by other auditors.

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, 2022.

***Basis for Opinion on Each Major State Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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") and the State Single Audit Implementation Act. Our responsibilities under those standards, the Uniform Guidance, and the State Single Audit Implementation Act are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

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

***Responsibilities of Management for Compliance***

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

### ***Auditor's Responsibilities for the Audit of Compliance***

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

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

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

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

### ***Other Matters***

The results of our auditing procedures disclosed other instances of noncompliance, which are required to be reported in accordance with applicable sections of the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as items 2022-001, 2022-002, and 2021-003. Our opinion on each major state program is not modified with respect to these matters.

*Government Auditing Standards* requires the auditor to perform limited procedures on the County's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

## **Report of 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 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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as 2022-001, 2022-002, and 2022-003 to be significant deficiencies.

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

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

## **Durham County's Response to Findings**

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, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated November 29, 2022, 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 the Uniform Guidance and the State Single Audit Implementation Act and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and, certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal and state awards is fairly stated, in all material respects, in relation to the financial statements 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.

*Cherry Bekaert LLP*

Raleigh, North Carolina  
November 29, 2022

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

YEAR ENDED JUNE 30, 2022

**SECTION I—Summary of Auditor’s Results**

Financial Statements

Type of auditor’s report issued on whether the financial statements audited were prepared in accordance with U.S. GAAP:

Unmodified

Internal control over financial reporting:

- Material weaknesses identified? \_\_\_yes      X\_no
- Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_yes      X\_none reported

Noncompliance material to Financial Statements noted? \_\_\_yes      X\_no

Federal Awards

Internal control over major federal programs:

- Material weaknesses identified? \_\_\_yes      X\_no
- Significant deficiencies identified that are not considered to be material weaknesses? X\_yes      \_\_\_no

Noncompliance material to federal awards? \_\_\_yes      X\_no

Type of auditor’s report issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? X\_yes      \_\_\_no

Identification of major federal programs:

**Federal Assistance**

<u>Listing Number</u>	<u>Program/Cluster Name</u>
10.551	SNAP Cluster
21.023	COVID-19 Emergency Rental Assistance
93.217	Family Planning Services
93.558	Temporary Assistance for Needy Families (TANF)
93.568	COVID-19 Low-income Home Energy Assistance
93.658, 93.659	Foster Care and Adoption Programs State Cluster
93.778	Medicaid Cluster

Dollar threshold used to distinguish between Type A and Type B Programs

\$1,786,243

Auditee qualified as low-risk auditee X\_yes      \_\_\_no

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

YEAR ENDED JUNE 30, 2022

**SECTION I— Summary of Auditor’s Results (continued)**

State Awards

Internal control over major state programs:

- Material weaknesses identified? \_\_\_\_\_yes        X  no
- Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_\_\_X  yes      \_\_\_\_\_no
- Noncompliance material to state awards? \_\_\_\_\_yes        X  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?

  X  yes      \_\_\_\_\_no

Identification of major state programs:

**Program Name**

- Juvenile Crime Prevention (OJJ Program)
- Public School Building Capital Fund (Lottery Funds)

The following major federal programs also contain funds that were passed through from the state:

- |                |   |
|----------------|---|
| 10.551         | SNAP Cluster                                    |
| 21.023         | COVID-19 Emergency Rental Assistance            |
| 93.217         | Family Planning Services                        |
| 93.558         | Temporary Assistance for Needy Families (TANF)  |
| 93.568         | COVID-19 Low-income Home Energy Assistance      |
| 93.658, 93.659 | Foster Care and Adoption Programs State Cluster |
| 93.778         | Medicaid Cluster                                |

**SECTION II—Financial Statement Findings**

None noted

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

YEAR ENDED JUNE 30, 2022

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**SECTION III—Federal Awards Findings and Questioned Costs**

**Finding 2022-001**

Federal Agency: U.S. Department of Health and Human Services  
Federal Program: Medical Assistance Program (Medicaid; Title XIX)  
ALN: #93.778  
Compliance Requirement: Eligibility  
Type of Finding: Significant Deficiency in Internal Controls over Compliance, Nonmaterial Noncompliance  
Repeat Finding: Yes – 2021-001, 2020-001

**CRITERIA:**

Title 2 U.S. Code of Federal Regulations Section 200.303 states that the auditee must establish and maintain effective internal control over the federal award that provides reasonable assurance that the auditee is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

**CONDITION:**

The County maintains the computer system which is used to support the eligibility determination process. The Quality Assurance and Training (“QAT”) unit reviews three randomly generated cases for each social worker per month. The selected cases are reviewed by the QAT team and notes are made in the quality control system to document any necessary corrections. The system requires the QAT team to enter a review date and a due date. The social worker and manager are notified of the selected case files that require correction. Once the social workers make their corrections, the supervisors review the corrections. It is the County’s policy that the social workers make the corrections within 10 days of the QAT unit’s review, and the supervisors confirm the corrections within 30 days of the QAT review.

During our testing of controls over Eligibility, we sampled 60 case file reviews that were reviewed by the QAT unit during FY 2022 and noted the following:

- 20 instances in which the QAT unit found no corrective action necessary.
- 28 instances in which the QAT unit noted corrective actions were required and these were remediated within the time period specified by County policy.
- 8 instances in which the County’s QAT unit noted corrective actions were required and these were remediated, but not within the time period specified by County policy – corrections were made and reviewed more than 30 days after the QAT unit’s review – specifically 33, 33, 35, 36, 42, 56, 61, and 147 days later.
- 4 instances in which the County’s QAT unit noted corrective actions were required and had not been remediated at of the time of the audit.

**CONTEXT:**

Out of 1,197 reviews performed by the Quality Assurance and Training (QAT) unit during FY22, we tested the timeliness of the corrections made to 60 files. The deficiencies above were noted in 12 of the 60 files tested.

**QUESTION COSTS:**

None noted.

**CAUSE:**

The County did not follow its policy on when corrective action must occur.

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

YEAR ENDED JUNE 30, 2022

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**SECTION III—Federal Awards Findings and Questioned Costs (continued)**

**EFFECTS:**

Incomplete case files or case files which do not adhere to the County’s policies or procedures increases the risk that the County could provide services to individuals not eligible to receive such services or that individuals could be denied benefits for which they are eligible.

**RECOMMENDATIONS:**

We recommend the County adhere to the policies to ensure cases selected for quality review are remediated in a timely manner. Best practices in this regard are within 30 days.

**VIEWS of RESPONSIBLE OFFICIALS:** Management agrees with the finding.

**Finding 2022-002**

Federal Agency:	U.S. Department of Agriculture
Federal Program:	Supplemental Nutrition Assistance Program (SNAP)
ALN:	#10.551
Compliance Requirement:	Eligibility
Type of Finding:	Significant Deficiency in Internal Controls over Compliance Nonmaterial Noncompliance
Repeat Finding:	No

**CRITERIA:**

Title 2 U.S. Code of Federal Regulations Section 200.303 states that the auditee must establish and maintain effective internal control over the federal award that provides reasonable assurance that the auditee is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

**CONDITION:**

The County has established a Quality Assurance and Training (“QAT”) unit that reviews all cases prepared by probationary employees during the mentoring and 100% QC phase of Family Economic Independence new-hire training. The unit also conducts random reviews of actions prepared by case workers (two per worker/month). The QAT unit completes quality assurance reviews using an automated QC tool that immediately sends review results to the worker and their supervisor. It is the County’s policy that corrections be made by case workers within 10 days of the QAT unit’s review and that the supervisors review the corrections within 30 days.

During our testing of controls over eligibility, we sampled 40 case files that were reviewed by the Quality Assurance and Training unit during FY22 and noted the following:

- 16 instances in which the County’s QAT unit found no corrective action necessary.
- 6 instances in which the County’s QAT noted corrective actions were required and remediated within the time period specified by County policy.
- 8 instances in which the County’s QAT unit noted corrective actions were required and not remediated within the time period specified by County policy – case worker corrections not made within 10 days and not reviewed by supervisor within 30 days.

**CONTEXT:**

Out of 82 reviews performed by the Quality Assurance and Training (QAT) unit during FY22, we tested the timeliness of the corrections made to 40 files. The deficiencies above were noted in 8 of the 40 files tested.

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

YEAR ENDED JUNE 30, 2022

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**SECTION III—Federal Awards Findings and Questioned Costs (continued)**

**QUESTIONED COSTS:**

None noted.

**CAUSE:**

The County did not follow its policy on when remediation must occur.

**EFFECTS:**

Incomplete case files or case files that do not adhere to the County's policies or procedures increases the risk that the County could provide services to individuals not eligible to receive such services or that eligible individuals could be denied benefits.

**RECOMMENDATIONS:**

We recommend the County adhere to its policy to ensure cases selected for quality review are remediated in a timely manner. Best practices in this regard are within 30 days.

**VIEWS of RESPONSIBLE OFFICIALS:** Management agrees with the finding.

**Finding 2022-003**

Federal Agency:	U.S. Department of Health and Human Services
Federal Program:	Foster Care – Title IV-E; Adoption Assistance
ALNs:	#93.658 and #93.659
Compliance Requirement:	Eligibility
Type of Finding:	Significant Deficiency in Internal Controls over Compliance Nonmaterial Noncompliance
Repeat Finding:	No

**CRITERIA:**

Title 2 U.S. Code of Federal Regulations Section 200.303 states that the auditee must establish and maintain effective internal control over the federal award that provides reasonable assurance that the auditee is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

**CONDITION:**

The has established a policy that all social workers are responsible for ensuring all requirements are met and that appropriate documentation is maintained. Supervisors are required to perform reviews to ensure case workers are following guidelines and are required to review and approve files prior to enrollment.

During our testing of controls over eligibility, we sampled 25 case files for FY22 and noted the following:

- 1 instance in which the case file contained no support documents, child aged out of system in FY22.
- 1 instance in which the case file did not contain evidence to support that the NC Child Abuse and Neglect registry check was complete, nor the Responsible Individual's List check.
- 1 instance in which the Supervisor's approval was not evident and the child's residency as a U.S. Citizen or qualified alien could not be supported.

**CONTEXT:**

Out of 25 case files reviewed, we tested completeness of the support documents associated with the files. The deficiencies above were noted in 3 of the 25 files tested.

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

*YEAR ENDED JUNE 30, 2022*

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**SECTION III—Federal Awards Findings and Questioned Costs (continued)**

**QUESTIONED COSTS:**

None noted.

**CAUSE:**

The County did not follow its policy to ensure appropriate documentation is maintained.

**EFFECTS:**

Incomplete case files or case files that do not adhere to the County's policies or procedures increases the risk that the County could provide services to individuals not eligible to receive such services or that eligible individuals could be denied benefits.

**RECOMMENDATIONS:**

We recommend the County adhere to its policy to review cases and ensure appropriate documentation is maintained for all cases.

**IEWS of RESPONSIBLE OFFICIALS:** Management agrees with the finding.

**SECTION IV—State Awards Findings and Questioned Costs**

Findings 2022-001, 2022-002 and 2022-003, as noted in Section III—Federal Award Finding and Questioned Costs.

**DURHAM COUNTY, NORTH CAROLINA  
CORRECTIVE ACTION PLAN**

YEAR ENDED JUNE 30, 2022

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**FINANCE DEPARTMENT**

**SECTION III – SCHEDULE OF CORRECTIVE ACTION PLANS**

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**II – Financial Statement Findings**

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None

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**III – Federal Award Findings and Questioned Costs**

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**Finding 2022-001**

**Significant Deficiency in Internal Controls over Compliance, Nonmaterial Noncompliance**

Name of Contact Person(s): Rhonda Stevens and Lynn Thomas

QAT will provide refresher training to staff to reiterate the importance of correcting case errors timely and reports available to assist in managing deadlines.

Proposed completion date: **December 31, 2022**

FEI Supervisors will review QAT cases cited in error within 10 days of receipt to verify correction/rebuttal. Supervisors are to key the date corrected in the QC tool within 30 days of the review date. FEI Supervisors are to document this expectation has been reviewed in the weekly check-in meeting minutes.

Proposed completion date: **December 31, 2022**

**Finding 2022-002**

**Significant Deficiency in Internal Controls over Compliance, Nonmaterial Noncompliance**

Name of contact person(s): Rhonda Stevens and Lynn Thomas

QAT will provide refresher training to staff to reiterate the importance of correcting case errors timely and reports available to assist in managing deadlines.

Proposed completion date: **December 31, 2022**

FEI Supervisors will review QAT cases cited in error within 10 days of receipt to verify correction/rebuttal. Supervisors are to key the date corrected in the QC tool within 30 days of the review date. FEI Supervisors are to document this expectation has been reviewed in the weekly check-in meeting minutes.

Proposed completion date: **December 31, 2022**



**DURHAM COUNTY, NORTH CAROLINA  
CORRECTIVE ACTION PLAN (CONTINUED)**

*YEAR ENDED JUNE 30, 2022*

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**Finding 2022-003**

**Significant Deficiency in Internal Controls over Compliance, Nonmaterial Noncompliance**

Name of contact person(s): Susan Lee and Jovetta Whitfield

Management agrees with this finding. Staff was able to go back and locate the missing documents after the audit review period. The Department will educate staff on the location of historical documents (data of repository location/access prior to 2013 and filing guidelines for adoptive head of household). The agency has transitioned where data is housed and how records are filed. Will conduct training and will establish written guidance in order to maintain the history of our records.

Proposed completion date: **March 30, 2022**

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**IV – State Award Findings and Questioned Costs**

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Findings 2022-001, 2022-002 and 2022-003, as described above

**DURHAM COUNTY, NORTH CAROLINA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

*YEAR ENDED JUNE 30, 2022*

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**SECTION I—Prior Year Federal Awards Findings and Questions Costs**

**Findings 2021-001, 2020-001**

Federal Agency: U.S. Department of Health and Human Services  
Federal Program: Medical Assistance Program (Medicaid; Title XIX)  
ALN: #93.778  
Compliance Requirement: Eligibility  
Type of Finding: Significant Deficiency in Internal Controls over Compliance

**Current Status:**

Uncorrected. See finding 2022-001

**Finding 2021-002**

Federal Agency: U.S. Department of Health and Human Services  
Federal Program: Medical Assistance Program (Medicaid; Title XIX)  
ALN: #93.323  
Compliance Requirement: Reporting  
Type of Finding: Nonmaterial Noncompliance

**Current Status:**

Corrected

**SECTION II—Prior Year State Awards Findings and Questions Costs**

Findings: 2021-001 and 2021-002 as noted in Section I—Prior Year Federal Awards Findings and Questions Costs.

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

YEAR ENDED JUNE 30, 2022

GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL ASSISTANCE LISTING NUMBER	PASS THROUGH NUMBER	FEDERAL (DIRECT & PASS-THROUGH) EXPENDITURES	STATE EXPENDITURES
FEDERAL AWARDS				
<b><u>U.S. Dept. of Agriculture</u></b>				
Food and Nutrition Service				
Passed-through the N.C. Dept. of Health and Human Services:				
Division of Social Services:				
Administration:				
Food Stamp Cluster				
Food Stamp Administration	10.561	175NC406S2514	\$ 3,617,500	\$ -
Passed-through the N.C. Dept. of Health and Human Services:				
Division of Public Health:				
Administration:				
Food Nutrition Administration	10.551	NONE	788,029	-
<b>Total Food Stamp Cluster</b>			<b>4,405,529</b>	<b>-</b>
Division of Aging:				
Special Programs for the Aging - Title III-C (MOW)	93.045	NONE	963,014	-
			963,014	-
Passed-through the N.C. Dept. of Agriculture				
Food Distribution Division	10.565	NONE	-	20,053
<b>Total U.S. Dept. of Agriculture</b>			<b>5,368,543</b>	<b>20,053</b>
<b><u>U.S. Dept. of Justice</u></b>				
Bureau of Justice Assistance				
Passed-through the N.C. Dept. of Public Safety:				
National Asset Seizure Forfeiture Program	16.922	NONE	27,964	-
Edward Byrne Memorial Justice Assistance Grant	16.738	2015-DJ-BX-2632	82,187	-
<b>Total U.S. Dept of Justice</b>			<b>110,151</b>	<b>-</b>
<b><u>U.S. Dept. of Housing and Urban Development</u></b>				
Passed-through the Department of Commerce				
Community Development Block Grant	14.228	NONE	870,331	-
Passed-through the City of Durham				
Housing Opportunities for Persons with Aids (HOWPA) Program	14.241	1460577ABE	93,632	-
<b>Total U.S. Dept. of Housing and Urban Development</b>			<b>963,963</b>	<b>-</b>
<b><u>U.S. Dept of Transportation</u></b>				
Passed- through the N.C. Dept. of Transportation				
Division of Public Transportation				
Gov Highway Safety Program	20.600	None	15,304	-
<b>Total U.S. Dept. of Transportation</b>			<b>15,304</b>	<b>-</b>
<b><u>U.S. Dept of Treasury</u></b>				
Passed-through the N.C. Office of State Budget and Management:				
Division of Health & Human Services				
COVID-19 Emergency Rental Assistance Program (ERAP)	21.023		20,710,948	-
<b>Total U.S. Depart. Of Treasury</b>			<b>20,710,948</b>	<b>-</b>

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

YEAR ENDED JUNE 30, 2022

GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL ASSISTANCE LISTING NUMBER	PASS THROUGH NUMBER	FEDERAL (DIRECT & PASS-THROUGH) EXPENDITURES	STATE EXPENDITURES
<b><u>U.S. Dept. of Health &amp; Human Services</u></b>				
<b>Passed-through the N.C. Dept. of Health and Human Services:</b>				
<b>Division of Public Health:</b>				
Public Health Emergency Preparedness	93.069	12642680EX	\$ 80,000	\$ -
CDC Tuberculosis Project	93.116	1460455400	110,052	-
Prescription Drug Overdose (Community Linkage Care)	93.136	1175B837DH	107,233	-
Minority Health Grant	93.137		292,091	-
COVID 19 - CDC Immunization	93.268	1331627DVP	737,702	-
Comprehensive Breast and Cervical Cancer Early Detection Program	93.919	1320559900	17,550	-
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	56-2721-1-1-101	2,403,043	-
Immunization and Vaccines for Children	93.268	CDC-RFA-IP19-901	64,230	-
Tobacco Control Program	93.305	75-0943-0-1-551	<u>88,274</u>	<u>-</u>
			<u>3,900,175</u>	<u>-</u>
		13A1570000 13114541BN		
HIV Prevention Activities - Health Department Based	93.940	1311981FHV	441,242	224,601
Preventive Health Service STD Control Grant	93.977	13114601RR	<u>-</u>	<u>11,698</u>
<b>HIV Cluster</b>			<u>441,242</u>	<u>236,299</u>
<b>Administration of Children and Families</b>				
<b>Division of Social Services</b>				
Refugee Health Assessments	93.576	1370810C7J	27,312	-
<b>Health Resources and Service Administration</b>				
<b>Division of Public Health:</b>				
Family Planning Services	93.217	13A15735AP	215,027	510,483
Preventive Health Services Block Grant (Healthy Communities)	93.991	13A15107AP	-	19,009
Maternal Health	93.994	13A15740AP	193,539	-
MCH Block Grant -Women's Prevention	93.994	12715021AP	372,593	-
-Child Care Coordination	93.994	12715318AP	76,513	-
-Child Health	93.994	12715351AP	<u>25,270</u>	<u>-</u>
			<u>882,942</u>	<u>529,491</u>
<b>Total Public Health</b>			<u><b>5,251,671</b></u>	<u><b>765,790</b></u>
<b><u>U.S. Dept. of Health and Human Services</u></b>				
<b>Administration for Children and Families</b>				
<b>Passed-through N.C. Dept. of Health and Human Services:</b>				
<b>Division of Social Services:</b>				
<b>Foster Care and Adoption Cluster:</b>				
IV-E CPS	93.658	1701NCFOST	380,379	217,925
IV-E Foster Care TRN	93.658	1701NCFOST	23,602	-
IV-E Foster Care/OFF TRN	93.658	1701NCFOST	1,660,456	-
IV-E Adoption/OFF TRN	93.659	1701NCADPT	269,924	-
IV-E Optional Adopt	93.659	1701NCADPT	<u>3,560</u>	<u>-</u>
<b>Total Foster Care and Adoption Cluster</b>			<u>2,337,921</u>	<u>217,925</u>
Community Response Program - ADMIN	93.556	G1601NCFPSS	76,587	-
Family Preservation	93.556	G1601NCFPSS	108,436	-
Work First Administration	93.558	1701NCTANF	751,118	-
Work First Service	93.558	1701NCTANF	1,917,390	-
Special Children Adoption	93.558	1701NCTANF	38,010	-
Title IV D - Child Support Enforcement	93.563	1704NC4005	4,201,151	-
Refugee Assistance	93.566	1701NCRMA	123,719	-
COVID-19 Low Income Energy Administration	93.568	G17B1NCLIEA	2,218,147	-

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

YEAR ENDED JUNE 30, 2022

GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL ASSISTANCE LISTING NUMBER	PASS THROUGH NUMBER	FEDERAL (DIRECT & PASS-THROUGH) EXPENDITURES	STATE EXPENDITURES
Low Income Home Energy Assistance Program	93.568	G17B1NCLIEA	\$ 259,063	\$ -
LIHWAP	93.568		47,414	-
Crisis Intervention	93.568	G17B1NCLIEA	594,005	-
Child Care Development Fund (CCDF)	93.596	NONE	814,487	-
Perm Plan SVC & ADMIN	93.645	G1701NCCWSS	79,710	-
SSBG - Other Service and Training	93.667	G1701NCSOSR	1,565,481	-
Independent Living - (LINK)	93.674	1701NC1420	430,429	15,359
<b>Sub-Total Division of Social Services</b>			<u>15,563,068</u>	<u>233,284</u>
<b>Division of Aging:</b>				
SSBG - In Home Service Fund	93.667	G1701NCSOSR	108,939	-
SSBG - Adult Protective Service	93.667	G1701NCSOSR	45,728	-
SSBG - Adult Day Care	93.667	G1701NCSOSR	32,051	18,836
<b>Sub-Total Aging Division</b>			<u>186,718</u>	<u>18,836</u>
<b>Total Administration for Children and Families</b>			<u>15,749,785</u>	<u>252,120</u>
<b>Health Care Financing Administration</b>				
<b>Passed-through the N.C. Dept. of Health and Human Services:</b>				
<b>Division of Medical Assistance:</b>				
Division of Social Services:				
Administration:				
Health Choice	93.767	CHIP17	265,575	7,237
<b>Total of Social Services</b>			<u>265,575</u>	<u>7,237</u>
Adult Care Home Case Management	93.778	XIX-MAP17	239,922	37,753
Medical Assistance Administration	93.778	XIX-MAP17	9,962,756	-
Medical Transportation Administration	93.778	XIX-MAP17	213,017	-
State County Special Assistance	93.778	XIX-MAP17	211,057	-
Medical - MAC	93.778	XIX-MAP17	478,748	-
<b>Total Division of Medical Assistance</b>			<u>11,371,074</u>	<u>44,990</u>
<b>Total U.S. Dept. of Health and Human Services</b>			<u>32,372,530</u>	<u>1,062,900</u>
<b>Total Federal Awards</b>			<u>59,541,440</u>	<u>1,082,954</u>

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

YEAR ENDED JUNE 30, 2022

GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL ASSISTANCE LISTING NUMBER	PASS THROUGH NUMBER	FEDERAL (DIRECT & PASS-THROUGH) EXPENDITURES	STATE EXPENDITURES
<b>STATE AWARDS</b>				
<b><u>N.C. Dept. of Health and Human Services</u></b>				
Division of Social Services:				
State Foster Home		NONE	\$ -	\$ 15,460
CPS / CWS - State		NONE	-	174,711
Energy Assistance Private Grant			-	19,856
<b>Total Division of Social Services</b>			<u>-</u>	<u>210,027</u>
Division of Public Health:				
Advancing Equity			-	34,263
State Aid to Counties		1161411000	-	174,312
Food and Lodging			-	68,917
CSHS Special Nutrition Project			-	19,102
General Communicable Diseases Control		1175451000	-	8,911
School Nurse Funding Initiative		1332535800	-	86,342
Minority Diabetes Prevention		1262417900	-	8,723
<b>Total Division of Public Health</b>			<u>-</u>	<u>400,570</u>
<b><u>N.C. Dept. of Cultural and Natural Resources</u></b>				
State Aid To Libraries		NONE	-	248,770
			<u>-</u>	<u>248,770</u>
<b><u>N.C. Dept. of Transportation</u></b>				
Elderly and Disabled Transportation Assistance (E&DTAP)		WBS 36220.10.7.1	-	259,469
<b><u>N.C. Department of Environmental Quality</u></b>				
Soil and Water Conservation		NONE	-	30,000
			<u>-</u>	<u>30,000</u>
<b><u>N.C. Division of Child Development</u></b>				
Passed-through Durham's Partnership for Children:				
Smart Start Initiative		NONE	-	190,267
<b><u>N.C. Dept of Public Safety</u></b>				
Juvenile Crime Prevention (OJJ Program)		NONE	-	714,657
Children, Youth, & Family At Risk		NONE	-	9,101
Safe Road Funds		NONE	-	7,398
TECS		NONE	-	143,029
<b>Total N.C. Dept. of Public Safety</b>			<u>-</u>	<u>874,184</u>
<b><u>N.C. Dept of Public Instruction</u></b>				
Child Nutrition Program		1332530100	-	19,102
<b><u>Office of State Budget and Management</u></b>				
Public School Building Capital Fund		NONE	-	1,157,830
<b>Total Other State Awards</b>			<u>-</u>	<u>3,390,219</u>
<b>TOTAL FEDERAL AND STATE AWARDS</b>			<u>\$ 59,541,440</u>	<u>\$ 4,473,173</u>

**DURHAM COUNTY, NORTH CAROLINA**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**

YEAR ENDED JUNE 30, 2022

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**Note 1—Basis of presentation**

The schedule of expenditures and federal and state awards (the "schedule") presents the activities of all federal and state financial award programs of Durham County, North Carolina (i.e., primary government only) for the year ended June 30, 2022. The Durham County, North Carolina (the "County") reporting entity is defined in Note 1 to the County's basic financial statements. All federal and state awards received directly from federal and state agencies as well as federal and state financial awards passed through other government agencies are included in the Schedule. The information in the schedule 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 Durham County, it is not intended to present the financial position, changes in net assets or cash flows of Durham County.

**Note 2—Summary of significant accounting policies**

*Basis of Accounting* – Expenditures reported on the Schedule are presented using the modified accrual basis of accounting method. This method is consistent with the method used to prepare the County's basic financial statements.

*Cost Principles* – The cost principles applicable to the expenditures on the Schedule include Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. These principles identify certain types of expenditures that are not allowable or are limited as to reimbursement.

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

**Note 3—Cluster 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:

Special Children Adoption Fund Cluster 93.558 and 93.556  
Refugee and Entrant Assistance Cluster 93.566 and 93.576  
CCDF/Subsidized Child Care Cluster 93.575, 93.596, 93.658, and 93.558  
Foster Care and Adoption Programs Cluster 93.658 and 93.659  
HIV Cluster 93.940 and 93.944

**Note 4—Non-cash awards**

The County did not receive non-cash federal or non-cash state awards during the year ended June 30, 2022.

**Note 5—Contingencies**

These programs are subject to financial and compliance audits by grantor agencies. The amount, if any, of expenditures that may be disallowed by the grantor agencies cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

**DURHAM COUNTY, NORTH CAROLINA**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
(CONTINUED)**

YEAR ENDED JUNE 30, 2022

**Note 6—Schedule of revenues, expenditures, and changes in fund balance for the CDBG Program**

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Totals to Date	
Revenues:					
Federal Grant:					
11-C-2309 Scattered site	\$ 399,878	\$ 399,878	\$ -	\$ 399,878	\$ -
06-D-2405 Community Development Block Grant	600,000	600,000	-	600,000	-
SFR-10 Single Family Rehabilitation	273,027	273,027	-	273,027	-
SFR-13 Single Family Rehabilitation	167,585	167,585	-	167,585	-
Interest income	-	2,158	20	2,178	2,178
Total Revenues	<u>1,440,490</u>	<u>1,442,648</u>	<u>20</u>	<u>1,442,668</u>	<u>2,178</u>
Expenditures:					
11-C-2309 Scattered site					
Contracted services	399,878	399,878	-	399,878	-
06-D-2405 Community Development Block Grant					
Contracted services	599,430	599,430	-	599,430	-
Advertising	570	570	-	570	-
SFR-10 Single Family Rehabilitation					
Contracted services	273,027	273,027	-	273,027	-
SFR-13 Single Family Rehabilitation					
Contracted services	167,585	167,585	-	167,585	-
	<u>1,440,490</u>	<u>1,440,490</u>	<u>-</u>	<u>1,440,490</u>	<u>-</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ 2,158</u>	<u>20</u>	<u>\$ 2,178</u>	<u>\$ 2,178</u>
Fund balance, beginning of year			<u>2,158</u>		
Fund balance, end of year			<u>\$ 2,178</u>		