

DURHAM COUNTY, NORTH CAROLINA

Schedule of Expenditures of Federal and
State Awards for the Year Ended June 30, 2010
Report on Compliance and on Internal Control

DURHAM COUNTY, NORTH CAROLINA
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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of County Commissioners
Durham County, North Carolina

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 Durham County, North Carolina (the "County") as of and for the year ended June 30, 2010, which collectively comprises the County's basic financial statements, and have issued our report thereon dated October 27, 2010. Our report includes a reference to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other auditors audited the financial statements of the Durham County ABC Board, as described in our report on Durham 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 Durham County ABC Board were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis.

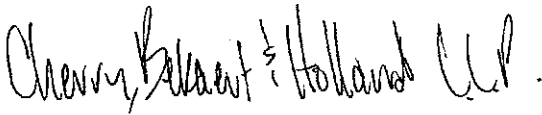
Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the governing Board, management, others within the organization, federal and State awarding agencies and pass-through entities and is not intended to be, and should not be, used by anyone other than these specific parties.

CHERRY, BEKAERT & HOLLAND, L.L.P.

A handwritten signature in cursive script that reads "Cherry, Bekaert & Holland LLP".

Raleigh, North Carolina
October 27, 2010



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO
EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133 AND THE
STATE SINGLE AUDIT IMPLEMENTATION ACT**

Board of County Commissioners
Durham, North Carolina

Compliance

We have audited the compliance of Durham County, North Carolina (the "County"), with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2010. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

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

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2010. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and the State Single Audit Implementation Act, and which are described in the accompanying schedule of findings and questioned costs as item 10-01.

Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal program to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 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.

Our consideration of the 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 deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

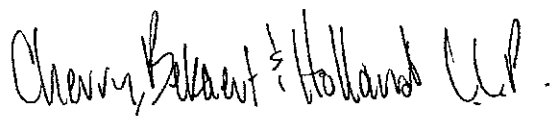
The County's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the County's response and, accordingly, we express no opinion on the response.

Schedule of Expenditures of Federal and State Awards

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, 2010, and have issued our report thereon dated October 27, 2010. We did not audit the financial statements of the Durham County ABC Board. 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 Durham County ABC Board, is based solely on the reports of the other auditors. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying schedule of expenditures of federal and State awards is presented for purposes of additional analysis as required by OMB Circular A-133 and the State Single Audit Implementation Act and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the governing Board, management, others within the organization, federal and State awarding agencies and pass-through entities and is not intended to be, and should not be, used by anyone other than these specific parties.

CHERRY, BEKAERT & HOLLAND, L.L.P.



Raleigh, North Carolina
October 27, 2010



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR STATE PROGRAM AND INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH APPLICABLE SECTIONS OF OMB
CIRCULAR A-133 AND THE STATE SINGLE AUDIT IMPLEMENTATION ACT**

Board of County Commissioners
Durham County, North Carolina

Compliance

We have audited the compliance of Durham County, North Carolina (the "County"), with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that are applicable to each of its major State programs for the year ended June 30, 2010. The County's major State programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major State programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; applicable sections of OMB Circular A-133, as described in the *Audit Manual for Governmental Auditors in North Carolina*; and the State Single Audit Implementation Act. Those standards, applicable sections of OMB Circular A-133, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major State program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the County's compliance with those requirements.

In our opinion, the County complied, in all material respects, with the 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, 2010. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements that is required to be reported in accordance with applicable sections of OMB Circular A-133, and the State Single Audit Implementation Act, and which is described in the accompanying schedule of findings and questioned costs as item 10-01.

Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to State programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major State program to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with applicable sections of OMB Circular A-133 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 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.

Our consideration of the 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 deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above.

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

Schedule of Expenditures of Federal and State Awards

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, 2010, and have issued our report thereon dated October 27, 2010. We did not audit the financial statements of the Durham County ABC Board. 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 Durham County ABC Board, is based solely on the reports of the other auditors. Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise the County's basic financial statements. The accompanying schedule of expenditures of federal and State awards is presented for purposes of additional analysis as required by OMB Circular A-133 and the State Single Audit Implementation Act and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the governing Board, management, others within the organization, federal and State awarding agencies and pass-through entities and is not intended to be, and should not be, used by anyone other than specific parties.

CHERRY, BEKAERT & HOLLAND, L.L.P.

Cherry, Bekaert & Holland LLP.

Raleigh, North Carolina
October 27, 2010

DURHAM COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 YEAR ENDED JUNE 30, 2010

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

- Material weakness (es) identified? ___yes Xno
- Significant deficiency (ies) identified that are not considered to be material weakness(es)? ___yes Xnone reported

Noncompliance material to Financial Statements noted? ___yes Xno

Federal Awards

Internal control over major federal programs:

- Material weakness (es) identified? ___yes Xno
- Significant deficiency (ies) identified that are not considered to be material weakness(es)? ___yes Xno

Noncompliance material to federal awards? ___yes Xno

Type of auditors' report issued on compliance for major federal programs: *Unqualified*

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

Identification of major federal programs:

<u>CFDA#</u>	<u>Program/Cluster Name</u>
93.778	Medical Assistance
93.778	Medical Assistance – ARRA funds
93.283	NC System for Public Health - Emergency Response for H1N1 Counties Response
	Foster Care Cluster
93.645	CWS Adopt Subsidy – Direct Benefit Program
93.658	Title IV E Adopt Assistance – Direct Benefit Program
93.658	IV B Adoption Assistance – ARRA
93.658	IV E CPS
93.659	IV E Optional
93.658	IV E Foster Care
93.658	IV E Foster Care – ARRA
93.658	Adoption/Guardianship

DURHAM COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 YEAR ENDED JUNE 30, 2010

	Subsidized Child Care Cluster
93.575	Child Care and Development Fund – Discretionary
93.713	Child Care and Development Fund – Discretionary – ARRA
93.596	Child Care and Development Fund – Mandatory
93.596	Child Care and Development Fund – Match
93.667	Social Services Block Grant
93.558	TANF
93.575	TANF – Contingency
State	TANF – MOE
State	State Appropriations

	Food Stamps Cluster
10.561	Food Stamp Administration
10.561	Food & Nutrition Service – ARRA

	Temporary Assistance for Needy Families
93.558	TANF – Direct Benefit Payments
93.558	Work First Administration
93.558	Work First Service
93.558	Special Children Adoption
93.558	Domestic Violence

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

Auditee qualified as low-risk auditee X yes no

State Awards

Internal control over major state programs:

- Material weakness (es) identified? yes X no
- Significant deficiency (ies) identified that are not considered to be material weakness(es)? yes X no

Noncompliance material to state awards? yes X no

Type of auditors' report issued on compliance for major state programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act? X yes no

Identification of major state programs:

Other major State programs for Durham County are Medical Assistance, Foster Care and Subsidized Child Care, which are State matches on federal programs. Therefore, these programs have been included in the list of major federal programs above.

DURHAM COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2010

**SECTION II – FINDINGS AND QUESTIONED COSTS RELATED TO THE
AUDIT OF FEDERAL AND STATE AWARDS**

II – Financial Statement Findings

None

III – Federal Award Findings and Questioned Costs

**U.S. Department of Health and Human Services
DSS Crosscutting**

Finding 10-01

**NONMATERIAL NONCOMPLIANCE
Reporting**

Criteria: The North Carolina Department of Health and Human Services requires that day sheets be kept in accordance with DSS Services Information System Policies. Among other reporting policies, day sheets are required to account for 100% of time worked by employees.

Condition: During testing, it was noted in three of 25 instances that the number of minutes worked (per the day sheets) in the month tested were less than the minimum number of minutes required by the County. Through inquiry of the client, it was determined that some employees have not logged general and administrative time into the County's time system.

Context: Total minutes worked for the sample month selected was compared to the minimum number of minutes required by the County to be worked. Of the 25 employees selected who are subject to submitting day sheets, three showed the employee working less than the minimum minute requirement and it was determined that all three employees' day sheets do not account for general and administrative time.

Questioned Costs: None. General and administrative time would not affect the percentage allocation of an employee's time; therefore none are considered questioned costs.

Effect: Day sheets for employees do not account for 100% of the time logged by employees. Time that is spent on other programs could be booked incorrectly and the percentage of time report could be misstated.

Cause: Supervisors are not properly ensuring that all time is logged by County employees.

Recommendation: The County should adopt controls to ensure that employees account for 100% of their time in the County's time system, and ensure supervisors are confirming compliance.

Management Response: The problem was a result of staff forgetting to put in 990 time relating to general and administrative activities.

DURHAM COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2010

IV – State Award Findings and Questioned Costs

**U.S. Department of Health and Human Services
DSS Crosscutting**

Finding 10-01

NONMATERIAL NONCOMPLIANCE
Eligibility

See Section III above – Federal Award Findings and Questioned Costs

SECTION III – SCHEDULE OF CORRECTIVE ACTION PLANS

II – Financial Statement Findings

None

III – Federal Award Findings and Questioned Costs

**U.S. Department of Health and Human Services
DSS Crosscutting**

Finding 10-01

NONMATERIAL NONCOMPLIANCE
Eligibility

Name of contact person: Catherine Davis, Grants Manager

Corrective Action: Supervisors for respective units receive emails regarding staff recording of time in addition to checking AS400. Supervisors review sheets for proper amount of minutes per day and for accuracy of coding. Supervisors have also provided training to affected staff on proper completion of day sheets.

Proposed Completion Date: Already completed. Ongoing. Supervisors reviewed proper day sheet completion following audit and they have been monitoring minutes recorded.

DURHAM COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2010

IV – State Award Findings and Questioned Costs

**U.S. Department of Health and Human Services
DSS Crosscutting**

Finding 10-01

NONMATERIAL NONCOMPLIANCE
Eligibility

See Section III above – Federal Award Findings and Questioned Costs

DURHAM COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2010

SECTION IV – SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

II – Financial Statement Findings

None

III – Federal Award Findings and Questioned Costs

None

IV – State Award Findings and Questioned Costs

Domiciliary Care

Finding 09-01

SIGNIFICANT DEFICIENCY
Eligibility

Status: Corrected

Domiciliary Care

Finding 09-02

NONMATERIAL NONCOMPLIANCE
Eligibility

Status: Corrected

DURHAM COUNTY, NORTH CAROLINA
 SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
 YEAR ENDED JUNE 30, 2010

GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	EXPENDITURES	
		FEDERAL	STATE
FEDERAL AWARDS			
<u>U.S. Dept. of Agriculture</u>			
<u>Food and Nutrition Service</u>			
Passed-through the N.C. Dept. of Health and Human Services:			
Division of Social Services:			
Administration:			
<u>Food Stamp Cluster</u>			
Food Stamp Administration	10.561	\$ 1,648,832	\$
ARRA - Food & Nutrition Service	10.561	134,056	
Total Food Stamp Cluster		1,782,888	-
Division of Public Health:			
Administration:			
Food Stamp Administration	10.561	362,060	
Summer Food Program	10.559	6,845	
Passed-through the N.C. Dept. of Agriculture			
Food Distribution Division	10.565	2,949	
Division of Aging:			
Elderly Feeding Program	10.570	502,297	
Total U.S. Dept. of Agriculture		2,657,039	-
<u>U.S. Dept. of Justice</u>			
<u>Bureau of Justice Assistance</u>			
Passed-through the N.C. Dept. of Crime Control & Public Safety:			
Direct Programs:			
State Criminal Alien Assistance Program	16.606	143,766	
Edward Byrne Memorial Justice Assistance Grant	16.738	297,499	
ARRA - Edward Byrne Memorial Justice Assistance Grant	16.803	287,637	
ARRA - Edward Byrne Memorial Justice Assistance Grant	16.804	794,143	
Total U.S. Dept. of Justice		1,523,045	-
<u>U.S. Dept. of Homeland Security</u>			
Passed-through the N.C. Dept. of Homeland Security:			
Emergency Management Performance Grant	97.042	61,140	56,012
Homeland Security Grant Program	97.067	172,971	
Passed-through the United Way Worldwide			
Emergency Food and Shelter National Board Program	97.114	5,557	
Total U.S. Dept. of Homeland Security		239,668	56,012
<u>U.S. Dept of Transportation</u>			
Passed-through the N.C. Dept. of Transportation			
Division of Public Transportation			
ARRA - Community Transportation Program	20.509	151,127	
Total U.S. Dept. of Transportation		151,127	-
<u>U.S. Dept. of Health & Human Services</u>			
Passed-through the N.C. Dept. of Health and Human Services:			
Division of Public Health:			
CDC Tuberculosis Project	93.116	22,828	96,405
Family Planning Services	93.217	142,974	
CDC Immunization	93.268	65,829	
ARRA - CDC Immunization	93.712	4,117	

DURHAM COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
 YEAR ENDED JUNE 30, 2010

GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	EXPENDITURES	
		FEDERAL	STATE
Center for Disease Control & Prevention - Investigation & Technical Assistance	93.283	23,006	31,671
Bioterrorism - Preparedness and Response	93.283	190,939	-
NC System for Public Health-Emergency Response for H1N1 Planning and Enhanced	93.283	100,000	-
NC System for Public Health - Emergency Response for H1N1 Counties Response	93.283	461,101	-
Temporary Assistance for Needy Families	93.558	110,885	
CDC Aids Prevention	93.940	168,059	186,987
SSBG - HIV Program	93.667	60,136	
Prevent Health Service STD Control Grant	93.977	15,466	3,867
Preventive Health Block Grant	93.991	17,986	15,097
Maternal Health	93.994	205,248	
MCH Block Grant -Women's Prevention	93.994	126,486	26,663
-Child Care Coordination	93.994	84,132	
-Child Health	93.994	20,850	167,082
Total Division of Public Health		1,820,042	527,772
<u>Administration for Children and Families</u>			
Passed-through University of North Carolina at Chapel Hill			
UNC School of Social Work			
Healthy Marriage Demonstration	93.086	356,913	
Passed-through N.C. Dept. of Health and Human Services:			
Division of Social Services:			
Promoting Safe and Stable Families	93.556	73,753	
<u>Foster Care and Adoption Cluster:</u>			
CWS Adopt Subsidy - Direct Benefit Payment	93.645		977,835
Title IV-E Adopt Assistance - Direct Benefit Payment	93.658	475,248	118,545
ARRA - IV-B Adoption Assistance	93.658	20,347	
IV-E CPS	93.658	875,387	204,901
IV-E Optional	93.659	599,280	90,122
IV-E Foster Care	93.658	827,010	11,316
ARRA - IV-E Foster Care	93.658	29,966	
Adoption/Guardianship	93.558	226,451	39,619
Total Foster Care and Adoption Cluster		3,053,689	1,442,338
TANF - Direct Benefit Payments	93.558	1,905,767	
Work First Administration	93.558	478,520	
Work First Service	93.558	2,353,700	
Special Children Adoption	93.558	25,316	
Family Preservation	93.556	7,858	
Domestic Violence	93.558	19,008	
Title IV-D - Child Support Enforcement	93.563	1,916,506	
ARRA - Title IV-D - Child Support Enforcement	93.563	500,635	
LIEAP Administration	93.568	213,514	
Crisis Intervention	93.568	1,084,625	
Energy Assistance - Direct Benefit Payments	93.568	392,294	
Refugee Assistance - Direct Benefit Payments	93.566	74,304	
Day Care Coordinator	93.596	806,112	
Permanency Planning - Child Welfare Services	93.645	76,162	20,148
SSBG - Other Service and Training	93.667	1,023,020	92,377
Independent Living - (LINK)	93.674	81,341	10,371

DURHAM COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
 YEAR ENDED JUNE 30, 2010

GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	EXPENDITURES	
		FEDERAL	STATE
Division of Aging:			
SSBG - In Home Service Fund	93.667	397,472	
ARRA - SSBG - In Home Service Fund	93.667	18,541	
SSBG - Adult Day Care	93.667	112,585	69,409
Total Division of Aging		528,598	69,409
Total Administration for Children and Families		14,971,635	1,634,643
Division of Child Development:			
<u>Subsidized Child Care Cluster</u>			
Child Care and Development Fund - Discretionary	93.575	4,872,422	-
ARRA - Child Care and Development Fund - Discretionary	93.713	2,189,234	
Child Care and Development Fund - Mandatory	93.596	3,062,922	
Child Care and Development Fund - Match	93.596	1,006,407	541,223
Social Services Block Grant	93.667	177,175	
TANF	93.558	2,117,852	-
TANF - Contingency	93.575	401,811	
TANF - MOE			1,271,110
State Appropriations			1,619,294
Total Subsidized Child Care Cluster		13,827,823	3,431,627
<u>Substance Abuse and Mental Health Service Administration</u>			
Passed-through the N.C. Dept. of Health and Human Services:			
Division of Mental Health, Developmental Disabilities and Substance Abuse Services:			
Path Homeless Block Grant	93.150	203,500	
<u>Mental Health Cluster</u>			
Block Grant for Community Mental Health Services	93.958	261,222	
Total Mental Health Cluster		261,222	-
<u>Developmental Disability Cluster</u>			
SSBG-Developmental Disabilities	93.667	654,686	
Total Developmental Disability Cluster		654,686	-
<u>Substance Abuse Services Cluster</u>			
Block Grant for Prevention and Treatment of Substance Abuse	93.959	1,229,327	
Total Substance Abuse Services Cluster		1,229,327	-
<u>Health Care Financing Administration</u>			
Passed-through the N.C. Dept. of Health and Human Services:			
Division of Medical Assistance:			
Direct Benefit Payments:			
Medical Assistance Program	93.778	220,846,145	76,298,565

DURHAM COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
 YEAR ENDED JUNE 30, 2010

GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	EXPENDITURES	
		FEDERAL	STATE
Division of Social Services:			
Administration:			
Health Choice	93.767	102,265	10,106
Adult Care Home Case Management	93.778	186,602	96,368
Medical Assistance Administration	93.778	2,399,557	
Medical Assistance Transportation	93.778	978,909	42,251
ARRA - Medical Assistance Transportation	93.778	537	
Medical - At Risk Adults	93.778	768,999	
Total Division of Medical Assistance		225,283,014	76,447,290
Total U.S. Dept. of Health and Human Services		258,251,249	82,041,332
Total Federal Awards		262,822,128	82,097,344
STATE AWARDS			
<u>N.C. Dept. of Health and Human Services</u>			
Division of Social Services:			
Domiciliary Care - Direct Benefit Payments			2,224,260
State Foster Home			130,212
DCD Smart Start Administration			50,000
State Adult Protective Service			29,205
Program Integrity			10,623
Special Assistance for Blind			102,713
Total Division of Social Services			2,547,013
Division of Public Health:			
State Aid to Counties			245,967
Tobacco Grant			77,947
Lincoln Aids Grant			33,344
Environmental Health			25,502
Children's Special Health Services			19,601
Maternity Care Coordinator			38,224
Child Health Training			55,727
EPSDT Program			51,883
Lead Prevention			39,260
Total Division of Public Health			587,455
Division of Mental Health, Developmental Disabilities and Substance Abuse Services:			
Crisis Services - MH			847,500
State Appropriation			10,598,744
General Services			4,587,586
Multidisciplinary Evaluation			4,500
Mental Health Trust Fund			74,013
Total N.C. Department of Health and Human Services and Substance Abuse Services			16,112,343
Total N.C. Dept. of Health and Human Services			19,246,811

DURHAM COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
 YEAR ENDED JUNE 30, 2010

GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	EXPENDITURES	
		FEDERAL	STATE
<u>N.C. Dept. of Cultural Resources</u>			
State Aid To Libraries			244,125
<u>N.C. Dept. of Transportation</u>			
Rural Operating Assistance Program (ROAP)			232,858
Community Transportation			32,799
			265,657
<u>N.C. Dept. of Environment, Health and Natural Resources</u>			
Storm Water Education Program			31,367
Soil and Water Conservation			26,176
			57,543
<u>N.C. Dept of Crime Control and Public Safety</u>			
Juvenile Crime Prevention (OJJ Program)			532,157
Safe Road Funds			17,999
Comprehensive Anti-Gang Initiative Program			49,526
Gang Intervention Team Program			112,093
			711,775
<u>N.C. Dept of Corrections</u>			
Criminal Justice Partnership Program			182,876
<u>N.C. Dept. of Public Instruction</u>			
Child Nutrition Program			16,519
<u>N.C. Division of Veterans Affairs</u>			
Veterans Service Program			2,000
<u>N.C. Cooperative Extension Services</u>			
Welcome Baby			335,850
<u>N.C. Committee on Dropout Prevention</u>			
Dropout Prevention Grant			43,542
<u>N.C. Dept of Commerce</u>			
The One North Carolina Fund			500,000
<u>Office of State Budget and Management</u>			
Public School Building Capital Fund			1,063,268
Total Other State Awards			3,423,155
TOTAL FEDERAL AND STATE AWARDS		\$ 262,822,128	\$ 104,767,310

DURHAM COUNTY, NORTH CAROLINA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
 YEAR ENDED JUNE 30, 2010

1. GENERAL

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). 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.

2. BASIS OF ACCOUNTING

The accompanying Schedule is presented using the modified accrual basis of accounting, which is described in Note 1 to the County's basic financial statements.

3. BENEFIT PAYMENTS ISSUED BY THE STATE

Benefit payment amounts, which were paid directly by the State from Federal and State monies on behalf of the County, have been separately identified and quantified on the Schedule. These direct payments do not appear within the financial statements of the County because these amounts are not revenues and expenditures of the County. County personnel are involved in certain functions, primarily with eligibility determinations that cause benefit payments to be issued by the State.

4. SUBRECIPIENTS

During the fiscal year ended June 30, 2010, the County provided federal and State awards to subrecipients as follows:

Program Titles	Federal CFDA #	Expenditures	
		Federal	State
<u>N.C. Dept of Crime Control and Public Safety</u>			
Juvenile Crime Prevention (OJJ Program)		\$ -	\$ 389,151
 <u>N.C. Dept of Health and Human Services</u>			
Division of Public Health:			
Lead Prevention		-	40,000
 <u>N.C. Dept of Transportation</u>			
Rural Operating Assistance Program (ROAP)		-	227,156
 <u>Office of State Budget and Management</u>			
Public School Building Capital Fund		-	1,083,268
		\$ -	\$ 1,739,575