

COMPLIANCE SECTION

Thompson, Price, Scott, Adams & Co, P.A.

**P.O Box 398
1626 S. Madison Street
Whiteville, NC 28472
Telephone (910) 642-2109
Fax (910) 642-5958**

**Alan W. Thompson, CPA
R. Bryon Scott, CPA
Gregory S. Adams, CPA**

**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***

Independent Auditors' Report

To the Board of County Commissioners
Yadkin County, 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 accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Yadkin County, North Carolina, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Yadkin County's basic financial statements, and have issued our report thereon dated November 19, 2018. The financial statements of the Yadkin County Tourism Development Authority were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Thompson, Price, Scott, Adams & Co., P.A.

Thompson, Price, Scott, Adams & Co., P.A.
Whiteville, NC
November 19, 2018

Thompson, Price, Scott, Adams & Co, P.A.

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**Report On Compliance With Requirements Applicable To Each Major Federal
Program And Internal Control Over Compliance In Accordance With OMB
Uniform Guidance and the State Single Audit Implementation Act**

Independent Auditors' Report

To the Board of County Commissioners
Yadkin County, North Carolina

Report on Compliance for Each Major Federal Program

We have audited Yadkin County, North Carolina's, compliance with the types of compliance requirements described 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 Yadkin County's major federal programs for the year ended June 30, 2018. Yadkin County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Yadkin County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and the State Single Audit Implementation Act. Those standards, the Uniform Guidance, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred with governance. required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-14

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Yadkin County's compliance.

Opinion on Each Major Federal Program

In our opinion, Yadkin County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

Report on Internal Control Over Compliance

Management of Yadkin County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Yadkin County internal control over compliance with the types of requirements that could have direct and material effect on major federal program to determine the auditing procedures that are appropriate in the circumstance for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

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

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

Thompson, Price, Scott, Adams & Co., P.A.

Thompson, Price, Scott, Adams & Co., P.A.
Whiteville, NC
November 19, 2018

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**Report On Compliance With Requirements Applicable To Each Major State
Program And Internal Control Over Compliance In Accordance With OMB Uniform Guidance
and the State Single Audit Implementation Act**

Independent Auditors' Report

To the Board of County Commissioners
Yadkin County, North Carolina

Report on Compliance for Each Major State Program

We have audited Yadkin County, North Carolina's, 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 Yadkin County's major state programs for the year ended June 30, 2018. Yadkin County's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Yadkin County's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and applicable sections of Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), as described in the Audit Manual for Governmental Auditors in North Carolina, and the State Single Audit Implementation Act. Those standards, Uniform Guidance, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that cowith governance. and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about Yadkin County's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of Yadkin County's compliance.

Opinion on Each Major State Program

In our opinion, Yadkin 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, 2018.

Report on Internal Control Over Compliance

Management of Yadkin County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Yadkin County's internal control over compliance with the types of requirements that could have a direct and material effect on a major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

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

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

Thompson, Price, Scott, Adams & Co., P.A.

Thompson, Price, Scott, Adams & Co., P.A.
Whiteville, NC
November 19, 2018

Yadkin County
Schedule of Findings and Questioned Costs
June 30, 2018

Section I - Summary of Auditors' Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance to GAAP: Unmodified

Internal control over financial reporting:

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

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? ___yes X no
- Significant deficiency(s) identified ___yes X none reported

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)? ___yes X no

Identification of major federal programs:

<u>CFDA #</u>	<u>Program Name</u>
93.778	Medical Assistance Program
66.468	Capitalization Grants for Drinking Water State Revolving Funds

Dollar threshold used to distinguish between Type A and Type B Programs \$ 750,000

Auditee qualified as low-risk auditee? ___yes X no

Yadkin County
Schedule of Findings and Questioned Costs
June 30, 2018

State Awards

Internal control over major State programs:

- Material weakness(es) identified? ___yes _X_ no
- Significant deficiency(s) identified ___yes _X_ none reported

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

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

Identification of major State programs:

Program Name

School Nurse Funding Initiative
Rural Operating Assistance Program Cluster
Public School Building Capital Fund - Lottery Proceeds

Yadkin County
Schedule of Findings and Questioned Costs
June 30, 2018

Section II - Financial Statement Findings

None Reported.

Section III - Federal Award Findings and Questioned Costs

None Reported.

Section IV - State Award Findings and Questioned Costs

None Reported.

Yadkin County
Corrective Action Plan
June 30, 2018

Section II - Financial Statement Findings

None Reported.

Section III - Federal Award Findings and Questioned Costs

None Reported.

Section IV - State Award Findings and Questioned Costs

None Reported.

Yadkin County
Summary Schedule of Prior Year Audit Findings
June 30, 2018

Finding: 2017-001

Status: Corrected.

Finding: 2017-002

Status: Corrected.

**YADKIN COUNTY, NORTH CAROLINA Schedule of
Expenditures of Federal and State Awards For the
Year Ended June 30, 2018**

<u>Grantor/Pass-through Grantor/Program title</u>	<u>Federal CFDA Number</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Federal Expenditures</u>	<u>State Expenditures</u>	<u>Passed- through to Subrecipients</u>	<u>Local Expenditures</u>
FEDERAL AWARDS						
<u>U.S. Department of Agriculture</u>						
Passed through N. C. Department of Health and Human Services						
Division of Public Health						
Special Supplemental Nutrition Program for						
Women, Infants, & Children						
	10.557	13 A2 XXXX XX	\$ 198,519	\$ -	\$ -	\$ -
Passed through N.C. Department of Health and Human Services						
Division of Social Services						
Administration:						
State Administrative Matching Grants						
for Supplemental Nutrition Assist. Program						
	10.561	175NC406S2514	<u>227,621</u>	-	-	<u>227,621</u>
Total US Department of Agriculture						
			<u>426,140</u>	-	-	<u>227,621</u>
<u>U.S. Department of Health and Human Services</u>						
Passed-through the N.C. Dept. of Health and Human Services:						
Division of Public Health:						
Hospital Preparedness Program (HPP) and Public Health						
Emergency Preparedness (PHEP) Aligned Cooperative						
Agreements						
	93.074	1264 2680 M8	24,399	-	-	-
Project Grants and Cooperative Agreements for						
Tuberculosis Control Programs						
	93.116		41	-	-	-
Family Planning Services						
	93.217		24,909	-	-	-
PPHF Capacity Building Assistance to Strengthen Public						
Health Immunization Infrastructure and Performance						
financed in part by Prevention and Public Health Funds						
	93.539	1331672C(DE)VP 02	13,164	-	-	-
Preventive Health and Health Services Block Grant funded						
solely with Prevention and Public Health Funds (PPHF)						
	93.758		35,225	-	-	-
Cancer Prevention and Control Programs for State,						
Territorial and Tribal Organizations						
	93.898		5,610	-	-	-
Preventive Health Services_Sexually Transmitted Diseases						
Control Grants						
	93.977	1331 462C NB	411	-	-	-
Maternal and Child Health Services Block Grant						
	93.994	1271 5351 AP,	29,360	22,023	-	-
Division of Social Services						
Temporary Assistance for Needy Families (TANF) Cluster						
TANF - Work First						
	93.558		209,895	-	-	184,303
Division of Public Health						
TANF - Work First						
	93.558	G1601NCTANF/	<u>4,025</u>	-	-	-
Total TANF Cluster						
			<u>213,920</u>	-	-	<u>184,303</u>
Foster Care and Adoption Cluster:						
Foster Care - Title IV-E						
	93.658	17021NCFOST	541,167	113,576	-	232,615
Adoption Assistance						
	93.659	1701NCADPT	332	-	-	332
Foster Care						
	N/A		<u>6,678</u>	-	-	-
Total Foster Care and Adoption Cluster						
			<u>548,177</u>	<u>113,576</u>	-	<u>232,947</u>
Child Support Enforcement						
	93.563	1704NC4005	268,256	-	-	138,193
Refugee and Entrant Assistance - State						
Administered Program						
	93.566		<u>1,357</u>	-	-	-
Total Refugee and Entrant Assistance						
			<u>1,357</u>	-	-	-

**YADKIN COUNTY, NORTH CAROLINA Schedule of
Expenditures of Federal and State Awards For the
Year Ended June 30, 2018**

Grantor/Pass-through Grantor/Program title	Federal CFDA Number	State/ Pass-through Grantor's Number	Federal Expenditures	State Expenditures	Passed- through to Subrecipients	Local Expenditures
Low-Income Home Energy Assistance Administration	93.568	G16B1NCLIEA/	\$ 18,549	\$ -	\$ -	\$ -
Energy Assistance Payments - Direct	93.568	G17B1NCLIEA	82,900	-	-	-
Crisis Intervention Program	93.568		<u>91,604</u>	-	-	-
Total Low-Income Home Energy Assistance			<u>193,053</u>	-	-	-
Stephanie Tubbs Jones Child Welfare Services Program Permanency Planning - Families for Kids	93.645	G1701NCCWSS	<u>(2,974)</u>	-	-	<u>(991)</u>
Total Stephanie Tubbs Jones Child Welfare Services Program			<u>(2,974)</u>	-	-	<u>(991)</u>
Chafee Foster Care Independence Program	93.674	G1501NC1420/	15,718	2,440	-	-
SSBG - Other Service and Training Division of Aging and Adult Services: Division of Social Services	93.667		145,298	-	-	48,432
SSBG - In Home Service	93.667		19,037	-	-	2,720
SSBG - State Adult Day Care	93.667		<u>9,966</u>	-	-	<u>3,322</u>
Total Social Service Block Grant			<u>174,301</u>	-	-	<u>54,474</u>
Division of Child Development and Early Education Subsidized Child Care <u>Child Care Development Fund Cluster:</u>						
Division of Social Services Childcare Development Mandatory and Match Fund - Administration	93.596	DSS 2017	<u>78,500</u>	-	-	-
Total Child Care Development Fund Cluster			<u>78,500</u>	-	-	-
Total Subsidized Child Care			<u>78,500</u>	-	-	-
Passed through Piedmont Triad Council of Governments Division of Aging and Adult Services <u>Aging Cluster:</u>						
Special Programs for the Aging - Title III B Grants for Supportive Services and Senior Centers	93.044	NC007 (17)	16,731	4,323	-	-
Special Programs for the Aging - Title III C Nutrition Services	93.045	NC007 (17)	116,704	61,163	-	-
Nutrition Services Incentive Program	93.053	NC007 (17)	<u>33,264</u>	-	-	-
Total Aging Cluster			<u>166,699</u>	<u>65,486</u>	-	-
Passed through N. C. Department of Health and Human Services Division of Medical Assistance Division of Social Services Administration:						
Medical Assistance Program	93.778	XIX-MAP17	<u>799,398</u>	<u>2,224</u>	-	<u>337,315</u>
Total Medical Assistance Program			<u>799,398</u>	<u>2,224</u>	-	<u>337,315</u>
Division of Social Services Administration:						
State Children's Insurance Program - N.C. Health Choice	93.767	CHIP17	<u>20,443</u>	<u>5</u>	-	-
Total State Children's Insurance Program - N.C. Health Choice			<u>20,443</u>	<u>5</u>	-	-
Total U.S. Department of Health and Human Services			<u>2,609,967</u>	<u>205,754</u>	-	<u>946,241</u>

**YADKIN COUNTY, NORTH CAROLINA Schedule of
Expenditures of Federal and State Awards For the
Year Ended June 30, 2018**

Grantor/Pass-through Grantor/Program title	Federal CFDA Number	State/ Pass-through Grantor's Number	Federal Expenditures	State Expenditures	Passed- through to Subrecipients	Local Expenditures
<u>U.S. Environmental Protection Agency</u>						
Passed-through the N.C. Department Environmental Quality Division of Water Resources						
Capitalization Grants For Drinking Water State Revolving F	66.468		\$ 2,330,658	\$ -	\$ -	\$ -
Total U.S. Environmental Protection Agency			<u>2,330,658</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>U.S. Department of Homeland Security</u>						
Passed through N.C. Department of Public Safety Division of Emergency Management:						
Emergency Management - Performance Grants	97.042	EMPG 2016	38,642	-	-	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738		<u>24,500</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total U.S. Department of Homeland Security			<u>63,142</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Federal Awards			<u>5,429,907</u>	<u>205,754</u>	<u>-</u>	<u>1,173,862</u>
<u>STATE AWARDS</u>						
<u>N.C. Department of Health and Human Services</u>						
Division of Public Health						
Food and Lodging Fees		1153 4752 SZ	-	4,412	-	-
General Aid to Counties		1161 4110 00	-	79,113	-	-
General Communicable Disease Control		1175 4510 00	-	11,307	-	-
Child Health		1271 5745 00	-	6,212	-	-
HIV/STD State			-	212	-	-
Gonorrhea Partner Services		1311 4601 RQ,	-	112	-	-
Breast and Cervical Cancer Program		1320 5599 00	-	2,295	-	-
School Nurse Funding Initiative		1332 5358 AV, 00	-	50,000	-	-
HMHC-Family Planning		13A1 5735 00	-	3,489	-	-
Maternal Health (HMHC)		13A1 5740 00	-	8,642	-	-
Women's Health Service Fund		13A1 1306 FR	-	6,092	-	-
TB Control		1460 4554 00	<u>-</u>	<u>1,642</u>	<u>-</u>	<u>-</u>
Total Division of Public Health			<u>-</u>	<u>173,528</u>	<u>-</u>	<u>-</u>
Division of Social Services:						
State Child Welfare/CPS/CS LD		274	-	13,567	-	-
AFDC Incent/Prog Integrity		454	-	1,034	-	-
County Funded Programs			-	-	-	766,997
Non-Allocating County Cost			-	-	-	236,867
State Foster Home			<u>-</u>	<u>109,653</u>	<u>-</u>	<u>99,762</u>
Total Division of Social Services			<u>-</u>	<u>124,254</u>	<u>-</u>	<u>1,103,626</u>
Passed-Through the Piedmont Triad Regional Council						
Division of Aging and Adult Services:						
State Funds - In-Home Services		NC007 (17)	<u>-</u>	<u>103,314</u>	<u>-</u>	<u>-</u>
Total Division of Aging			<u>-</u>	<u>103,314</u>	<u>-</u>	<u>-</u>
Total N.C. Department of Health and Human Services			<u>-</u>	<u>401,096</u>	<u>-</u>	<u>1,103,626</u>

**YADKIN COUNTY, NORTH CAROLINA Schedule of
Expenditures of Federal and State Awards For the
Year Ended June 30, 2018**

<u>Grantor/Pass-through Grantor/Program title</u>	<u>Federal CFDA Number</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Federal Expenditures</u>	<u>State Expenditures</u>	<u>Passed- through to Subrecipients</u>	<u>Local Expenditures</u>
<u>N.C. Department of Transportation</u>						
Rural Operating Assistance Program (ROAP) Cluster:						
ROAP - WorkFirst Transitional - Employment		36236.11.6.1	\$ -	\$ 10,115	\$ -	\$ -
ROAP - Rural General Public Program		36228.22.7.1	-	71,913	-	-
ROAP - Elderly and Disabled Transportation Assistance Program		63220.10.7.1	-	60,413	-	-
Total N.C. Department of Transportation			-	142,441	-	-
<u>N.C. Dept. of Public Safety</u>						
Juvenile Crime Prevention Programs		YADKIN	-	114,105	-	-
Total Agency N.C. Department of Public Safety			-	114,105	-	-
<u>N.C. Dept. of Administration</u>						
Divison of Veteran Affairs						
Veterans Service		143B-1211C4	-	2,175	-	-
Total N.C. Department of Administration			-	2,175	-	-
<u>N.C. Department of Environmental Quality</u>						
Rural Trials Program			-	10,428	-	3,300
<u>N.C. Department of Agriculture and Consumer Services</u>						
Spay Neuter Program		Reimbursement	-	4,115	-	-
ASCP - Cost Share		YADKIN17	-	26,550	-	-
NC DENR Matching Funds		40100296315SW	-	3,600	-	-
Total N.C. Department of Agriculture and Consumer Services			-	34,265	-	-
<u>N.C. Department of Environment Quality</u>						
Electronics Management			-	3,011	-	-
<u>N.C. Dept. of Commerce</u>						
One NC Grant			-	78,750	-	-
<u>N.C. Department of Public Instruction</u>						
Public School Building Capital Fund - Lottery Proceeds		Lottery	-	350,000	-	-
Total State Assistance			-	1,136,271	-	1,106,926
Total Assistance Federal and State Assistance			\$ 5,429,907	\$ 1,342,025	\$ -	\$ 2,280,788

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal and State awards (SEFSA) includes the federal and State grant activity of the Yadkin County under the programs of the federal government and the State of North Carolina for the year ended June 30, 2018. The information in this SEFSA is presented in accordance with the requirements of Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the State Single Audit Implementation Act. Because the Schedule presents only a selected portion of the operations of Yadkin County, it is not intended to and does not present the financial position, changes in net position or cash flows of Yadkin County.

Note 2: Summary of Significant Accounting Policies

Expenditures reported in the SEFSA are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3: Indirect Cost Rate

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

Note 4: Cluster of Programs

The following are clustered by the NC Department of Health and Human Services and are treated separately for state audit requirement purposes: Subsidized Child Care and Foster Care and Adoption

Note 5: Loans Outstanding

*YADKIN COUNTY, NORTH CAROLINA Schedule of
Expenditures of Federal and State Awards For the
Year Ended June 30, 2018*

Grantor/Pass-through Grantor/Program title	Federal CFDA Number	State/ Pass-through Grantor's Number	Federal Expenditures	State Expenditures	Passed- through to Subrecipients	Local Expenditures
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Yadkin County had the following loan balances outstanding at June 30, 2018 for loans that the grantor/pass-through grantor has still imposed continuing compliance requirements . Loans outstanding at the beginning of the year and loans made during the year are included in the SEFSA. The balance of loans outstanding at June

<u>Program Title</u>	<u>CFDA Number</u>	<u>Pass-through Grantor's Number</u>	<u>Amount Outstanding</u>
Capitalization Grant for Drinking Water State Revolving Loa	66.468	H-LRX-F-16-1853	3,613,267