

CUMBERLAND COUNTY, NORTH CAROLINA

COMPLIANCE REPORT

As of and for the Year Ended June 30, 2022

And Reports on Compliance and Internal Control

CUMBERLAND COUNTY, NORTH CAROLINA
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Report of Independent Auditor on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

To the Board of Commissioners
County of Cumberland, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Cumberland 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 comprises the County's basic financial statements, and have issued our report thereon dated January 17, 2023. Our report includes a reference to other auditors who audited the financial statements of Cumberland County ABC Board (the "ABC Board") as described in our report on County's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported separately by those auditors. The financial statements of the Fayetteville Area Convention and Visitors Bureau (the "Bureau") and the ABC Board were not audited in accordance with the *Governmental Auditing Standards* and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with the Bureau and the ABC Board.

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
January 17, 2023

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

To the Board of Commissioners
County of Cumberland, North Carolina

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Cumberland County, North Carolina's (the "County") 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 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.

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 reasonable 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 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 instances of noncompliance which are required to be reported in accordance with Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2022-002. Our opinion on each major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the noncompliance finding 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. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a material weakness.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-001 to be a material weakness.

A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our 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.

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to internal control over compliance finding 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 Schedule of Expenditures of Federal and State Awards Required by the Uniform Guidance

We have audited the 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 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 January 17, 2023, which contained an unmodified opinion on those financial statements. 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 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 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 themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal and state awards is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

Cherry Bekaert LLP

Raleigh, North Carolina
March 9, 2023

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

To the Board of Commissioner
County of Cumberland, North Carolina

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the County of Cumberland, 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 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.

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 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; 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 reasonable 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 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 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.

Report on 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 Auditor's Responsibilities for the Audit of Compliance section and above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies or material weaknesses 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. However, material weaknesses or significant deficiencies 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.

Report on Schedule of Expenditures of Federal and State Awards Required by the Uniform Guidance

We have audited the 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 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 January 17, 2023, which contained an unmodified opinion on those financial statements. 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 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 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 themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal and state awards is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Purpose of this Report

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

Cherry Bekart LLP

Raleigh, North Carolina
March 9, 2023

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

YEAR ENDED JUNE 30, 2022

Section I. Summary of Auditor's Results (continued)

Dollar threshold used to distinguish
between Type A and Type B Programs \$ 1,630,710

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(s) identified
that are not considered to be
material weaknesses? yes X none

Noncompliance material to State 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 the State Single Audit Implementation Act? yes X no

Identification of major state programs:

Program Name

State Foster Care & Guardianship Associated Benefits
Juvenile Crime Prevention Program

Section II – Financial Statement Findings

None reported.

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

YEAR ENDED JUNE 30, 2022

Section III – Federal Award Findings and Questioned Costs

U.S. Department of Treasury
Pass-through Entity: N.C. Pandemic Recovery Office
Program Name: Emergency Rental Assistance Program
Federal Assistance Listing Number 21.023
Eligibility
Material Weakness
Finding 2022-001

Criteria: Section 200.303 of the Uniform Grant Guidance states that, a non-federal entity must establish and maintain effective internal control over the federal award that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with Federal statutes, regulations, and the terms and conditions of the federal award.

Condition: The County did not retain evidence of the initial review and approval or the secondary review and approval for each participant.

Effect: Without additional documentation retained, the County cannot demonstrate to a third party reviewer it has appropriate controls in place to ensure applications are properly reviewed and approved prior to the payment of the benefit.

Cause: The system used to maintain documentation of the program does not provide evidence of the secondary review prior to payment of the benefit.

Recommendation: The County should either modify the system used to review and approve to include evidence of the review and approval process or create manual procedures that document the review and approval process.

Views of responsible officials and planned corrective actions: The County agrees with this finding.

U.S. Department of Treasury
Pass-through Entity: N.C. Pandemic Recovery Office
Program Name: Emergency Rental Assistance
Federal Assistance Listing Number 21.023
Eligibility
Nonmaterial Noncompliance
Finding 2022-002

Criteria: In accordance with the requirements of the Emergency Rental Assistance Program (ERAP), funds can be used for prospective rent and rent arrears. Grantees must obtain, if available, a current lease, signed by the applicant and the landlord or sublessor, that identifies the unit where the applicant resides and establishes the rental payment amount. If a household does not have a signed lease, documentation of residence may include evidence of paying utilities for the residential unit, an attestation by a landlord who can be identified as the verified owner or management agent of the unit, or other reasonable documentation as determined by the grantee. In the absence of a signed lease, evidence of the amount of a rental payment may include bank statements, check stubs, or other documentation that reasonably establishes a pattern of paying rent, a written attestation by a landlord who can be verified as the legitimate owner or management agent of the unit, or other reasonable documentation as defined by the grantee in its policies and procedures.

Condition: We noted one instance in which the supporting documentation of the payment for rent in arrears did not properly support the amount of payment made.

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

YEAR ENDED JUNE 30, 2022

Section III – Federal Award Findings and Questioned Costs (continued)

Effect: The County could potentially provide more funding to a participant than permitted.

Context: We examined 60 participants' case files to review the calculation of the program benefits, noting one instance where the participant was potentially overpaid benefits based on the supporting documentation provided.

Questioned Costs: We noted a total of \$2,800 in questioned costs related to the overpayment noted above. All claims tested totaled \$350,045, with the projected questioned costs estimated to be \$62,200, a calculated 0.8% error rate.

Cause: The supporting documentation used for payment of rent in arrears included consideration of a reimbursement of funds already paid to the landlord by the tenant.

Recommendation: The County should review its processes to ensure payments are properly calculated within each case file.

Views of responsible officials and planned corrective actions: The County agrees with this finding.

Section IV – State Award Findings and Questioned Costs

None noted.

Clarence G. Grier
County Manager

Brian Haney
Assistant County Manager



Sally S. Shutt
Assistant County Manager

Heather Skeens
Assistant County Manager

Office of the County Manager

CUMBERLAND COUNTY, NORTH CAROLINA
CORRECTIVE ACTION PLAN
|
YEAR ENDED JUNE 30, 2022

Section III – Federal Award Findings and Questioned Costs

Finding 2022-001

Name of Contact Person: Vivian Tookes, DSS Division Director for Economic Services and DSS Director when appointed.

Corrective Action: After approval of the disbursement, a 2nd party QA check will be completed and documented in the file by a lead or supervisor. This review will satisfy the requirement in the control documents that every case will have a 2nd party review prior to monies being distributed.

Proposed Completion Date: February 28, 2023

Finding 2022-002

Name of contact person: Vivian Tookes, DSS Division Director for Economic Services and DSS Director when appointed.

Corrective Action: All cases will utilize guidance provided by Treasury to determine eligibility and will clearly document and store all copies of evidence to support the eligibility determination to issue payments. This will also be clearly documented as to the evidence gathered in the case file for each determination.

Proposed Completion Date: February 28, 2023

Section IV – State Award Findings and Questioned Costs

None noted.

CUMBERLAND COUNTY, NORTH CAROLINA
SCHEDULE OF PRIOR YEAR FINDINGS

YEAR ENDED JUNE 30, 2022

- 2021-001:** Corrected
- 2021-002:** Corrected
- 2021-003:** Corrected

CUMBERLAND COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

YEAR ENDED JUNE 30, 2022

<u>Grantor/Pass-through</u> <u>Grantor/Program Title</u>	<u>Federal</u> <u>Assistance</u> <u>Listing</u> <u>Number</u>	<u>State/</u> <u>Pass-through</u> <u>Grantor's</u> <u>Number</u>	<u>Fed. (Direct &</u> <u>Pass-through)</u> <u>Expenditures</u>	<u>State</u> <u>Expenditures</u>	<u>Provided</u> <u>to</u> <u>Subrecipients</u>
1(a)					
Federal Awards:					
<u>U.S. Dept. of Agriculture</u>					
<u>Food and Consumer Service</u>					
Passed-through N.C. Dept. of Agriculture:					
Food Distribution	10.550		\$ 1,755	\$ -	\$ -
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Social Services:					
Administration:					
SNAP Cluster					
Food Stamp Incentive Retention	10.551		17,525	-	-
State Administrative Matching Grants for the Food Stamp Program	10.561		4,068,708	-	-
Total Food Stamp Cluster			<u>4,086,233</u>	<u>-</u>	<u>-</u>
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Public Health:					
Administration:					
WIC Special Supplemental Nutrition Program for Women, Infants, & Children	10.557		2,300,643	-	-
Total U.S. Dept. of Agriculture			<u>6,388,631</u>	<u>-</u>	<u>-</u>
<u>U.S. Department of Housing and Urban Development</u>					
<u>Community Planning and Development</u>					
Passed-through the N.C. Dept. of Health and Human Services:					
Department of Administration:					
Emergency Solutions Grants Program	14.231		-	21,663	-
Direct Program:					
Community Development Block Grants/Entitlement Grants	14.218		398,953	-	-
CDBG-CV Grant	14.218		236,199	-	-
Disaster Relief Act 2017	14.218		103,409	-	-
HOME Investment Partnerships Program	14.239		31,933	-	-
Continuum of Care Program	14.267		139,496	-	139,496
Total U.S. Dept. of Housing and Urban Development			<u>909,990</u>	<u>21,663</u>	<u>139,496</u>

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

YEAR ENDED JUNE 30, 2022

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal Assistance Listing Number</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Fed. (Direct & Pass-through) Expenditures</u>	<u>State Expenditures</u>	<u>Provided to Subrecipients</u>
1(a)					
<u>U.S. Dept. of Justice</u>					
Passed-through the N.C. Dept. of Crime:					
Control and Public Safety:					
Crime Victim Assistance	16.575		\$ 147,673	\$ -	\$ -
Direct Program:					
Edward Byrne Memorial Justice Assistance Grant	16.579		203,474	-	-
Total U.S. Dept. of Justice			351,147	-	-
<u>U.S. Dept. of Transportation</u>					
<u>Federal Highway Administration</u>					
Passed-through the N.C. Department of Transportation:					
Highway Planning and Construction Cluster:					
Highway Planning and Construction Grants	20.205		395,817	-	395,817
<u>Federal Transit Administration</u>					
Passed-through the N.C. Department of Transportation:					
Federal Transit Cluster					
Federal Transit - Metropolitan Planning Grants	20.505		60,158	7,435	-
Formula Grants for Other Than Urbanized Areas	20.509		136,559	8,717	-
Covid 19 Cares Grant	20.509		-	-	-
Total Federal Transit Cluster			196,717	16,152	-
<u>Federal Transit Administration</u>					
Passed-through the N.C. Department of Public Safety					
Hazardous Materials Emergency Preparedness	20.703		50,541	-	-
Total U.S. Dept. of Transportation			643,075	16,152	395,817
<u>U.S. Department of the Treasury</u>					
Direct Program:					
Equitable Sharing	21.016		295,199	-	-
Emergency Rental Assistance Program	21.023		6,690,199	-	-
Passed-through the Office of State Budget and Management:					
NC Pandemic Recovery Office					
Coronavirus Relief Fund	21.019		81,898	-	-
Coronavirus State and Local Fiscal Recovery Fund (ARPA)	21.027		5,095,835	-	-
Emergency Rental Assistance Program	21.023		1,085,765	-	-
Total U.S. Department of the Treasury			13,248,896	-	-

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

YEAR ENDED JUNE 30, 2022

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal Assistance Listing Number</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Fed. (Direct & Pass-through) Expenditures</u>	<u>State Expenditures</u>	<u>Provided to Subrecipients</u>
1(a)					
<u>Institute of Museum and Library Services</u>					
Passed-through the State Library of NC					
Grants to States	45.310		\$ 86,360	\$ -	\$ -
<u>Department of Military and Veteran's Affairs</u>					
Passed-through the NC Division of Veteran's Affairs					
VA Supportive Services for Veteran Families	64.033		2,109	-	-
<u>Administration for Children and Families</u>					
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Social Services:					
TANF - Work First	93.558		5,545,551	-	-
Division of Public Health:					
TANF - Work First	93.558		63,562	-	-
Total Temporary Assistance for Needy Families (TANF)			<u>5,609,113</u>	<u>-</u>	<u>-</u>
Special Children Adoption	93.558		12,186	-	-
N.C. Child Support Enforcement Section	93.563		3,942,607	-	-
Low-Income Home Energy Assistance Block Grant:					
Administration	93.568		350,814	-	-
Crisis Intervention Program	93.568		6,318,062	-	-
Stephanie Tubbs Jones Child Welfare Services Program:					
Permanency Planning - Families for Kids	93.645		102,602	-	-
SSBG - Other Services and Training	93.667		1,985,118	-	-
LINKS (formerly Independent Living Grant)	93.674		137,078	34,269	-
<u>Foster Care and Adoption Cluster:</u>					
Title IV-E Foster Care	93.658		4,318,780	1,456,619	-
Total Foster Care and Adoption Cluster			<u>4,318,780</u>	<u>1,456,619</u>	<u>-</u>
Division of Aging:					
Division of Social Services:					
SSBG-Adult Day Care	93.667		66,525	11,848	-
Division of Child Development:					
Subsidized Child Care (Note 4)					
<u>Child Care Development Fund Cluster:</u>					
Division of Social Services:					
Child Care and Development Fund-Administration	93.596		717,958	-	-
Total Child Care Development Fund Cluster			<u>717,958</u>	<u>-</u>	<u>-</u>

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

YEAR ENDED JUNE 30, 2022

<u>Grantor/Pass-through</u> <u>Grantor/Program Title</u>	<u>Federal</u> <u>Assistance</u> <u>Listing</u> <u>Number</u>	<u>State/</u> <u>Pass-through</u> <u>Grantor's</u> <u>Number</u>	<u>Fed. (Direct &</u> <u>Pass-through)</u> <u>Expenditures</u>	<u>State</u> <u>Expenditures</u>	<u>Provided</u> <u>to</u> <u>Subrecipients</u>
1(a)					
Division of Social Services:					
Administration:					
Medicaid Cluster					
Medical Assistance Program	93.778		\$ 6,195,156	\$ 16,583	\$ -
Division of Social Services:					
Administration:					
Children's Health Insurance Program - NC Health Choice	93.767		119,318	4,819	-
Centers for Disease Control and Prevention					
passed-through the N.C. Dept. of Health and Human Services:					
Division of Public Health:					
Public Health Emergency Preparedness	93.069		49,105	-	-
Affordable Care Act (ACA) Personal Responsibility Education Program					
Project Grants & Cooperative Agreements for Tuberculosis					
Control Program	93.116		22,284	-	-
Immunization Cooperative Agreements	93.268		130,111	-	-
Covid-19 - Immunization Cooperative Agreements	93.268		316,381	-	-
Epidemiology and Laboratory Capacity for Infectious Diseases	93.323		868,538	-	-
Covid-19 - Public Health Emergency Response:					
Cooperative Agreement for Emergency Response:					
Public Health Crisis Response	93.354		40,467	-	-
National and State Tobacco Control Programs	93.387		104,461	-	-
Covid-19 Activities to Support State, Tribal, Local and Territorial (STLT)					
Health Department Response to Public Health or Healthcare Crises	93.391		9,916	-	-
Temporary Assistance for Needy Families	93.558		54,290	-	-
Refugee and Entrant Assistance/Replacement Designee Administers Program	93.566		2,820	-	-
Cancer Prevention and Control Programs for State, Territorial	93.898		26,000	-	-
Preventative Health and Health Services Block Grant	93.991		30,481	-	-
Preventative Health Services - Sexually Transmitted					
Diseases Control Grants	93.977		10,654	-	-
Health Resources and Service Administration					
passed-through the N.C. Dept. of Health and Human Services:					
Division of Public Health					
Maternal and Child Health Services Block Grant	93.994		393,340	50,889	-
Office of Population Affairs					
passed-through the N.C. Dept. of Health and Human Services:					
Office of Population Affairs					
Family Planning Services	93.217		164,438	-	-
Total U.S. Dept. of Health and Human Services			32,098,603	1,575,027	-

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

YEAR ENDED JUNE 30, 2022

<u>Grantor/Pass-through</u> <u>Grantor/Program Title</u>	<u>Federal</u> <u>Assistance</u> <u>Listing</u> <u>Number</u>	<u>State/</u> <u>Pass-through</u> <u>Grantor's</u> <u>Number</u>	<u>Fed. (Direct &</u> <u>Pass-through)</u> <u>Expenditures</u>	<u>State</u> <u>Expenditures</u>	<u>Provided</u> <u>to</u> <u>Subrecipients</u>
1(a)					
Department of Homeland Security passed-through N.C. Dept. of Crime Control and Public Safety:					
Division of Emergency Management:					
Disaster Grants - Public Assistance	97.036		\$ 542,452	\$ 145,020	\$ -
Emergency Management Performance Grants	97.042		82,718	-	-
Homeland Security Grant Program	97.067		3,013	-	-
Total Homeland Security			<u>628,183</u>	<u>145,020</u>	<u>-</u>
Total Federal Awards			<u>54,356,994</u>	<u>1,757,862</u>	<u>535,313</u>
State Awards:					
<u>N.C. Dept. of Health and Human Services</u>					
Division of Social Services:					
State Foster Care Benefits Program			-	2,066,277	-
Energy Assistance - CP&L Energy Program			-	24,752	-
State CPS Caseload Reduction			-	218,117	-
CPS State			-	154,396	-
Child Welfare State In-Home Expansion			-	169,074	-
Special Links			-	437,843	-
AFDC Incentives			-	22	-
Adult Protective Services			-	57,354	-
Smart Start Administration			-	214,815	-
Family Violence Prevention Grant			-	38,187	-
Total Division of Social Services			<u>-</u>	<u>3,380,837</u>	<u>-</u>
Division of Public Health:					
School Nurse Funding Initiative			-	144,821	-
Public Health Capacity Building			-	233,260	-
General Communicable Disease Control			-	24,648	-
Food and Lodging Fees			-	53,092	-
Triple P			-	125,000	-
Breast & Cervical Cancer Program			-	21,450	-
Women's Health Service Fund			-	19,058	-
Child Health			-	72,874	-
Family Planning - State			-	93,722	-
Maternal Health			-	146,438	-
HIV/STD State			-	36,260	-
Healthy Communities			-	22,613	-
Tuberculosis Control			-	90,093	-
Total Division of Public Health			<u>-</u>	<u>1,083,329</u>	<u>-</u>
Total N. C. Department of Health and Human Services			<u>-</u>	<u>4,464,166</u>	<u>-</u>

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

YEAR ENDED JUNE 30, 2022

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal Assistance Listing Number</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Fed. (Direct & Pass-through) Expenditures</u>	<u>State Expenditures</u>	<u>Provided to Subrecipients</u>
1(a)					
<u>N.C. Dept. of Environment & Natural Resources</u>					
Division of Water and Soil Conservation:					
Agriculture Cost Share Program			\$ -	\$ 22,570	\$ -
Soil and Water District Projects			-	3,600	-
Total N.C. Department of Environment & Natural Resources			-	26,170	-
<u>Department of Public Safety</u>					
Juvenile Crime Prevention Program			-	1,310,990	1,310,990
NC Tier II Grant			-	986	-
Total N. C. Department of Public Safety			-	1,311,976	1,310,990
<u>N.C. Dept. of Cultural Resources</u>					
State Aid to Public Libraries			-	336,218	-
<u>N.C. Department of Transportation</u>					
Governor's Highway Safety Program					
Rural Operating Assistance Program Cluster:					
Elderly and Disabled Transportation Assistance Program (E&DTAP)			-	166,859	-
Rural General Program			-	80,564	-
Work First Transitional/Employment Trans. Assistance			-	79,175	-
Total Rural Operating Assistance Program Cluster			-	326,598	-
Total N. C. Department of Transportation			-	326,598	-
<u>N.C. Administrative Office of the Courts</u>					
Innovative Court Pilot Program (Recovery Court)			-	102,918	-
Human Trafficking Court Pilot Program			-	8,430	-
Total N.C. Administrative Office of the Courts			-	111,348	-
<u>N.C. Dept. of Administration</u>					
Domestic Violence Program			-	95,307	-
Total State Awards			-	6,671,783	1,310,990
Total Federal and State Awards			\$ 54,356,994	\$ 8,429,645	\$ 1,846,303

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

YEAR ENDED JUNE 30, 2022

Note 1—Basis of presentation

The accompanying schedule of expenditures of federal and State awards (“SEFSA”) includes the federal and state grant activity of Cumberland County under the programs of the federal government and the state of North Carolina for the year ended June 30, 2022. The information in this SEFSA is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the State Single Audit Implementation Act. Because the SEFSA presents only a selected portion of the operations of Cumberland County, it is not intended to, and does not, present the financial position, changes in net position or cash flows of Cumberland 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

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

Note 4—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: Foster Care and Adoption.