DAVIDSON COUNTY
NORTH CAROLINA

COMPLIANCE LETTERS

FOR THE YEAR ENDED JUNE 30, 2020

MARTIN ❖ STARNES
& ASSOCIATES, CPAs, P.A.
"A Professional Association of Certified Public Accountants and Management Consultants"

DAVIDSON COUNTY, NORTH CAROLINA

COMPLIANCE LETTERS
FOR THE YEAR ENDED JUNE 30, 2020

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MARTIN ♦ STARNES
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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 Auditor's Report

To the Board of Commissioners
Davidson County
Lexington, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Davidson County, North Carolina, as of and for the year ended June 30, 2020, not presented here, and the related notes to the financial statements, which collectively comprise Davidson County's basic financial statements, and have issued our report thereon dated January 25, 2021. Our report includes a reference to other auditors who audited the financial statements of the Davidson County ABC Board, as described in our report on Davidson County's financial statements. The financial statements of the Davidson County ABC Board were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Davidson County ABC Board.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Davidson 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 Davidson 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.

730 13th Avenue Drive SE ♦ Hickory, NC 28602 ♦ 828-327-2727 ♦ Fax 828-328-2324
13 South Center Street ♦ Taylorsville, NC 28681 ♦ 828-632-9025 ♦ Fax 828-632-9085
800-948-0585 ♦ www.martinstarnes.com

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Davidson 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, non-compliance 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 non-compliance 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.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
January 25, 2021

Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; Report on the Schedule of Expenditures of Federal and State Awards Required by the Uniform Guidance and the State Single Audit Implementation Act

Independent Auditor's Report

To the Board of Commissioners
Davidson County
Lexington, North Carolina

Report on Compliance for Each Major Federal Program

We have audited Davidson 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 Davidson County's major federal programs for the year ended June 30, 2020. Davidson County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings, Responses, and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Davidson County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; 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 non-compliance 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 Davidson 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 federal program. However, our audit does not provide a legal determination of Davidson County's compliance.

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800-948-0585 ♦ www.martinstarnes.com

Opinion on Each Major Federal Program

In our opinion, Davidson 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, 2020.

Report on Internal Control Over Compliance

Management of Davidson 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 Davidson County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program in order to determine our auditing procedures that are appropriate in the circumstances 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 Davidson County's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purposes described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control over compliance, described in the accompanying Schedule of Findings, Responses, and Questioned Costs as items 2020-001 and 2020-002, that we consider to be significant deficiencies.

Davidson County's responses to the internal control over compliance findings identified in our audit are described in the accompanying Corrective Action Plan. Davidson County's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

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.

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

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 Davidson County, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Davidson County's basic financial statements. We issued our report thereon dated January 25, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Davidson County's basic financial statements. The accompanying Schedule of Expenditures of Federal and State Awards is presented for purposes of additional analysis as required by the Uniform Guidance and the State Single Audit Implementation Act and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and, certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In in our opinion, the Schedule of Expenditures of Federal and State Awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
January 25, 2021

MARTIN ♦ STARNES
& ASSOCIATES, CPAs, P.A.
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Report on Compliance for Each Major State Program; Report on Internal Control Over Compliance; Report on the Schedule of Expenditures of Federal and State Awards Required by Uniform Guidance and the State Single Audit Implementation Act

Independent Auditor's Report

To the Board of Commissioners
Davidson County
Lexington, North Carolina

Report on Compliance for Each Major State Program

We have audited Davidson 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 Davidson County's major state programs for the year ended June 30, 2020. Davidson County's major state programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings, Responses, and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Davidson 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; applicable sections of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as described in the *Audit Manual for Governmental Auditors in North Carolina,* 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 non-compliance 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 Davidson 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 Davidson County's compliance.

Opinion on Each Major State Program

In our opinion, Davidson 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, 2020.

Report on Internal Control Over Compliance

Management of Davidson 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 Davidson County's internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine our 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 Davidson 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, non-compliance 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 reasonable possibility that material non-compliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify a certain deficiency in internal control over compliance, described in the accompanying Schedule of Findings, Responses, and Questioned Costs as item 2020-002 that we consider to be a significant deficiency.

Davidson County's response to the internal control over compliance finding identified in our audit is described in the accompanying Corrective Action Plan. Davidson County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

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

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 Davidson County as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Davidson County's basic financial statements. We issued our report thereon dated January 25, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Davidson County's basic financial statements. The accompanying Schedule of Expenditures of Federal and State Awards is presented for purposes of additional analysis as required by the Uniform Guidance and the State Single Audit Implementation Act and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and, certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal and State Awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
January 25, 2021

DAVIDSON COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2020

1. Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting:	
• Material weakness identified?	No
• Significant deficiency identified?	None reported
Non-compliance material to financial statements noted	No

Federal Awards

Internal control over major federal programs:	
• Material weakness(es) identified?	No
• Significant deficiency(s) identified?	Yes
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

Identification of major federal programs:

Federal Program	**CFDA #**
Temporary Assistance for Needy Families Cluster	93.558
Medicaid Cluster	93.778
Supplemental Nutrition Assistance Program Cluster	10.561
Low-Income Home Energy Assistance	93.568
Formula Grants for Rural Areas and Tribal Transit Program	20.509
Federal Transit Cluster	20.507, 20.526
Workforce Innovation Opportunity Act Cluster	17.258, 17.259, 17.278

Dollar threshold used to distinguish between Type A and Type B programs	$750,000
Auditee qualified as low-risk auditee?	No

DAVIDSON COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2020

State Awards

Internal control over major state programs:

• Material weakness(es) identified?	No
• Significant deficiency(s) identified?	Yes
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

Identification of major state programs:

Medicaid Cluster
Public School Building Capital Fund
Formula Grants for Rural Areas
Federal Transit Cluster
Juvenile Justice and Delinquency Prevention

2. Financial Statement Findings

None reported.

3. Federal Award Findings, Responses, and Questioned Costs

US Department of Health and Human Services
Passed through the NC Dept. of Health and Human Services
Program Name: Low-Income Home Energy Assistance Program (LIHEAP)
CFDA# 93.568
Grant Number: G20B1NCLIEA

Finding 2020-001

Significant Deficiency

Criteria: In accordance with the Energy Program Manual LIEAP section 300.04, applications are not complete unless all questions are answered, and the application is signed by the applicant. In accordance with 2 CFR 200, management should have an adequate system of internal control procedures in place to ensure that cases are properly reviewed and complete within program requirements. Management must monitor activities under federal awards to assure compliance with federal requirements.

Condition: One participant did not have a signed application in the casefile. Upon further review, the participant was determined to be eligible.

Context: Of the 2,647 LIHEAP/CIP participants, we examined 40. We determined the above condition applied to one participant (3%). The applicant's file lacked information to complete the application process. The applicant received benefits during the fiscal year without documentation of a signed application. The County was able to obtain a signature from the applicant at a later date.

Effect: Participants could receive benefits for which they are not eligible.

Cause: The caseworker failed to obtain a signed application for the applicant and, therefore, did not obtain sufficient documentation to complete the application process.

Questioned Costs: None. The County was able to substantiate that the applicant was eligible to receive benefits.

Recommendation: Caseworkers should review all applications to ensure its completeness.

View of Responsible Officials and Planned Corrective Actions: See Corrective Action Plan submitted with this report.

3. Federal Award Findings, Responses, and Questioned Costs (continued)

US Department of Health and Human Services
Passed through the NC Dept. of Health and Human Services
Program Name: Medical Assistance Program (Medicaid; Title XIX)
CFDA# 93.778
Grant Number: XIX-MAP20
Program Name: Temporary Assistance for Needy Families (TANF)
CFDA# 93.558
Grant Number: 2001NCTANF
Program Name: State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP)
CFDA# 10.561
Grant Number: 205NC406S2514
Program Name: Low-Income Home Energy Assistance Program (LIHEAP)
CFDA# 93.568
Grant Number: G20B1NCLIEA

Finding 2020-002

Significant Deficiency

Criteria: In accordance with the Division of Social Services Fiscal Manual, DSS employees should control physical access to the state network terminals or personal computers that are connected to the state mainframe.

Condition: Upon surprise inspection, one unattended workstation of a DSS employee was logged onto the state network without anyone attending to the workstation.

Context: While performing testing of internal control over compliance related to the Division of Social Services, we noted the above condition.

Effect: Unauthorized access to the state system could be obtained due to the unattended logon to the system throughout the DSS building.

Cause: Lack of proper internal controls over data security.

Questioned Costs: None. The finding represents an internal control issue, therefore, no questioned costs are applicable.

Recommendation: Require the County Data Processing Department to implement procedures to require logout of workstations where access to the state DSS system is granted. The control procedures should include random verification of logout in instances where offices are unattended.

View of Responsible Officials and Planned Corrective Actions: See Corrective Action Plan submitted with this report.

4. State Award Findings, Responses, and Questioned Costs

Finding 2020-002 - In accordance with the Division of Social Services Fiscal Manual, DSS employees should control physical access to the state network terminals or personal computers that are connected to the state mainframe. See more at Finding 2020-002 in Section 3 - Federal Award Findings, Responses, and Questioned Costs.

DAVIDSON COUNTY
DEPARTMENT OF SOCIAL SERVICES
Dale Moorefield, Director

Lexington DSS Office P.O. Box 788 913 Greensboro Street Lexington, North Carolina 27293 336-242-2500 FAX: 336-249-7588	Thomasville DSS Office PO Box 2656 211 W. Colonial Drive Thomasville, North Carolina 27361 336-474-2760 FAX: 336-472-6635	Lexington Child Support Office PO Box 788 913 Greensboro Street Lexington, North Carolina 27293 336-242-2242 FAX: 336-242-1236	Thomasville Child Support Office PO Box 2656 211 W. Colonial Drive Thomasville, North Carolina 27361 336-474-2609 FAX: 336-474-2620

CORRECTIVE ACTION PLAN
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Finding: **2020-001**

Name of Contact Person: Elizabeth Huff, IM Program Administrator

Corrective Action/Management's Response:

Additional training will be given to Energy Program staff on LIEAP policy specifically Energy Program Manual LIEAP Section 300.4. Training will be completed by the agency Income Maintenance Trainer as well as reminders given during LIEAP season.

Proposed Completion Date: June 30, 2020

Finding: **2020-002**

Name of Contact Person: Elizabeth Huff, IM Program Administrator

Corrective Action/Management's Response:

Reminders will be given to staff to lock their computer when they are not at their work station. Annual security training will be covered to include confidentiality measures.

Proposed Completion Date: February 12, 2021

DAVIDSON COUNTY, NORTH CAROLINA

SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2020

Material Weakness

Finding 2019-001:

Status: Corrected.

DAVIDSON COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF
FEDERAL AND STATE AWARDS
Year Ended June 30, 2020

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	State Pass-Through Grantor's Number	Federal (Direct & Pass-Through) Expenditures	State Expenditures	Provided To Subrecipients
FEDERAL AWARDS:					
U.S. DEPT. OF TRANSPORTATION					
FEDERAL HIGHWAY ADMINISTRATION					
PASSED THROUGH N.C. DEPT. OF TRANSPORTATION:					
HIGHWAY PLANNING AND CONSTRUCTION CLUSTER					
HIGHWAY PLANNING AND CONSTRUCTION	20.205	34156.3.GV2	$ 75,731	$ -	$ -
RECREATIONAL TRAILS PROGRAM					
DANIEL BOONE HERITAGE CANOE TRAIL- WILCOX BRIDGE/YORK HILL ACCESS	20.219	RTP2018-43P001	72,983	-	-
DANIEL BOONE HERITAGE CANOE TRAIL- BOONES CAVE PARK	20.219	RTP2017-46P001	49,759	-	-
TOTAL RECREATIONAL TRAILS PROGRAM			122,742	-	-
TOTAL HIGHWAY PLANNING AND CONSTRUCTION CLUSTER			198,473	-	-
FEDERAL TRANSIT ADMINISTRATION					
PASSED THROUGH N.C. DEPT. OF TRANSPORTATION:					
FEDERAL TRANSIT CLUSTER					
FEDERAL TRANSIT FORMULA GRANTS	20.507	36231.24.4.1	90,000	-	-
FEDERAL TRANSIT FORMULA GRANTS	20.507	36231.24.5.2	90,000	-	-
BUSES AND BUS FACILITIES FORMULA PROGRAM	20.526	44637.18.3.3	53,136	6,642	-
PASSED THROUGH CITY OF WINSTON SALEM:					
FEDERAL TRANSIT FORMULA GRANTS	20.507	36231.24.5.2	111,146	-	-
FEDERAL TRANSIT FORMULA GRANTS	20.507	36231.24.4.1	42,301	-	-
TOTAL FEDERAL TRANSIT CLUSTER			386,583	6,642	-
PASSED THROUGH N.C. DEPT. OF TRANSPORTATION:					
FORMULA GRANTS FOR RURAL AREAS AND TRIBAL TRANSIT PROGRAM	20.509	36233.34.21.1	268,695	16,793	-
TRANSIT SERVICES PROGRAMS CLUSTER					
ENHANCED MOBILITY FOR SENIORS AND INDIVIDUALS WITH DISABILITIES	20.513	51001.58.7.3	118,421	14,802	-
TOTAL TRANSIT SERVICES PROGRAMS CLUSTER			118,421	14,802	-
TOTAL U.S DEPT. OF TRANSPORTATION			972,172	38,237	-
U.S. DEPT. OF AGRICULTURE					
SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM CLUSTER					
PASSED THROUGH N.C. DEPT. OF HEALTH AND HUMAN SERVICES					
DIVISION OF SOCIAL SERVICES:					
FOOD AND NUTRITION SERVICES CLUSTER (NOTE 3)					
STATE ADMINISTRATIVE MATCHING GRANTS FOR THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM - ADMIN	10.561	205NC406S2514	1,067,231	-	-
STATE ADMINISTRATIVE MATCHING GRANTS FOR THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM - FRAUD ADMINISTRATION	10.561	205NC406S2514	29,765	-	-
TOTAL SNAP / FNS CLUSTER			1,096,996	-	-
PASSED THROUGH N.C. DEPT. OF HEALTH AND HUMAN SERVICES:					
DIVISION OF PUBLIC HEALTH:					
WIC SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS AND CHILDREN	10.557	13A2540	674,746	-	-
RURAL ECONOMIC DEVELOPMENT LOANS AND GRANTS					
PASSED THROUGH ENERGYUNITED ELECTRIC MEMBERSHIP CORP:					
EGGER WOOD PRODUCTS LOAN	10.854	2014	1,980,000	-	-
TOTAL U.S DEPT. OF AGRICULTURE			3,751,742	-	-
U.S. DEPT. OF HOUSING AND URBAN DEVLOPMENT					
ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT					
PASSED THROUGH N.C. DEPT. OF COMMERCE:					
RURAL ECONOMIC DEVELOPMENT DIVISION:					
COMMUNITY DEVEOLPMENT BLOCK GRANTS/STATE'S PROGRAM AND NON-ENTITLEMENT GRANTS IN HAWAII - THOMSON PLASTICS	14.228	13-E-2646	49,484	-	-
TOTAL U.S DEPT. OF HOUSING AND URBAN DEVLOPMENT			49,484	-	-

DAVIDSON COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF
FEDERAL AND STATE AWARDS
Year Ended June 30, 2020

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	State Pass-Through Grantor's Number	Federal (Direct & Pass-Through) Expenditures	State Expenditures	Provided To Subrecipients
FEDERAL AWARDS (CONTINUED):					
U.S. DEPT. OF HOMELAND SECURITY					
FEDERAL EMERGENCY MANAGEMENT AGENCY					
PASSED THROUGH N.C. DEPT OF PUBLIC SAFETY:					
EMERGENCY MANAGEMENT PERFORMANCE GRANTS	97.042	EMA-2020-EP-00009	53,279	-	-
U.S. DEPT. OF HOMELAND SECURITY (CONTINUED)					
FEDERAL EMERGENCY MANAGEMENT AGENCY					
PASSED THROUGH N.C. DEPT OF PUBLIC SAFETY:					
DISASTER GRANTS- PUBLIC ASSISTANCE (PRESIDENTIALLY DECLARED DISASTERS)	97.036	FEMA-4393-DR-NC	100,567	-	-
TOTAL U.S. DEPT. OF HOMELAND SECURITY			153,846	-	-
U. S. DEPT. OF LABOR					
EMPLOYMENT AND TRAINING ADMINISTRATION					
PASSED THROUGH N.C. DEPT. OF COMMERCE:					
DIVISION OF EMPLOYMENT AND TRAINING:					
WORKFORCE INNOVATION AND OPPORTUNITY ACT CLUSTER:					
WIOA ADULT PROGRAM	17.258	17-4050	14,431	-	-
WIOA ADULT PROGRAM	17.258	18-4050	70,222	-	-
WIOA ADULT PROGRAM	17.258	18-2020	82,817	-	-
WIOA ADULT PROGRAM	17.258	19-2020	265,359	-	-
WIOA YOUTH ACTIVITIES	17.259	18-2040	64,007	-	-
WIOA YOUTH ACTIVITIES	17.259	19-2040	198,802	-	-
WIOA ADULT PROGRAM	17.258	19-2010	23,419	-	-
WIOA YOUTH ACTIVITIES	17.259	18-2010	11,254	-	-
WIOA ADULT PROGRAM	17.258	18-2010	11,575	-	-
WIOA YOUTH ACTIVITIES	17.259	19-2010	22,811	-	-
WIOA DISLOCATED WORKERS FORMULA GRANTS	17.278	18-2030	33,876	-	-
WIOA DISLOCATED WORKERS FORMULA GRANTS	17.278	19-2030	94,317	-	-
WIOA DISLOCATED WORKERS FORMULA GRANTS	17.278	19-2010	18,438	-	-
WIOA DISLOCATED WORKERS FORMULA GRANTS	17.278	18-2010	9,570	-	-
TOTAL WORKFORCE INNOVATION AND OPPORTUNITY ACT CLUSTER			920,898	-	-
WIA DISLOCATED WORKER GRANTS	17.260	19-2050	1,126	-	-
WIA DISLOCATED WORKER GRANTS	17.260	18-2050	97,906	-	-
WIA DISLOCATED WORKER GRANTS	17.260	17-2050	1,905	-	-
TOTAL U.S. DEPT. OF LABOR			1,021,835	-	-
U. S. DEPT. OF HEALTH AND HUMAN SERVICES					
ADMINISTRATION FOR CHILDREN AND FAMILIES					
PASSED THROUGH N.C. DEPT. OF HEALTH AND HUMAN SERVICES:					
DIVISION OF SOCIAL SERVICES:					
TEMPORARY ASSISTANCE FOR NEEDY FAMILIES - ADMINISTRATION	93.558	2001NCTANF	1,032,036	-	-
DIVISION OF PUBLIC HEALTH:					
TEMPORARY ASSISTANCE FOR NEEDY FAMILIES	93.558	13A1515	20,735	-	-
DIVISION OF SOCIAL SERVICES:					
SPECIAL CHILDREN ADOPTION FUND CLUSTER (NOTE 3):					
MARYLEE ALLEN PROMOTING SAFE AND STABLE FAMILIES PROGRAM	93.556	2001NCFPSS	95,371	-	-
SPECIAL CHILDREN ADOPTION			-	117,221	-
TOTAL SPECIAL CHILDREN ADOPTION FUND CLUSTER (NOTE 3)			95,371	117,221	-
CHILD SUPPORT ENFORCEMENT - IV-D ADMINISTRATION	93.563	2004NC4005	980,104	-	-
LOW-INCOME HOME ENERGY ASSISTANCE- ADMINISTRATION	93.568	G20B1NCLIEA	79,420	-	-
LOW-INCOME HOME ENERGY ASSISTANCE- HOME ENERGY ASSISTANCE ADMIN	93.568	G20B1NCLIEA	656,078	-	-
LOW-INCOME HOME ENERGY ASSISTANCE- CRISIS INTERVENTION PAYMENTS	93.568	G20B1NCLIEA	172,032	-	-
STEPHANIE TUBBS JONES CHILD WELFARE SERVICES PROGRAM - PERM PLANNING	93.645	G2001NCCWSS	19,139	-	-

DAVIDSON COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF
FEDERAL AND STATE AWARDS
Year Ended June 30, 2020

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	State Pass-Through Grantor's Number	Federal (Direct & Pass-Through) Expenditures	State Expenditures	Provided To Subrecipients
FEDERAL AWARDS (CONTINUED):					
FOSTER CARE AND ADOPTION CLUSTER (NOTE 3):					
FOSTER CARE TITLE IV-E- CPS	93.658	2001NCFOST	206,720	497,979	-
FOSTER CARE TITLE IV-E- ADMIN	93.658	2001NCFOST	805,996	50,267	-
FOSTER CARE TITLE IV-E- DIRECT BENEFITS	93.658	2001NCFOST	934,805	236,202	-
COVID-19 - FOSTER CARE TITLE IV-E- SUPPLEMENTAL DIRECT BENEFITS	93.658	2001NCFOST	41,642	2,658	-
ADOPTION ASSISTANCE- IV-E OPTIONAL TRAINING	93.659	2001NCFOST	26,041	-	-
COVID-19 - ADOPTION ASSISTANCE VENDOR PAYMENTS	93.659	2001NCFOST	16,860	-	-
ADOPTION ASSISTANCE- IV-E VENDOR PAYMENTS	93.659	2001NCFOST	12,205	2,400	-
ADOPTION ASSISTANCE- IV-B VENDOR PAYMENTS	93.659	2001NCFOST	-	15,784	-
TOTAL FOSTER CARE AND ADOPTION CLUSTER (NOTE 3)			2,044,269	805,290	-
U. S. DEPT. OF HEALTH AND HUMAN SERVICES (CONTINUED)					
ADMINISTRATION FOR CHILDREN AND FAMILIES					
SOCIAL SERVICES BLOCK GRANT- OTHER SVCS & TRNG	93.667	G2001NCSOSR	493,602	-	-
SOCIAL SERVICES BLOCK GRANT- IN HOME SERVICES	93.667	G2001NCSOSR	35,668	-	-
SOCIAL SERVICES BLOCK GRANT- ADULT DAY CARE	93.667	G2001NCSOSR	56,530	51,514	-
JOHN H. CHAFEE FOSTER CARE PROGRAM FOR SUCCESSFUL TRANSITION TO ADULTHOOD - ADMIN	93.674	G2001NCCILP	17,484	4,371	-
JOHN H. CHAFEE FOSTER CARE PROGRAM FOR SUCCESSFUL TRANSITION TO ADULTHOOD	93.674	G2001NCCILP	40,961	-	-
JOHN H. CHAFEE FOSTER CARE PROGRAM FOR SUCCESSFUL TRANSITION TO ADULTHOOD - DIRECT BENEFITS	93.674	G2001NCCILP	39,328	-	-
SUBSIDIZED CHILD CARE PROGRAM CLUSTER (NOTE 3):					
CHILD CARE DEVELOPMENT FUND CLUSTER:					
DIVISION OF SOCIAL SERVICES:					
CHILD CARE MANDATORY AND MATCHING FUNDS OF THE CHILD CARE AND DEVELOPMENT FUND - ADMIN	93.596	G2001NCCCDF	214,259	-	-
TOTAL CHILD CARE DEVELOPMENT FUND CLUSTER			214,259	-	-
TOTAL SUBSIDIZED CHILD CARE PROGRAM CLUSTER (NOTE 3)			214,259	-	-
CENTERS FOR DISEASE CONTROL AND PREVENTION					
PASSED THROUGH N.C. DEPT OF HEALTH AND HUMAN SERVICES:					
DIVISION OF PUBLIC HEALTH:					
COVID-19-PUBLIC HEALTH EMERGENCY RESPONSE: COOPERATIVE AGREEMENT FOR EMERGENCY RESPONSE: PUBLIC HEALTH CRISIS RESPONSE	93.354	1264268	128,846	-	-
HOSPITAL PREPAREDNESS PROGRAM (HPP) AND PUBLIC HEALTH EMERGENCY PREPAREDNESS (PHEP) ALIGNED COOPERATIVE AGREEMENTS	93.074	1264268	42,884	-	-
PROJECT GRANTS AND COOPERATIVE AGREEMENTS FOR TUBERCULOSIS CONTROL PROGRAM	93.116	1460272	50	-	-
IMMUNIZATION COOPERATIVE AGREEMENTS	93.268	1331631	41,386	-	-
CANCER PREVENTION AND CONTROL PROGRAMS FOR STATE, TERRITORIAL, AND TRIBAL ORGANIZATIONS	93.898	1320310	40,625	-	-
PREVENTIVE HEALTH AND HEALTH SERVICES BLOCK GRANT	93.991	1261550	17,232	-	-
HIV CLUSTER (NOTE 3)					
SEXUALLY TRANSMITTED DISEASES (STD) PREVENTION AND CONTROL GRANTS	93.977	1311462	42	-	-
TOTAL HIV CLUSTER (NOTE 3)			42	-	-
HEALTH RESOURCES AND SERVICES ADMINISTRATION					
PASSED THROUGH N.C. DEPT OF HEALTH AND HUMAN SERVICES:					
DIVISION OF PUBLIC HEALTH:					
MATERNAL AND CHILD HEALTH SERVICES BLOCK GRANT TO THE STATES	93.994	1271574	62,292	13,335	-
OFFICE OF ASSISTANT SECRETARY FOR HEALTH					
PASSED THROUGH N.C. DEPT OF HEALTH AND HUMAN SERVICES:					
DIVISION OF PUBLIC HEALTH:					
FAMILY PLANNING SERVICES	93.217	13A1592	78,491	-	-

DAVIDSON COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF
FEDERAL AND STATE AWARDS
Year Ended June 30, 2020

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	State Pass-Through Grantor's Number	Federal (Direct & Pass-Through) Expenditures	State Expenditures	Provided To Subrecipients
FEDERAL AWARDS (CONTINUED):					
ADMINISTRATION FOR COMMUNITY LIVING					
PASSED THROUGH PIEDMONT TRIAD REGIONAL COUNCIL:					
AGING CLUSTER:					
SPECIAL PROGRAMS FOR AGING, TITLE III, PART B, GRANTS FOR SUPORTIVE SERVICES AND SENIOR CENTERS	93.044	GO35	202,530	11,914	42,880
SPECIAL PROGRAMS FOR AGING, TITLE III, PART C, NUTRITION SERVICES-CONGREGATE MEALS	93.045	GO35	146,711	8,630	-
SPECIAL PROGRAMS FOR AGING, TITLE III, PART C, NUTRITION SERVICES-HOME DELIVERED MEALS	93.045	GO35	155,987	9,176	-
NUTRITION SERVICES INCENTIVE PROGRAM	93.053	GO35	72,018	-	-
TOTAL AGING CLUSTER			577,246	29,720	42,880
SSBG-IN HOME SERVICES	93.667	GO35	36,769	1,051	8,579
CENTERS FOR MEDICARE AND MEDICAID SERVICES					
PASSED THROUGH N.C. DEPT. OF HEALTH AND HUMAN SERVICES:					
DIVISION OF HEALTH BENEFITS:					
MEDICAID CLUSTER:					
ADMINISTRATION:					
MEDICAL ASSISTANCE PROGRAM - ADMIN	93.778	XIX-MAP20	2,221,836	-	-
MEDICAL ASSISTANCE PROGRAM - ADMIN	93.778	XIX-MAP20	24,800	-	-
MEDICAL ASSISTANCE PROGRAM	93.778	XIX-MAP20	32,624	-	-
MEDICAL ASSISTANCE PROGRAM- TRANSPORTATION ADMIN	93.778	XIX-MAP20	76,873	-	-
MEDICAL ASSISTANCE PROGRAM	93.778	XIX-MAP20	17,182	8,193	-
TOTAL MEDICAID CLUSTER			2,373,315	8,193	-
CHILDREN'S HEALTH INSURANCE PROGRAM - ADMIN	93.767	CHIP 20	72,620	282	-
TOTAL U.S. DEPT. OF HEALTH AND HUMAN SERVICES			9,468,814	1,030,977	51,459
U.S. DEPT. OF JUSTICE					
CRIMINAL DIVISION					
DIRECT PROGRAM:					
EQUITABLE SHARING PROGRAM	16.922	NC0290000	139,153	-	-
TOTAL U.S. DEPT. OF JUSTICE			139,153	-	-
U.S. DEPT. OF TREASURY					
DIRECT PROGRAM:					
EQUITABLE SHARING PROGRAM	21.016	NC0290000	169,436	-	-
PASSED-THROUGH THE OFFICE OF STATE BUDGET AND MANAGEMENT:					
NC PANDEMIC RECOVERY OFFICE					
COVID-19 CORONAVIRUS RELIEF FUND (NOTE 5)	21.019	NC0290000	399,802	-	123,397
TOTAL U.S. DEPT. OF TREASURY			569,238	-	123,397
NATIONAL ENDOWMENT FOR THE HUMANITIES					
PASSED THROUGH STATE LIBRARY OF NORTH CAROLINA:					
GRANTS TO STATES	45.310	NC-18-16	37,526	-	-
GRANTS TO STATES	45.310	NC-18-75	621	-	-
TOTAL INSTITUTE OF MUSEUM AND LIBRARY SERVICES			38,147	-	-
TOTAL FEDERAL AWARDS			16,164,431	1,069,214	174,856
STATE AWARDS:					
N.C. DEPT. OF HEALTH AND HUMAN SERVICES					
DIVISION OF PUBLIC HEALTH:					
OTHER RECEIPTS / STATE SUPPORTED EXPENDITURES					
GENERAL COMMUNICABLE DISEASE CONTROL				$ 3,806	$ -
FOOD AND LODGING FEES				26,779	-
AID-TO-COUNTIES				147,535	-
SCHOOL NURSING FUNDING INTIATIVE				400,000	-
TB CONTROL				30,686	-
WOMEN HEALTH SERVICE FUND				12,901	-
CHILD HEALTH				3,122	-
MATERNAL HEALTH				66,262	-
HEALTHY COMMUNITY ACTIVITIES				3,785	-
STD DRUGS				1,146	-

DAVIDSON COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF
FEDERAL AND STATE AWARDS
Year Ended June 30, 2020

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	State Pass-Through Grantor's Number	Federal (Direct & Pass-Through) Expenditures	State Expenditures	Provided To Subrecipients
STATE AWARDS:					
N.C. DEPT. OF HEALTH AND HUMAN SERVICES (CONTINUED)					
DIVISION OF PUBLIC HEALTH (CONTINUED):					
OTHER RECEIPTS / STATE SUPPORTED EXPENDITURES (CONTINUED)					
BREAST AND CERVICAL CANCER CONTROL				26,900	-
HIV/STD STATE				12,500	-
FAMILY PLANNING - STATE				7,858	-
SPAY/NEUTER PROGRAM				5,403	5,403
DIVISION OF SOCIAL SERVICES:					
F/C AT RISK MAXIMIZATION				13,171	-
SFHF MAXIMIZATION				190,542	-
STATE FOSTER HOME				130,725	-
EXTENDED FOSTER CARE MAXIMIZATION NON IVE PROGRAMS				69,299	-
ADMIN:					
ENERGY ASSIST PRIVATE GRANT - SHARE THE WARMTH				4,164	-
AFDC INCENT/PROGRAM INTEGRITY				40	-
STATE AWARDS (CONTINUED):					
N.C. DEPT. OF HEALTH AND HUMAN SERVICES (CONTINUED)					
DIVISION OF AGING AND ADULT SERVICES:					
PASSED THROUGH PIEDMONT TRIAD REGIONAL COUNCIL:					
STATE APPROPRIATIONS:					
HOME DELIVERED MEALS - STATE FUNDS 90%				52,568	-
ACCESS - STATE FUNDS 90%				12,994	-
IN-HOME SERVICES - STATE FUNDS 90%				347,304	78,781
IN-HOME SERVICES - CAREGIVER MATCH				1,430	324
SENIOR CENTER GENERAL PURPOSE				21,148	-
TOTAL N.C. DEPT. OF HEALTH AND HUMAN SERVICES				1,592,068	84,508
N.C. DEPT. OF NATURAL AND CULTURAL RESOURCES					
STATE LIBRARY OF NORTH CAROLINA:					
STATE AID FOR PUBLIC LIBRARIES				186,778	-
N.C. DEPT. OF ENVIRONMENTAL QUALITY					
PART F GRANT- HUGHES PARK PROJECT				168,222	-
SPECIAL APPROPRIATION:					
I85/US64 SEWER IMPROVEMENTS				50,000	-
TECHNICAL ASSISTANCE				26,870	-
FORT YORK SEPTIC SYSTEM				49,084	-
TOTAL N.C. DEPT. OF ENVIRONMENTAL QUALITY				294,176	-
N.C. DEPT. OF MILITARY AND VETERAN AFFAIRS					
COMMUNITY GRANT PROGRAM				2,182	-
N.C. DEPT. OF TRANSPORTATION					
PUBLIC TRANSPORTATION DIVISION:					
RURAL OPERATING ASSISTANCE PROGRAM (ROAP) CLUSTER:					
ROAP ELDERLY AND DISABLED TRANSPORTATION ASSISTANCE PROGRAM				134,604	-
ROAP RURAL GENERAL PUBLIC PROGRAM				124,592	-
ROAP EMPLOYMENT				43,344	-
TOTAL ROAP CLUSTER				302,540	-
N.C. DEPT. OF PUBLIC INSTRUCTION					
PUBLIC SCHOOL BUILDING CAPITAL FUND- LOTTERY FUND				2,223,404	573,944
N.C. OFFICE OF JUVENILE JUSTICE					
JUVENILE JUSTICE AND DELINQUENCY PREVENTION				549,575	534,075
TOTAL STATE AWARDS				5,150,723	1,192,527
TOTAL FEDERAL AND STATE AWARDS			$ 16,164,431	$ 6,219,937	$ 1,367,383

DAVIDSON COUNTY, NORTH CAROLINA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
June 30, 2020

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal and State Awards (SEFSA) includes the federal and state grant activity of Davidson County under the programs of the federal government and the State of North Carolina for the year ended June 30, 2020. 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 schedule presents only a selected portion of the operations of Davidson County, it is not intended to and does not present the financial position, changes in net position or cash flows of Davidson County.

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.

3. 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 Program, Foster Care and Adoption, Special Children Adoption Fund, Food and Nutrition Services, and HIV Clusters.

4. Loans Outstanding

Davidson County had the following loan balances outstanding at June 30, 2020 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 30, 2020 consist of:

Program Title	CFDA Number	Pass-through Grantor's Number	Amount Outstanding
Rural Economic Development Loans and Grants - EnergyUnited Electric Membership Corporation	10.854	2014	$ 1,740,000

5. Coronavirus Relief Funds

Davidson County received $2,977,053 of funding from the Coronavirus Relief Fund (21.019) and is scheduled to receive $3,252,946 in August 2020. At least twenty-five percent (25%) of the funds are mandated to go to municipalities within Davidson County, at the discretion of the County. Municipalities are to have a plan to spend these funds by September 1, 2020, or any funds received are to be returned to the County. Counties and municipalities are liable to the state for funds not spent in accordance with US Dept. of Treasury, the granting agency, guidelines. According to the Office of State Budget and Management, the state’s pass-through agency, municipalities are considered subrecipients of the Counties. However, under state statute, municipalities are liable to the state, not the County, for any misused or misspent funds. CRF must be spent during the period March 1, 2020 to December 31, 2020.

6. Indirect Cost Rates

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