

WAKE COUNTY, NORTH CAROLINA

**REPORT OF INDEPENDENT CERTIFIED
PUBLIC ACCOUNTANTS IN ACCORDANCE
WITH THE UNIFORM GUIDANCE AND
*GOVERNMENT AUDITING STANDARDS***

FOR THE YEAR ENDED JUNE 30, 2022

WAKE COUNTY, NORTH CAROLINA
SINGLE AUDIT REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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INDEPENDENT AUDITOR'S 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

Members of the Board of Commissioners Wake County, North Carolina

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of **Wake County, North Carolina** (the "County") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated November 22, 2022. Our report includes a reference to other auditors who audited the financial statements of the Wake County Board of Alcoholic Control (the "ABC Board"), as described in our report on the County's financial statements. The financial statements of the ABC Board were not audited in accordance with *Government Auditing Standards*.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion 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 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Mauldin & Jenkins, LLC". The script is cursive and fluid, with the company name written in a professional, yet personal, style.

Raleigh, North Carolina
November 22, 2022



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH APPLICABLE SECTIONS OF THE OMB UNIFORM GUIDANCE AND THE STATE SINGLE AUDIT IMPLEMENTATION ACT

**To Members of the Board of Commissioners
Wake County, North Carolina**

Report on Compliance for the Each Major Federal Program

Opinion on Each Major Federal Program

We have audited **Wake 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 types of compliance requirements referred to above that could have a direct and material effect on each major federal program 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; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) 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 and the Uniform Guidance 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 that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion on compliance for the 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 Responsibility 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 GAAS, *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 the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, 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 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.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2022-003. 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 certain deficiencies in internal control over compliance that we consider to be significant deficiencies and 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. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2022-001 and 2002-002 to be significant deficiencies and item 2022-003 to be a material weakness.

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 the 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.

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.

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

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated November 22, 2022, which contained unmodified opinions on those financial statements, and which refers to the work of other auditors. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by the Uniform Guidance and the State Single Audit Implementation Act and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal and state awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Mauldin & Jenkins, LLC

Raleigh, North Carolina

March 27, 2023, except for our report on the schedule of expenditures of federal awards, for which the date is November 22, 2022



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH APPLICABLE SECTIONS OF THE OMB UNIFORM GUIDANCE AND THE STATE SINGLE AUDIT IMPLEMENTATION ACT

**To Members of the Board of Commissioners
Wake County, North Carolina**

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited **Wake 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 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 types of compliance requirements referred to above that could have a direct and material effect on the major state program for the year ended June 30, 2022.

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) 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 and the Uniform Guidance 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 that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion on compliance for the 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 Responsibility 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 GAAS, *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 the major state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, 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 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

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-001 and 2022-002 to be significant deficiencies.

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

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

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.

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

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated November 22, 2022, which contained unmodified opinions on those financial statements, and which refers to the work of other auditors. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by the Uniform Guidance and the State Single Audit Implementation Act and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal and state awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Mauldin & Jenkins, LLC

Raleigh, North Carolina

March 27, 2023, except for our report on the schedule of expenditures of federal awards, for which the date is November 22, 2022

WAKE COUNTY, NORTH CAROLINA

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2022**

Grantor/Pass-through Grantor/Program Titles	Federal Assistance Listing Number	State Pass-through	Expenditures	State	Total	Provided to Subrecipients
		Identifying #	Federal (Direct and Pass-through from)			
Federal Awards:						
U.S. Department of Agriculture:						
Passed-through from N.C. Department of Health and Human Services, Division of Social Services:						
Supplemental Nutrition Assistance Program (SNAP) Cluster:						
State Administrative Matching Grants for SNAP	10.561		6,753,762	-	6,753,762	-
State Administrative Matching Grants for SNAP	10.561-COVID		491,245	-	491,245	-
Total SNAP Cluster			7,245,007	-	7,245,007	-
Passed-through from N.C. Department of Health and Human Services, Division of Public Health:						
Special Supplemental Nutritional Food Program for Women, Infants, and Children	10.557	403, 415, 416	3,551,340	-	3,551,340	-
Passed-through from Natural Resources Conservation Service:						
Watershed Rehabilitation Program	10.916	NC01449, NC01450	57,000		57,000	
Total U.S. Department of Agriculture			10,853,347	-	10,853,347	-
U.S. Department of Housing and Urban Development:						
CDBG -Entitlement Grants Cluster:						
Community Developmental Block Grants/Entitlement Grants	14.218		2,907,837	-	2,907,837	-
Total CDBG -Entitlement Grants Cluster			2,907,837	-	2,907,837	-
Emergency Solutions Grants Program	14.231		173,151	-	173,151	-
Emergency Solutions Grants Program - COVID	14.231-COVID		659,027	-	659,027	-
Home Investment Partnership Program	14.239		890,530	-	890,530	-
Housing Opportunities for Persons with AIDS - HOPWA	14.241		657,224	-	657,224	-
Housing Opportunities for Persons with AIDS - HOPWA - COVID	14.241-COVID		77,569	-	77,569	-
Continuum of Care Program	14.267		2,077,478	-	2,077,478	-
Passed-through from the City of Raleigh:						
Emergency Solutions Grants Program	14.231		100,000	-	100,000	-
Passed-through from Court Appointed Special Advocate (CASA):						
Continuum of Care Program	14.267		154,286	-	154,286	-
Total U.S. Department of Housing and Urban Development			7,697,102	-	7,697,102	-
U.S. Department of Justice:						
Coronavirus Emergency Supplemental Funding Program	16.034-COVID		46,497	-	46,497	-
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742		237,279	-	237,279	-
Equitable Sharing Program	16.922		84,323	-	84,323	-
Body Worn Camera Policy and Implementation	16.835		196,400	-	196,400	-
Passed-through from City of Raleigh:						
Edward Byrne Memorial Justice Assistance Grant Program	16.738		49,914	-	49,914	-
Total U.S. Department of Justice			614,413	-	614,413	-

WAKE COUNTY, NORTH CAROLINA

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2022**

Grantor/Pass-through Grantor/Program Titles	Federal Assistance Listing Number	State Pass-through	Expenditures	State	Total	Provided to Subrecipients
		Identifying #	Federal (Direct and Pass-through from)			
Federal Awards (Continued):						
U.S. Department of Labor:						
Passed-through from N.C. Department of Economic and Community Development, Job Training Partnership Act:						
WIOA Cluster:						
WIOA - Adult Program	17.258	4010, 4020, 4050	2,398,999	-	2,398,999	1,498,565
WIOA - Youth Activities	17.259	4040, 4050	1,984,271	-	1,984,271	1,313,110
WIOA - Dislocated Workers Formula Grants	17.278	4030, 4031, 4050	1,387,542	-	1,387,542	1,387,543
Total WIOA Cluster			5,770,812	-	5,770,812	4,199,218
Reentry Employment Opportunities	17.270		572,272	-	572,272	470,360
Youth Build	17.274		19,846	-	19,846	-
WIOA National Dislocated Worker Grants/WIA National Emergency Grants	17.277		434,398	-	434,398	272,760
WIOA National Dislocated Worker Grants/WIA National Emergency Grants - COVID	17.277-COVID		268,350	-	268,350	229,187
Total U.S. Department of Labor			7,065,678	-	7,065,678	5,171,525
Federal Highway Administration:						
Passed-through from N.C. Department of Transportation:						
Formula Grants for Rural Areas (Community Transportation Program)	20.509	36233.106.17.1	112,256	438,490	550,746	-
NC DOT CARES Reimbursement - COVID	20.509-COVID	49233.64.1.2	180,942	-	180,942	-
State and Community Highway Safety (Governor's Highway Safety Program) Cluster	20.600	22022.6.30	186,218	-	186,218	-
Highway Planning & Construction Cluster:						
Highway Planning and Construction	20.205	37673.1.3 / 48778.4.2	1,971,800	489,695	2,461,495	-
Total Highway Planning & Construction Cluster			1,971,800	489,695	2,461,495	-
Passed-through from the City of Raleigh, NC:						
Federal Transit Cluster:						
Federal Transit Formula Grant (FTA 5307)	20.507		2,674,834	-	2,674,834	-
Federal Transit Formula Grant (FTA 5307) - COVID	20.507-COVID		32,553	-	32,553	-
Total Federal Transit Cluster			2,707,387	-	2,707,387	-
Transit Services Program Cluster:						
Enhanced Mobility of Seniors & Individuals w Disabilities (FTA 5310)	20.513		23,251	-	23,251	-
Total Transit Services Program Cluster			23,251	-	23,251	-
Public Transportation Innovation	20.530		90,274	-	90,274	-
Total Federal Highway Administration			5,272,128	928,185	6,200,313	-
U.S. Department of the Treasury:						
Coronavirus Relief Fund	21.019		6,280,611		6,280,611	30,437
Emergency Rental Assistance Program (ERA)	21.023		38,679,147		38,679,147	38,679,072
Coronavirus State and Local Fiscal Recovery Funds (ARPA)	21.027		49,194,131		49,194,131	5,292,613
Passed-through from N.C. Biotechnology Center:						
2020 Biotechnology Grant - COVID	21.019		2,200		2,200	1,200
Total U.S. Department of Treasury			94,156,089	-	94,156,089	44,003,322

WAKE COUNTY, NORTH CAROLINA

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2022**

Grantor/Pass-through Grantor/Program Titles	Federal Assistance Listing Number	State Pass-through	Expenditures	State	Total	Provided to Subrecipients
		Identifying #	Federal (Direct and Pass-through from)			
Federal Awards (Continued):						
Institute of Museum and Library Services (IMLS)						
Library Services and Technology Act Grant	45.310-COVID		9,214	-	9,214	-
National Leadership Grants	45.312-COVID		9,891	-	9,891	-
Total Institute of Museum and Library Services (ILMS)			19,105	-	19,105	-
U.S. Department of Education:						
Passed-through from N.C. Department of Public Instruction						
School Safety National Activities	84.184		37,838	-	37,838	-
Total U.S. Department of Education			37,838	-	37,838	-
U.S. Department of the Health and Human Services:						
Administration for Children and Families:						
Passed-through from the N.C. Department of Health and Human Services,						
Division of Social Services:						
Promoting Safe and Stable Families Program	93.556		296,562	-	296,562	-
Temporary Assistance for Needy Families (TANF)	93.558		5,691,051	-	5,691,051	-
Child Support Enforcement	93.563		5,741,972	-	5,741,972	-
Low-Income Home Energy Assistance	93.568		5,910,732	-	5,910,732	-
Low-Income Home Energy Assistance	93.568-COVID		4,086,869	-	4,086,869	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645		104,901	-	104,901	-
Social Services Block Grant	93.667		1,757,100	49,865	1,806,965	-
Chafee Foster Care Program For Successful Transition to Adulthood	93.674		165,725	28,162	193,887	-
Chafee Foster Care Program For Successful Transition to Adulthood - COVID	93.674-COVID		43,456	784,881	828,337	-
Refugee and Entrant Assistance State/Replacement Designee Administered Programs	93.566		1,329	-	1,329	-
Foster Care and Adoption Cluster:						
Foster Care - Title IV-E	93.658		5,508,092	2,797,398	8,305,490	-
Adoption Assistance	93.659		616,412	164,802	781,214	-
Total Foster Care and Adoption Cluster			6,124,504	2,962,200	9,086,704	-
Passed-through from the N.C. Department of Health and Human Services,						
Division of Child Development and Early Education:						
Subsidized Child Care Cluster						
Child Care Development Fund Cluster:						
Child Care Mandatory and Matching Funds of the Child Care and Development Fund - Administration	93.596		1,760,622	-	1,760,622	-
Total Child Care Development Fund Cluster			1,760,622	-	1,760,622	-
Smart Start	NA		-	317,986	317,986	-
Total Subsidized Child Care Cluster			1,760,622	317,986	2,078,608	-

WAKE COUNTY, NORTH CAROLINA

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2022**

Grantor/Pass-through Grantor/Program Titles	Federal Assistance Listing Number	State Pass-through Identifying #	Expenditures Federal (Direct and Pass-through from)	State	Total	Provided to Subrecipients
Federal Awards (Continued):						
Centers for Medicare and Medicaid Services:						
Passed-through from the N.C. Department of Health and Human Services,						
Division of Medical Assistance:						
Medicaid Cluster:						
Medical Assistance Program (Medicaid)	93.778		19,503,656	74,866	19,578,522	-
Total Medicaid Cluster			19,503,656	74,866	19,578,522	-
Children's Health Insurance Program - N.C. Health Choice	93.767		217,219	19,189	236,408	-
Centers for Disease Control and Prevention:						
Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	93.391-COVID	NH75OT000020	692,165	-	692,165	-
Passed-through from the N.C. Department of Health and Human Services,						
Division of Public Health:						
Public Health Emergency Preparedness	93.069	514	88,000	-	88,000	-
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	551	56,402	133,525	189,927	-
Injury Prevention and Control Research and State and Community Based Programs	93.136	491	92,458	-	92,458	-
Immunization Cooperative Agreements	93.268	510, 715	217,039	52,158	269,197	-
COVID-19 Vaccination program - COVID	93.268-COVID	716	1,670,457	-	1,670,457	-
National and State Tobacco Control Program	93.387	451	64,015	18,952	82,967	-
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) - COVID	93.323-COVID	539, 543	83,851	-	83,851	-
Well Integrated Screening and Evaluation for Women Across the Nation	93.436	465	27,855	-	27,855	-
Temporary Assistance for Needy Families (TANF)	93.558	151	85,638	-	85,638	-
Refugee and Entrant Assistance State/Replacement Designee Administered Programs	93.566	583	92,599	-	92,599	-
Cancer Prevention and Control Programs	93.898	452	67,300	36,770	104,070	-
HIV Prevention Activities - Health Department Based	93.940	536, 587, 825	321,752	6,016	327,768	-
Sexually Transmitted Diseases Prevention and Control Grants	93.977	534, 610	100	245,836	245,936	-
Preventive Health and Health Services Block Grant	93.991	886	25,009	4,999	30,008	-
Health Resources and Services Administration:						
HIV Care Formula Grants	93.917	574, 611, 822	2,611,733	-	2,611,733	-
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918		545,487	-	545,487	-
Maternal and Child Health Services Block Grants to the States	93.994	834	980,084	190,187	1,170,271	-
Food and Drug Administration:						
Food and Drug Administration Research	93.103		32,842	-	32,842	-
Office of the Secretary						
Community Program to Improve Minority Health (Lit4Wake)	93.137-COVID	CPIMP211289	347,074	-	347,074	-
Office of Assistant Secretary for Health						
Family Planning Services	93.217	151	244,411	117,060	361,471	-
Substance Abuse and Mental Health Services Administration						
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243		357,617	-	357,617	-
Total U.S. Department of Health and Human Services			60,109,586	5,042,652	65,152,238	-

WAKE COUNTY, NORTH CAROLINA

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2022**

Grantor/Pass-through Grantor/Program Titles	Federal Assistance Listing Number	State Pass-through	Expenditures	State	Total	Provided to Subrecipients
		Identifying #	Federal (Direct and Pass-through from)			
Federal Awards (Continued):						
Corporation for National and Community Service (CNCS) - "AmeriCorps":						
AmeriCorps Volunteers In Service to America (VISTA)	94.013		9,852	-	9,852	-
Total Corporation for National and Community Service (CNCS)			9,852	-	9,852	-
U.S. Department of Homeland Security:						
Federal Emergency Management Agency						
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036-COVID		61,632,865	-	61,632,865	-
Staffing for Adequate Fire and Emergency Response	97.083		122,210	-	122,210	-
Passed-through from N.C. Department of Public Safety						
Emergency Management Performance Grant	97.042		84,128	-	84,128	-
Emergency Management Performance Grant - COVID	97.042-COVID		12,627	-	12,627	-
Total U.S. Department of Homeland Security			61,851,830	-	61,851,830	-
Total Federal Awards			247,686,968	5,970,837	253,657,805	49,174,847
State Awards:						
N.C. Department of Natural and Cultural Resources:						
Division of State Library:						
State Aid to Libraries				608,701	608,701	-
Total N.C. Department of Natural and Cultural Resources			-	608,701	608,701	-
N.C. Department of Health and Human Services:						
Division of Public Health:						
Community Health Medical Access				135,169	135,169	
General Aid to Counties		110		181,431	181,431	
HIV Non-Traditional Test Site		536, 894		87,389	87,389	
School Nurse Funding Initiative		803		57,977	57,977	
Improving Community Outcomes for Maternal and Child Health		164		272,445	272,445	
Total Division of Public Health			-	734,411	734,411	-
Division of Social Services:						
Energy Assistance Private Grants			-	87,241	87,241	-
Division of Child Development:						
North Carolina Smart Start			-	562,435	562,435	-
Total N.C. Department of Health and Human Services			-	1,384,087	1,384,087	-
N.C. Department of Transportation:						
Division of Public Transportation:						
Rural Operating Assistance Program (ROAP) - Cluster						
Elderly and Disabled Transportation Assistance Program (EDTAP)			-	290,451	290,451	-
Employment Transportation Assistance Program			-	216,993	216,993	-
Rural General Public Program (RGP)			-	104,227	104,227	-
Total Rural Operating Assistance Program (ROAP) Cluster			-	611,671	611,671	-
Total N.C. Department of Transportation			-	611,671	611,671	-

WAKE COUNTY, NORTH CAROLINA

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2022**

Grantor/Pass-through Grantor/Program Titles	Federal Assistance Listing Number	State Pass-through Identifying #	Expenditures Federal (Direct and Pass-through from)	State	Total	Provided to Subrecipients
State Awards (Continued):						
N.C. Department of Environmental Quality:						
Environment Health Food & Lodging			-	203,934	203,934	-
NC Electronic Recycling			-	106,961	106,961	-
Scrap Tire Disposal Program			-	1,960,930	1,960,930	-
White Goods Management Program			-	298,669	298,669	-
Total N.C. Department of Environmental Quality			-	2,570,494	2,570,494	-
N.C. Department of Agriculture and Consumer Services:						
State Farm Grant			-	24,488	24,488	-
Total N.C. Department of Agriculture and Consumer Services			-	24,488	24,488	-
N.C. Department of Public Instruction:						
Public School Building Capital Fund - Lottery Proceeds			-	10,240,742	10,240,742	-
Total N.C. Department of Public Instruction			-	10,240,742	10,240,742	-
N.C. Department of Public Safety:						
Capital Area Workforce Development Local Reentry Council Services		19-RFP-014850-JJX	-	172,577	172,577	-
Tier II Noncompetitive (LEPC Support and BEST Conference)		T2-2022-2270048	-	1,000	1,000	-
Juvenile Crime Prevention Programs			-	2,160,273	2,160,273	1,495,864
Total N.C. Department of Public Safety			-	2,333,850	2,333,850	1,495,864
N.C. Department of Military and Veteran Affairs:						
Division of Veterans Affairs:						
Veterans Service Program			-	2,000	2,000	-
Total N.C. Department of Military and Veteran Affairs			-	2,000	2,000	-
Total State Awards			-	17,776,033	17,776,033	1,495,864
Total Federal and State Awards			247,686,968	23,746,870	271,433,838	50,670,711

WAKE COUNTY, NORTH CAROLINA

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

NOTE 1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal and state grant activity of the County under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Single Audit Implementation Act. Therefore, some of the amounts presented in the Schedule may differ from amounts presented in, or used in, the preparation of the financial statements. Also, because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position or cash flows of the County.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and the State Single Audit Implementation Act, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available. The County has elected not to use the 10% de Minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 3. CLUSTER OF PROGRAMS

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

Subsidized Child Care and Foster Care Adoption

WAKE COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2022

SECTION I SUMMARY OF AUDIT 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(es) identified? ☐ Yes ☒ No

Significant deficiency(ies) identified? ☐ Yes ☒ None reported

Noncompliance material to financial statements noted? ☐ Yes ☒ No

Federal Awards

Internal control over major state programs:

Material weakness(es) identified? ☒ Yes ☐ No

Significant deficiency(ies) identified? ☒ Yes ☐ None reported

Type of auditor's report issued on compliance for major federal programs?

Unmodified

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

☒ Yes ☐ No

Identification of major program:

Assistance Listing Number

93.778

17.258, 17.259, 17.278

21.023

21.027

93.558

93.563

93.674

97.036

Name of Federal Program or Cluster

Medicaid Cluster

Workforce Innovation and Opportunity Act Cluster

Emergency Rental Assistance

Coronavirus State and Local Fiscal Recovery Funds

Temporary Assistance for Needy Families

Child Support Enforcement

Chafee Foster Care Program

Disaster Grants-Public Assistance Program

Dollar threshold used to distinguish between type A and type B programs:

\$3,000,000

Auditee qualified as low-risk auditee?

Yes

WAKE COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2022

SECTION I SUMMARY OF AUDIT RESULTS (CONTINUED)

State Awards

Internal control over major state programs:

Material weakness(es) identified? ☐ Yes ☒ No

Significant deficiency(ies) identified? ☒ Yes ☐ None reported

Type of auditor's report issued on compliance for
major state programs?

Unmodified

Any audit findings disclosed that are required to be reported in
accordance with the State Single Audit Implementation Act?

☐ Yes ☒ No

Identification of major State program:

Program Name

Public School Building Capital Fund

Scrap Tire Disposal Program

Smart Start

Aid to Public Libraries Fund

Other major state programs include Medical Assistance Program (Medicaid) and Chafee Foster Care Program which have a state match on the federal program. Therefore, these programs have been included in the major programs above.

SECTION II FINANCIAL STATEMENT FINDINGS AND RESPONSES

None reported.

WAKE COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2022

SECTION III

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

2022-001 Significant Deficiency over Eligibility (Repeat Finding)

Information on the Federal Program: Medicaid Cluster (Medicaid), Assistance Listing Number 93.778, U.S. Department of Health and Human Services, passed through the N.C Department of Health and Human Services (NCDHHS), Division of Medical Assistance.

Criteria: Per the North Carolina Medicaid Assistance Program (Medicaid; Title XIX) Compliance Supplement and the DSS manuals (Aged, Blind and Disabled manual, Family and Children Medicaid manual and the Integrated Policy manual), case files for individuals or families receiving assistance are required to retain documentation to serve as evidence for the appropriate eligibility determination, including:

- accurate computation of countable income and resources
- verification of unearned income
- verification of earned income

Condition: We noted one instance where the amount of income verified through the NC FAST Online Verification System did not agree to the amount reported in the case file. We noted three instances where a vehicle was not added to the NCFAST dashboard to count towards the applicant's resources. We noted one instance where the applicant's social security number and citizenship was not validated at the time of application.

Context/Cause: The County did not retain required documentation in case files at the time eligibility was determined. We noted the above conditions in 5 out of the 60 case files inspected for applicable payments.

Effects: Case files not containing all required documentation results in a risk that the County could provide services to individuals not eligible to receive such services or that such services could be denied to eligible individuals. For all 5 cases, subsequent to being notified that required documentation had not been retained in the case file, the County was able to obtain documentation to substantiate that the applicants tested were eligible to receive benefits.

Recommendation: We recommend that the County train and monitor employees on the eligibility determination process. We also recommend the County review and amend current policies and procedures in place to ensure that all eligibility determination documentation is completed and retained by the County.

Auditee's Response: We concur with the findings.

WAKE COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2022

SECTION III FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)

2022-002 Significant Deficiency over Activities Allowed and Unallowed and Allowable Costs/Cost Principles

Information on the Federal Program: Temporary Assistance for Needy Families Cluster (TANF), Assistance Listing Number 93.558, U.S. Department of Health and Human Services, passed through the N.C Department of Health and Human Services (NCDHHS), Division of Social Services

John H. Chafee Foster Care Program for Successful Transition to Adulthood (Chafee Foster Care), Assistance Listing Number 93.674, U.S. Department of Health and Human Services, passed through the N.C Department of Health and Human Services (NCDHHS), Division of Social Service.

Criteria: Per the NCDHHS policy manual, salaries, wages, and fringe benefits of Department of Social Service employees hired under the state merit system are allowable. Salaries shall be allocated to programs by time distribution methods and supported by payroll and attendance records for individuals.

Condition: Employee's time is tracked through the use of day sheets in which employees track their time by service code in 5-minute increments. Day sheets are used to complete weekly timesheets which are approved by supervisors. We noted three out of six day sheets selected for Chaffee Foster Care and three out of forty day sheets selected for TANF had more program minutes than what was reported on the employee's approved time sheet.

Context/Cause: As the day sheets included more program time than was included on the employee's approved timesheet, the time spent on this program was understated during the 1571 monthly reimbursement request to the State. We noted the above condition in three out of six day sheets selected for Chafee Foster Care and three out of forty day sheets selected for TANF.

Effects: Inaccurate reporting of time coded to programs affects the total federal and state reimbursement for the program.

Recommendation: We recommend that the County implements a review control over weekly timesheets to ensure the timesheets include all program time coded on the day sheets.

Auditee's Response: We concur with the findings and are currently implementing controls to ensure the timesheets are appropriately reviewed.

WAKE COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2022

SECTION III

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)

2022-003 Material Weakness – Eligibility Second Party Reviews

Information on the Federal Program: Temporary Assistance for Needy Families, Assistance Listing Number 93.558, U.S. Department of Health and Human Services, passed through the N.C Department of Health and Human Services (NCDHHS), Division of Social Service.

Criteria: Per the DSS Administrative Letter for Economic and Family Service 07-2018, Work First Program Second Party Review Checklists must be completed at application and recertification for no less than 25% of the monthly ongoing Work First cases. The protocol must outline the persons responsible for completing the reviews and the process for follow-up as required. If second party reviews identify a trend in deficiencies; the County process for providing necessary training must also be outlined.

Condition: The County was not abiding by the State policy and procedures outlined above. Reviews were not taking place at the frequency level based on number of cases. The County only reviewed 12% of the required cases during the 2022 fiscal year.

Context: The County completed second party reviews for 193 out of 1592 cases during fiscal year 2022. The County was not meeting the proper policy procedures of examining no less than 25% of cases.

Effect: Lack of appropriate level of reviews occurring during the year, there is a risk that the County could provide benefits to individuals that are not eligible to receive those benefits.

Cause: The County was unable to complete the required reports due to vacancies in the supervisor and quality assurance team which are responsible for completing the reviews.

Recommendation: It is recommended that the County abide by the State policies in terms of the frequency and amount of case reviews each month. We also recommend that policies and procedures are documented surrounding second party reviews and be reinforced to ensure that reviews are being completed and followed up as necessary.

Views of Responsible Officials: We concur with the findings.

SECTION IV

STATE AWARD FINDINGS AND QUESTIONED COSTS

Findings 2022-001 and 2022-002 as listed in Section III Federal Award Findings and Questioned Costs are also considered to be a state award findings.

WAKE COUNTY, NORTH CAROLINA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE YEAR ENDED JUNE 30, 2022

2021-001 **Significant Deficiency over Special Test and Provisions and Non-Material Noncompliance**

Criteria: Per the North Carolina DSS Crosscutting compliance supplement: "Counties must maintain adequate case documentation to substantiate the claim entry into the NC Fast Enterprise Program Integrity ("EPI"). This information includes but is not limited to the dates of the overpayment period, documentary evidence to substantiate that an overpayment occurred, such as wage stubs or verification from an employer, other income verification and household composition verification, and the budgets used to compute the amount of the overpayment."

Conditions: We noted five instances in Supplemental Nutrition Assistance Program (SNAP) Cluster and one instance in Medicaid Cluster where adequate case documentation to substantiate the claims entry into the EPI was not maintained.

Current Status: Corrected

2021-002 **Significant Deficiency over Eligibility**

Criteria: Per the North Carolina Medicaid Assistance Program (Medicaid Assistance Program (Medicaid; Title XIX) Compliance Supplement and the DSS manuals (Aged, Blind and Disabled manual, Family and Children Medicaid manual and the Integrated Policy manual), case files for individuals or families receiving assistance are required to retain documentation to evidence appropriate eligibility determination, including: accurate computation of countable income, verification of unearned income and verification of earned income.

Conditions: We noted in five instances, the total countable income was not recorded accurately into NC FAST based upon documentation in the case record.

Current Status: Repeat finding, 2022-001.

2021-003 **Significant Deficiency over Eligibility**

Criteria: Per Form 5120 - Determination of Foster Care Assistance Benefits and/or Medical Assistance Only, supervisor should sign and verify eligibility only after Income Maintenance Caseworker has verified AFDC need in Part V.

Conditions: We noted in 17 instances, the Income Maintenance Caseworker signed to verify AFDC later than the Supervisor signed off to review.

Current Status: Corrected



Finance Department

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March 27, 2023

Wake County, North Carolina respectfully submits the following single audit correction action plan for the year ended June 30, 2022.

Name and address of independent public accounting firm:

Mauldin & Jenkins
4208 Six Forks Road, Ste. 1000
Raleigh, NC 27609

Single Audit Period: June 30, 2022

The findings from the June 30, 2022 Single Audit schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Finding 2022-001, Significant Deficiency over Eligibility (Repeat Finding); Medicaid Cluster (Medicaid), Assistance Listing Number 93.778, U.S. Department of Health and Human Services, passed through the N.C Department of Health and Human Services (NCDHHS), Division of Medical Assistance.

Recommendation:

The County train and monitor employees on the eligibility determination process; also recommend the County review and amend current policies and procedures in place to ensure that all eligibility determination documentation is completed and retained by the County.

Corrective Action Plan:

The County will complete a quarterly review of errors in income, resources, and social security number and citizenship verification. For those staff identified by the targeted review with errors in these areas, supervisors will provide refresher training on Medicaid policy requirements. Additional targeted reviews will be completed monthly until the deficiencies are corrected.

Proposed Completion Date:

1/31/2023 for initial quarterly review
2/28/2023 for refresher training for identified staff
7/31/2023 for additional reviews as needed for identified staff

Contact Person:

Yolanda McInnis, Economic Services Division Director

Finding 2022-002, Significant Deficiency over Activities Allowed and Unallowed and Allowable Costs/Cost Principles; Temporary Assistance for Needy Families Cluster (TANF), Assistance Listing Number 93.558, U.S. Department of Health and Human Services, passed through the N.C Department of Health and Human Services (NCDHHS), Division of Social Services.

John H. Chafee Foster Care Program for Successful Transition to Adulthood (Chafee Foster Care), Assistance Listing Number 93.674, U.S. Department of Health and Human Services, passed through the N.C Department of Health and Human Services (NCDHHS), Division of Social Service.

Recommendation: The County implements a review control over weekly timesheets to ensure the timesheets include all program time coded on the day sheets.

Corrective Action Plan: Every effort is made to ensure that Daysheet entries match with time claimed, the different deadline submissions for each, sometimes mean that one must be approved before the other is entered in its entirety. In these instances, we may not have been able to compare the timesheet with the full scope of Daysheet entries prior to the timesheet submission being due. Employees track time by service code in 5-minute increments.

The department section will review Daysheet entry timeline expectations with social workers and ensure entries are reviewed against timesheet entries before submitting for final approval; follow up with social workers regarding any discrepancies noted and closely monitor all future transactions.

Proposed Completion Date: The Corrective Action will be immediately implemented in response to the auditors' recommendations.

Contact Person: Patricia Pritchett, Department Budget Manager

Finding 2022-003, Material Weakness – Eligibility Second Party Reviews; Temporary Assistance for Needy Families, Assistance Listing Number 93.558, U.S. Department of Health and Human Services, passed through the N.C Department of Health and Human Services (NCDHHS), Division of Social Service.

Recommendation: The County abide by the State policies in terms of the frequency and amount of case reviews each month; also recommend that policies and procedures are documented surrounding second party reviews and be reinforced to ensure that reviews are being completed and followed up as necessary.

Corrective Action Plan: By the 10th workday of every month, the WFFA QA Reviewers will begin to randomly assign cases to WFFA Supervisors and QA team as a checklist in Donesafe for the 25% SPR review. When QA make their assignments on the main form the QA quarter on the checklist should coincide with the month the case was assigned. For example, case was assigned on December 7th for a November action. Case was audited on Jan 3 (Jan 17th deadline) Therefore, this case should be marked as

4th Quarter. QA will attempt to assign the same case for SPR and regular audits whenever possible.

The QA Supervisor will send out an email at the start of a quarter to the Program Manager and Auditors to address pending checklists that need to be completed before their deadline.

Proposed Completion Date: The Corrective Action will be immediately implemented in response to the auditors' recommendations.

Contact Person: Janny Mealor, Assistant Division Director

Sincerely yours,

DocuSigned by:

07578E64E6F6436...
W. Patrick Flanary
Director of Finance