

Compliance Letters



ROCKY MOUNT, NC
THE CENTER OF IT ALL

Fiscal Year Ended June 30, 2020

CITY OF ROCKY MOUNT, NORTH CAROLINA

COMPLIANCE LETTERS FOR THE YEAR ENDED JUNE 30, 2020

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MARTIN STARNES & ASSOCIATES, CPAs, P.A.

"A Professional Association of Certified Public Accountants and Management Consultants"

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 Honorable Mayor and
Members of the City Council
City of Rocky Mount, 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, each major fund, and the aggregate remaining fund information of the City of Rocky Mount, 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 the City's basic financial statements, and have issued our report thereon dated October 20, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Rocky Mount's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Rocky Mount's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Rocky Mount's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Rocky Mount'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 result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control 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.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
October 20, 2020

MARTIN STARNES

& ASSOCIATES, CPAs, P.A.

"A Professional Association of Certified Public Accountants and Management Consultants"

Report on Compliance for Each Major Federal Program and 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 Honorable Mayor and
Members of the City Council
City of Rocky Mount, North Carolina

Report on Compliance for Each Major Federal Program

We have audited the City of Rocky Mount's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the City of Rocky Mount's major federal programs for the year ended June 30, 2020. The City of Rocky Mount'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 the federal statutes, regulations, and grants 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 the City of Rocky Mount'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; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the State Single Audit Implementation Act. Those standards, the Uniform Guidance, and the State Single Audit Implementation Act, require that we plan and perform the audit to obtain reasonable assurance about whether 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 the City of Rocky Mount'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 the City of Rocky Mount's compliance.

Opinion on Each Major Federal Program

In our opinion, the City of Rocky Mount 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 the City of Rocky Mount is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Rocky Mount's internal control over compliance with the requirements that could have a direct and material effect on each major federal program in order to determine the 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 the City of Rocky Mount'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 federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is reasonable possibility that material non-compliance 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 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

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, each major fund, and the aggregate remaining fund information of the City of Rocky Mount as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City of Rocky Mount's basic financial statements. We issued our report thereon dated October 20, 2020, 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 City of Rocky Mount'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 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 financial statements taken as a whole.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
October 20, 2020

MARTIN STARNES

& ASSOCIATES, CPAs, P.A.

"A Professional Association of Certified Public Accountants and Management Consultants"

Report on Compliance for Each Major State Program and 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 Honorable Mayor and
Members of the City Council
City of Rocky Mount, North Carolina

Report on Compliance for Each Major State Program

We have audited the City of Rocky Mount'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 the City of Rocky Mount's major state programs for the year ended June 30, 2020. The City of Rocky Mount'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 the state statutes, regulations, and grants 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 the City of Rocky Mount'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 the City of Rocky Mount'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 the City of Rocky Mount's compliance.

Opinion on Each Major State Program

In our opinion, the City of Rocky Mount 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.

Other Matters

The previously issued auditor's report dated October 20, 2020 is not to be relied upon due to an update to the Schedule of Findings, Responses and Questioned Costs. Audit procedures applied subsequent to the original audit report date were limited solely to the update of the Schedule of Findings, Responses and Questioned Costs. Our opinion on the Powell Bill major state program has been modified as a result of this restatement.

The City of Rocky Mount's qualified opinion on the Powell Bill program was updated to an unmodified opinion as of November 24, 2020 due to subsequent discovery of matters after the audit report dated October 20, 2020. Based on subsequent communication from the North Carolina Department of Transportation dated November 20, 2020, the City of Rocky Mount will receive the entire 2020 appropriation as allowed by statute.

Report on Internal Control Over Compliance

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

deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

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, each major fund, and the aggregate remaining fund information of the City of Rocky Mount as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City of Rocky Mount's basic financial statements. We issued our report thereon dated October 20, 2020, 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 City of Rocky Mount's basic financial statements. We have not performed any procedures with respect to the audited financial statements subsequent to October 20, 2020. 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 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 financial statements taken as a whole.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
November 24, 2020 (except as related to the
Report on the Schedule of Expenditures of
Federal and State Awards, as to which the
date is October 20, 2020)

CITY OF ROCKY MOUNT, 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(es) identified? No
- Significant deficiency(s) 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? 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)? No

Identification of major federal programs:

<u>Program Name or Cluster</u>	<u>CFDA #</u>
Federal Transit Cluster	20.507, 20.526
Home Investments Partnerships Program	14.239

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

Auditee qualified as low-risk auditee? Yes

CITY OF ROCKY MOUNT, NORTH CAROLINA

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

1. Summary of Auditor's Results (continued):

State Awards

Internal control over major state programs:

- Material weakness(es) identified? No
- Significant deficiency(s) identified? 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? No

Identification of major state programs:

Program Name

Powell Bill

2. Findings Related to the Audit of the Basic Financial Statements

None.

3. Findings and Questioned Costs Related to the Audit of Federal Awards

None.

4. Findings and Questioned Costs Related to the Audit of State Awards

None.

CITY OF ROCKY MOUNT, NORTH CAROLINA
SUMMARY SCHEDULE OF PRIOR YEAR'S AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2020

None reported.

CITY OF ROCKY MOUNT, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

Grantor / Pass - Through Grantor / Program Title	Federal CFDA Number	Pass-Through Grantor Number	Grant Award (w/o match)	Federal Expenditures 6/30/20	State Expenditures 6/30/20	Local Match/ program income expenses 6/30/20	Pass-Through to subrecipients 6/30/20
FEDERAL FINANCIAL ASSISTANCE PROGRAMS:							
U.S. Department of Transportation							
Direct Program -							
Federal Transit Administration:							
Federal Transit Cluster:							
Federal Transit - Formula Grants							
Operating, Section 9 (50 fed /50 local) 2019 NC-2018-061-01	20.507		\$ 550,000	\$ 465,790	\$ -	\$ 461,158	\$ -
Capital, Section 5307-2A (80fed/10local/10smap) NC-2018-061-01-00	20.507		530,000	505,437	-	63,179	-
Capital, Section 5307-2A (80 fed/20 local) 2018 NC-064-00	20.507		116,000	96,756	-	190,284	-
Passed through North Carolina Department of Transportation:							
Bus and Bus Facilities Formula Program							
FY20 5339 Bus and Bus Facilities Program (20-39-043U) (80/10/10)	20.526	44637.6.5.3	565,200	479,106	59,888	59,889	-
			1,761,200	1,547,089	59,888	774,510	-
Total Federal Transit Cluster							
Passed through North Carolina Department of Transportation:							
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research							
Planning, Section 5303 (80/10/10) #20-08-115	20.505	36230.25.19.6	35,100	31,193	3,897	3,902	-
Formula Grants for Rural Areas and Tribal Transit Program:							
Rural, Section 5311 Admin 2020 #20-CT-043 (80/5/15)	20.509	36233.23.18.1	239,869	225,761	14,108	2,114,618	-
Transit Services Programs Cluster							
New Freedom Program							
Rural, Section 5317 New Freedom Mobility Management (20-NF-043) (50/50)	20.521	51000.28.3.3	17,500	2,395	-	19,357	-
Rural, Section 5317 New Freedom Mobility Management (19-NF-043) (80/10/10)	20.521	51000.28.2.3	31,500	-	-	-	-
Total Transit Services Programs Cluster			49,000	2,395	-	19,357	-
Federal Highway Administration							
Highway Planning and Construction Cluster:							
Highway Planning and Construction							
	20.205	WBS 48269.1.17	288,904	231,932	-	57,983	-
Total Highway Planning and Construction Cluster			288,904	231,932	-	57,983	-
Total U.S. Department of Transportation			2,374,073	2,038,370	77,893	2,970,370	-
U.S. Department of Housing and Urban Development							
Direct Program -							
Community Development Block/Entitlement Grants Cluster:							
Community Development Entitlement Grant-2015	14.218		464,559	193,072	-	312	-
Community Development Entitlement Grant-2016	14.218		491,993	69,541	-	-	-
Community Development Entitlement Grant-2017	14.218		503,720	36,755	-	-	-
Community Development Entitlement Grant-2018	14.218		523,065	58,982	-	853	-
Community Development Entitlement Grant-2019	14.218		565,761	174,538	-	1,842	-
Community Development Entitlement Grant-2020	14.218		560,957	213,541	-	262	-
Total Community Development Block/Entitlement Grants Cluster			3,110,055	746,429	-	3,269	-
Home Investment Partnerships Program:							
Community Development Home Grant -2018	14.239		409,785	67,265	-	-	-
Community Development Home Grant -2019	14.239		597,456	140,859	-	551	-
Community Development Home Grant -2020	14.239		537,505	36,988	-	272	-
Total Community Development/HOME GRANTS			1,544,746	245,112	-	823	-
Passed through NC Housing Finance Agency							
Passed through NC Dept. of Commerce-Division of Community Assistance							
Neighborhood Stabilization Program 08-N-1894	14.256	08-N-1894	2,547,141	-	-	115	-
Total U.S. Department of Housing and Urban Development			7,201,942	991,541	-	4,207	-
U.S. Department of Treasury							
Treasury Equitable Sharing Program	21.016			4,963	-	-	-
Total U.S. Department of Treasury			-	4,963	-	-	-
U.S. Department of Justice							
Direct Program -							
Bulletproof Vest Partnership Program							
Bulletproof Vest Partnership Grant 2019	16.607		16,926	472	-	471	-
Bulletproof Vest Partnership Grant 2018	16.607		13,652	13,418	-	13,653	-
Bulletproof Vest Partnership Grant 2017	16.607		2,938	-	-	1,148	-
2019 Edward Byrne Memorial JAG (2019-DJ-BX-0250)	16.738		37,794	13,822	-	-	-
2018 Edward Byrne Memorial JAG (2018-DJ-BX-0250)	16.738		44,145	41,717	-	-	-
2018 Edward Byrne Memorial JAG (2017-DJ-BX-0250)	16.738		49,654	49,654	-	-	-
Justice Equitable Sharing Program	16.922		-	104,077	-	-	-
Total U.S. Department of Justice			165,109	223,160	-	15,272	-

CITY OF ROCKY MOUNT, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

Grantor / Pass - Through Grantor / Program Title		Federal CFDA Number	Pass-Through Grantor Number	Grant Award (w/o match)	Federal Expenditures 6/30/20	State Expenditures 6/30/20	Local Match/ program income expenses 6/30/20	Pass-Through to subrecipients 6/30/20
U.S. Department of Homeland Security-Federal Emergency Mgt. Agency Passed Through U.S. Department of Homeland Security								
Assistance to Firefighters Grant		97.044	DHS-18-GPD-044-000-98	154,091	10,240	-	1,138	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters) Passed Through NC Department of Public Safety- Division of Emergency Management								
Emergency Assistance-FEMA 4285-DR-NC		97.036	FEMA 4285 DR NC	-	-	-	74,833	-
Total Federal Emergency Management Agency				154,091	10,240	-	75,971	-
Total Federal Financial Assistance Programs				9,895,215	3,268,274	77,893	3,065,820	-
STATE FINANCIAL ASSISTANCE PROGRAMS:								
<u>North Carolina Department of Transportation:</u>								
Public Transportation Division:								
State Maintenance Assistance Program FY20				63,180	-	63,180	-	-
State Maintenance Assistance Program FY20				275,000	-	154,517	-	-
Transit Developmental Program - FY20 Demonstration Grant WBS 36223.18.7.2				64,446	-	64,446	149,878	-
Highway Construction Program								
Division of Highways:								
State Street-Aid Allocation Fund (Powell Bill)				795,680	-	795,680	-	-
Total N.C. Department of Transportation				1,198,306	-	1,077,823	149,878	-
North Carolina Department Environmental Quality								
North Carolina Department of Environmental Quality								
N.C. Parks and Recreation Trust Fund								
Holly Street Park - Project #LWCF 37-01050				250,000	-	250,000	375,302	-
Total North Carolina Department of Environmental Quality				250,000	-	250,000	375,302	-
<u>North Carolina Housing Finance Agency:</u>								
NC Housing Trust Funds - Urgent Repair - URP1729				75,000	-	-	4,900	-
NC Housing Trust Funds - Urgent Repair - URP				100,000	-	100,000	49,500	-
NC Housing Trust Funds - Urgent Repair - URP				100,000	-	-	26,025	-
Total North Carolina Housing Finance Agency				275,000	-	100,000	80,425	-
<u>North Carolina Dept of Health & Human Services</u>								
Passed through the Upper Coastal Plain Area Agency on Aging								
Senior Center General Purpose Funding				10,573	-	-	14,098	-
Total NC Dept of Health & Human Services				10,573	-	-	14,098	-
NC Department of Public Safety-Governor's Crime Commission								
2017:Byrne Justice Assistance Grant(2017-DJ-BX-0129)			PROJ012210	-	-	24,500	-	-
Total North Carolina Department of Public Safety				-	-	24,500	-	-
North Carolina Dept. of Natural and Cultural Resources								
North Carolina Science Museums Program 2020				37,970	-	37,970	-	-
Passed thru the North Carolina Arts Council								
Nash County Arts Council Grassroots Arts Program 2020				-	-	-	-	-
Total North Carolina Dept of Natural and Cultural Resources				37,970	-	37,970	-	-
<u>North Carolina Office of State Budget and Management</u>								
Downtown Revitalization				96,107	-	-	-	-
Downtown Revitalization				94,340	-	20,648	-	-
Total North Carolina Office of State Budget and Management				190,447	-	20,648	-	-
Total State Assistance Programs				1,962,296	-	1,510,941	619,703	-
TOTAL FEDERAL AND STATE FINANCIAL ASSISTANCE PROGRAMS				\$ 11,857,511	\$ 3,268,274	\$ 1,588,834	\$ 3,685,523	\$ -

Note 1 - Basis of Presentation

The accompanying Schedule of Expenditures of Federal and State Awards (SEFSA) includes the federal and State grant activity of the City of Rocky Mount 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 the City of Rocky Mount, it is not intended to and does not present the financial position, changes in net position or cash flows of the City of Rocky Mount.

Note 2 - 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.

City of Rocky Mount has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.