

# Compliance Letters



**Fiscal Year Ended June 30, 2012**



# CITY OF ROCKY MOUNT, NORTH CAROLINA

## COMPLIANCE LETTERS FOR THE YEAR ENDED JUNE 30, 2012

### TABLE OF CONTENTS

	<u>Page</u>
Report On Internal Control Over Financial Reporting And On Compliance And Other Matters Based On An Audit Of Financial Statements Performed In Accordance With <i>Government Auditing Standards</i>	1 - 2
Report On Compliance With Requirements Applicable To Each Major Federal Program And Internal Control Over Compliance In Accordance With OMB Circular A-133 And The State Single Audit Implementation Act Audit Implementation Act	3-5
Report on Compliance With Requirements Applicable To Each Major State Program And Internal Control Over Compliance In Accordance With Applicable Sections Of OMB Circular A-133 And The State Single Audit Implementation Act	6-8
Schedule of Findings, Responses, and Questioned Costs	9-10
Summary Schedule of Prior Year Audit Findings	11
Schedule of Expenditures of Federal and State Awards	12-13



# 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**

To the Honorable Mayor and  
Members of City Council  
City of Rocky Mount  
Rocky Mount, North Carolina

We have audited the basic 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 City of Rocky Mount, North Carolina, as of and for the year ended June 30, 2012, not presented here, which collectively comprise the City's basic financial statements, and have issued our report thereon dated October 15, 2012. We conducted our audit in accordance with generally accepted auditing standards 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 City of Rocky Mount Theatre, LLC were not audited in accordance with *Government Auditing Standards*.

### **Internal Control Over Financial Reporting**

Management of the City of Rocky Mount is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the City of Rocky Mount's internal control over financial reporting as a basis for designing our auditing procedures 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 City of Rocky Mount's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

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 financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Rocky Mount's financial statements are free of 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the City Council, management, federal and State awarding agencies, and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.

*Martin Starnes & Associates, CPAs, P.A.*

Martin Starnes & Associates, CPAs, P.A.  
October 15, 2012

# MARTIN ♦ STARNES & ASSOCIATES, CPAs, P.A.

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

## **Report On Compliance With Requirements That Could Have A Direct And Material Effect On Each Major Federal Program And Internal Control Over Compliance In Accordance With OMB Circular A-133 And The State Single Audit Implementation Act**

### **Independent Auditors' Report**

To the Honorable Mayor and  
Members of City Council  
City of Rocky Mount  
Rocky Mount, North Carolina

#### **Compliance**

We have audited the compliance of the City of Rocky Mount, North Carolina, with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 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 its major federal programs for the year ended June 30, 2012. 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. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City of Rocky Mount's management. Our responsibility is to express an opinion on the City of Rocky Mount's compliance based on our audit.

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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the State Single Audit Implementation Act. Those standards, OMB Circular A-133, 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. Our audit does not provide a legal determination on the City of Rocky Mount's compliance with those requirements.

In our opinion, the City of Rocky Mount complied, in all material respects, with the 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, 2012.

## **Internal Control Over Compliance**

The management of the City of Rocky Mount is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City of Rocky Mount's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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'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 a 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.

Our consideration of the 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 deficiencies, significant deficiencies, or material weakness. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

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 City of Rocky Mount as of and for the year ended June 30, 2012, which collectively comprise the City of Rocky Mount, North Carolina's basic financial statements, and have issued our report thereon dated October 15, 2012 which contained an unqualified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise the City of Rocky Mount, North Carolina'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 U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, 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 other procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal and State Awards is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the City Council, management, federal awarding agencies, and pass-through entities, and is not intended to be, and should not be, used by anyone other than these specified parties.

*Martin Starnes & Associates, CPAs, P.A.*

Martin Starnes & Associates, CPAs, P.A.  
October 15, 2012

# MARTIN ♦ STARNES & ASSOCIATES, CPAs, P.A.

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

## **Report On Compliance With Requirements That Could Have a Direct and Material Effect On Each Major State Program And Internal Control Over Compliance In Accordance With Applicable Sections Of OMB Circular A-133 And The State Single Audit Implementation Act**

### **Independent Auditors' Report**

To the Honorable Mayor and  
Members of City Council  
City of Rocky Mount  
Rocky Mount, North Carolina

#### **Compliance**

We have audited the compliance of the City of Rocky Mount, North Carolina, with the types of compliance requirements described in applicable sections of OMB Circular A-133 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 its major State programs for the year ended June 30, 2012. 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. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major State programs is the responsibility of the City of Rocky Mount's management. Our responsibility is to express an opinion on the City of Rocky Mount's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and applicable sections of OMB Circular A-133, as described in the *Audit Manual for Governmental Auditors in North Carolina*, and the State Single Audit Implementation Act. Those standards, applicable sections of *OMB Circular A-133*, 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. Our audit does not provide a legal determination on the City of Rocky Mount's compliance with those requirements.

In our opinion, the City of Rocky Mount complied, in all material respects, with the 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, 2012.

## Internal Control Over Compliance

The management of the City of Rocky Mount is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to State programs. In planning and performing our audit, we considered the City of Rocky Mount's internal control over compliance with requirements that could have a direct and material effect on a major State program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with applicable sections of OMB Circular A-133, as described in the Audit Manual for Governmental Auditors in North Carolina, and the State Single Audit Implementation Act, 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'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 a 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.

Our consideration of the 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 deficiencies, significant deficiencies, or material weakness. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

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 City of Rocky Mount as of and for the year ended June 30, 2012, which collectively comprise the City of Rocky Mount, North Carolina's basic financial statements, and have issued our report thereon dated October 15, 2012 which contained an unqualified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise the City of Rocky Mount, North Carolina'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 U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, 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 other procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal and State Awards is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the City Council, management, federal and State awarding agencies, and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.

*Martin Starnes & Associates, CPAs, P.A.*

Martin Starnes & Associates, CPAs, P.A.  
October 15, 2012

# CITY OF ROCKY MOUNT, NORTH CAROLINA

## SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2012

### 1. Summary of Auditors' Results

#### Financial Statements

Type of auditors' report issued Unqualified

Internal control over financial reporting:

- Material weakness identified? No
- Significant deficiency identified that is not considered to be a material weakness? No

Non-compliance material to financial statements noted? No

#### Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? No
- Significant deficiency identified that is not considered to be a material weakness? No

Non-compliance material to federal awards? No

Type of auditors' report issued on compliance for major federal programs Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133? No

Identification of major federal programs:

<b><u>Program Name or Cluster</u></b>	<b><u>CFDA #</u></b>
Community Development Entitlement Grants Cluster	14.218, 14.253, 14.254
Community Development Home Grant                      14.239	
Lead Based Paint Hazard Reduction	14.900
COPS Technology and Hiring Recovery Program –Recovery Act	16.710
Federal Transit Cluster	20.500, 20.507
Federal Transit Administration – Rural Capital Investment	20.509
Highway Planning, Research and Construction Cluster	20.205, 20.219, 23.003
Energy Efficiency Program Grants-Recovery Act	81.041
Clean Transportation Project	81.086
Federal Emergency Management-Public Disaster Grant - Hurricane Irene	97.036
Clean Water State Revolving Fund	66.458

# CITY OF ROCKY MOUNT, NORTH CAROLINA

## SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2012

### 1. Summary of Auditors' Results (Continued)

Dollar threshold used to distinguish between  
Type A and Type B Programs \$438,643

Auditee qualified as low-risk auditee? Yes

#### State Awards

Internal control over major State programs:

- Material weakness identified? No
- Significant deficiency identified that is not considered to be a material weakness? No

Non-compliance material to State awards? No

Type of auditors' report issued on compliance for major  
State programs Unqualified

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  
Federal Emergency Management-Public Disaster Grant-Hurricane Irene  
NCDOT-Municipal Agreement WBS: 40059

### 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, 2012**

None.

CITY OF ROCKY MOUNT, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FROM GRANT INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012

Grantor / Pass - Through Grantor / Program Title	Federal CFDA Number	Pass - Through Grantor Number	Grant Award	Federal Exp 6/30/2012	State Exp 6/30/2012
<b>FEDERAL FINANCIAL ASSISTANCE PROGRAMS:</b>					
<b>U.S. Department of Transportation</b>					
<b>Direct Program -</b>					
<b>Federal Transit Administration:</b>					
Operating, Section 9 (50 fed /50 local) 2011 NC-90-X474	20.507		\$ 386,179	\$ 131,110	\$ -
Operating, Section 9 (50 fed /50 local) 2012 NC-90-X487	20.507		148,818	228,046	-
Capital, Section 5307 (80 fed /10 local/10 SMAP) 2009 NC-90-X449	20.500		362,697	13,882	-
Capital, Section 5307 (80 fed /10 local/10 SMAP) 2010 NC-90-X465	20.500		355,737	-	-
Capital, Section 5307 (80 fed /10 local/10 SMAP) 2011 NC-90-X474	20.500		489,600	1,997	-
Capital, Section 5307 (80 fed /10 local/10 SMAP) 2012 NC-90-X487	20.500		544,960	360,686	-
Capital, Section 5307 (80 fed /10 local/10 SMAP) 2009 NC-96-0010 Recovery Act	20.500		991,722	324,437	-
<b>Passed through North Carolina Department of Transportation:</b>					
Planning, Sect 5303 (80/10/10) #12-08-115, WO#36230.25.11.6	20.505		31,428	27,935	3,492
Rural, Admin 2012 #12-CT-043 WO#36233.24.9.1	20.509		165,498	155,000	9,688
Rural, Operating 2012 #12-CT-043 WO#36233.24.9.2	20.509		95,000	89,075	-
Rural Capital 2011 #11-CT-043 WBS#36233.24.8.3	20.509		245,925	31,930	3,991
Rural Capital 2012 #12-CT-043 WBS#36233.24.9.3	20.509		272,556	223,567	27,947
Reverse Commute Capital #11-JA-043 WBS#51002.11.1.2	20.509		39,285	32,858	4,107
<b>Federal Highway Administration</b>					
Downtown Redevelopment Project: E-4992, WBS: 41063.1.1, 41063.3.1	20.205		4,354,101	2,866,387	-
PWP Transportation Planning FY 2012 (80fed / 20 local)	20.205		187,232	154,303	-
Intersection Improvements - TiffanyBlvd/Benvenue Road (C-4970D)	20.205		75,000	70,372	-
Sidewalk Improvement (Tip Project C-4969)	20.205		749,000	494,450	-
Intersection Improvements Sunset Avenue/Buck Leonard (C-4970E)	20.205		200,000	193,626	-
<b>Total U.S. Department of Transportation</b>			<b>9,694,738</b>	<b>5,399,661</b>	<b>49,224</b>
<b>U.S. Department of Housing and Urban Development</b>					
<b>Direct Program -</b>					
Community Development Entitlement Grant-2006	14.218		760,442	9,147	-
Community Development Entitlement Grant-2008	14.218		681,281	10,675	-
Community Development Entitlement Grant-2009	14.218		656,742	23,123	-
Community Development Entitlement Grant-2010	14.218		663,046	91,576	-
Community Development Entitlement Grant-2011	14.218		716,521	136,105	-
Community Development Entitlement Grant-2012	14.218		601,983	398,943	-
Community Development Home Grant-2005	14.239		833,312	-	-
Community Development Home Grant-2006	14.239		793,028	-	-
Community Development Home Grant-2007	14.239		746,761	-	-
Community Development Home Grant-2008	14.239		760,068	-	-
Community Development Home Grant-2009	14.239		750,036	-	-
Community Development Home Grant-2010	14.239		833,642	73,581	-
Community Development Home Grant-2011	14.239		835,997	219,589	-
Community Development Home Grant-2012	14.239		736,315	81,676	-
Lead Based Paint Hazard Reduction - Grant # NCLHB037207	14.900		2,765,585	551,597	-
Economic Development Initiative -Special- Grant #B-08-SP-NC-0558	14.251		137,200	654	-
<b>Passed through NC Housing Finance Agency</b>					
CTP Program (Stewart B. McKinney Homeless Assistance Act - FAF)	14	CTP-0902	65,000	59,801	-
<b>Passed through NC Department of Commerce-Division of Community Assistance</b>					
Neighborhood Stabilization Program	14.256	08-N-1894	2,100,000	56,906	-
<b>Total U.S. Department of Housing and Urban Development</b>			<b>15,436,959</b>	<b>1,713,373</b>	<b>-</b>
<b>U.S. Department of Justice</b>					
<b>Direct Program -</b>					
Bulletproof Vest Partnership Grant 2008	16.607		30,480	29	-
Bulletproof Vest Partnership Grant 2010	16.607		5,653	3,885	-
Bulletproof Vest Partnership Grant 2011	16.607		3,226	-	-
2009 Edward Byrne Memorial JAG (2009-DJ-BX-0843)	16.738		79,319	-	-
2010 Edward Byrne Memorial JAG (2010-DJ-BX-0285)	16.738		69,709	994	-
2011 Edward Byrne Memorial JAG (2011-DJ-BX-2638)	16.738		64,217	38,530	-
2009 Edward Byrne Memorial JAG (2009-SB-B9-0843) - Recovery Act	16.738		377,520	29,284	-
2009 COPS Hiring Recovery (2009-RK-KW-0551) - Recovery Act	16.710		1,088,808	361,985	-
2010 COPS Technology Grant (2010-CK-WX-0070)	16.710		350,000	170,000	-
<b>Total U.S. Department of Justice</b>			<b>2,068,932</b>	<b>604,707</b>	<b>-</b>
<b>National Endowment for the Arts/Foundation on Arts &amp; Humanities</b>					
NEA Grant Arts Immersion Program- #10-5900-8084	45.025		10,000	1,131	-
<b>Total National Endowment for the Arts/Foundation on Arts &amp; Humanities</b>			<b>10,000</b>	<b>1,131</b>	<b>-</b>
<b>U. S. Environmental Protection Agency:</b>					
Brownfields Assessment & Cleanup Co-op Agreement (BF-95414908-0)	66.818		200,000	103,074	-
<b>Passed through NC Department of Environment &amp; Natural Resources</b>					
Clean Water State Revolving Fund - WWTP Oxygen Regeneration System	66.458		2,340,000	1,662,373	-
<b>Total U.S. Environmental Protection Agency</b>			<b>2,540,000</b>	<b>1,765,447</b>	<b>-</b>

**CITY OF ROCKY MOUNT, NORTH CAROLINA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FROM GRANT INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012**

<u>Grantor / Pass - Through Grantor / Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass - Through Grantor Number</u>	<u>Grant Award</u>	<u>Federal Exp 6/30/2012</u>	<u>State Exp 6/30/2012</u>
<b><u>U.S. Department of Energy</u></b>					
2009 Energy Efficiency Conservation Block Program # DE-SC0003224 - Recovery Act	81.128		572,100	111,326	-
<b>Passed Through NC Department of Commerce, State Energy Office</b>					
Main Street Energy Grant - Recovery Act	81.041		105,000	67,135	-
Energy Efficiency Program Grant - Recovery Act	81.041		500,000	500,000	-
<b>Passed Through Triangle J. Council of Governments /NC Solar Ctr. DE-EE0002491</b>					
Carolina Blue Skies Project -Clean Transportation Project (RADAR#2009-2513-05)	81.086		434,000	394,352	-
<b>Total U.S. Department of Energy</b>					
			<u>1,611,100</u>	<u>1,072,813</u>	<u>-</u>
<b><u>U.S. Department of Homeland Security-Federal Emergency Mgt. Agency</u></b>					
<b>Passed through North Carolina Crime Control and Public Safety:</b>					
Public Disaster Grant 07-0702-01-453 - Hurricane Irene	97.036		5,630,000	4,064,315	1,355,425
<b>Total Federal Emergency Management Agency</b>					
			<u>5,630,000</u>	<u>4,064,315</u>	<u>1,355,425</u>
<b>Total Federal Financial Assistance Programs</b>					
			<b>\$ 36,991,729</b>	<b>\$ 14,621,448</b>	<b>\$ 1,404,649</b>
<b><u>STATE FINANCIAL ASSISTANCE PROGRAMS:</u></b>					
<b><u>North Carolina Department of Transportation:</u></b>					
<b><u>Public Transportation Division:</u></b>					
State Maintenance Assistance Program FY12			170,470	-	170,470
<b><u>Division of Highways:</u></b>					
State Street-Aid Allocation Fund (Powell Bill)			1,599,978	-	1,308,601
Municipal Agreement - WBS: 40059 Lighting - N. Wesleyan Blvd			550,000	-	550,000
<b><u>Utilities Unit:</u></b>					
Replace Bridge #7 over Tar River(Springfield Road) WBS: 33734.2.1			52,577	-	52,577
<b>Total N.C. Department of Transportation</b>					
			<u>2,373,025</u>	<u>-</u>	<u>2,081,649</u>
<b><u>North Carolina Department of Environmental &amp; Natural Resources:</u></b>					
Recycling Grant (Contract 3142)			100,000	-	100,000
2011 Adopt a Trail(AAT) Contract #4242			2,281	-	2,281
<b>Passed through the N.C. Parks &amp; Recreation Trust Fund</b>					
Soccer Sports Complex - PARTF - Project #2009-605			197,000	-	-
<b>Passed through the N.C. Clean Water Management Trust Fund</b>					
Leggett Park Sewer Project- CWMTF - Project #2006B-608			512,000	-	16,825
<b>Total N.C. Department of Environmental &amp; Natural Resources</b>					
			<u>811,281</u>	<u>-</u>	<u>119,106</u>
<b><u>North Carolina Department of Insurance:</u></b>					
NC Safe Kids Grant - Nash Co. Risk Watch Contract			59,692	-	-
NC Safe Kids Grant - Nash Co. Risk Watch Contract			20,000	-	-
<b>Total North Carolina Department of Insurance</b>					
			<u>79,692</u>	<u>-</u>	<u>-</u>
<b><u>North Carolina Dept of Health &amp; Human Services</u></b>					
Summer Feeding Program			139,896	-	19,197
<b>Total NC Dept of Health &amp; Human Services</b>					
			<u>139,896</u>	<u>-</u>	<u>19,197</u>
<b><u>North Carolina Dept of Crime Control &amp; Public Safety</u></b>					
<b><u>Division of Emergency Management</u></b>					
Swiftwater Rescue Team Grant - SRT/USAR 0607-024			22,800	-	117
State Resource - Swiftwater Rescue Team - Hurricane Irene			19,691	-	19,691
<b>Total NC Crime Control &amp; Public Safety</b>					
			<u>42,491</u>	<u>-</u>	<u>19,807</u>
<b><u>North Carolina Dept of Commerce</u></b>					
<b><u>Main Street Solution Fund</u></b>					
North Carolina Main Street Solutions Fund Grant			100,000	-	50,000
<b>Total North Carolina Dept of Commerce</b>					
			<u>100,000</u>	<u>-</u>	<u>50,000</u>
<b>Total State Assistance Programs</b>					
			<b>\$ 3,546,385</b>	<b>\$ -</b>	<b>\$ 2,289,759</b>
<b>TOTAL FEDERAL AND STATE FINANCIAL ASSISTANCE PROGRAMS</b>					
			<b>\$ 40,538,114</b>	<b>\$ 14,621,448</b>	<b>\$ 3,694,409</b>

**Note 1** - Expenditures are reported on the modified accrual basis of accounting.

**Note 2 - Basis of Presentation**

The accompanying Schedule of Expenditures of Federal and State Awards includes the federal and State grant activity of the City of Rocky Mount and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the State Audit Implementation Act. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements.

