



SINGLE AUDIT SECTION

The *Single Audit Section* contains schedules, exhibits and auditor reports reflecting federal, state and other participation in various projects and programs of the City as required by OMB Circular A-133, the North Carolina Single Audit Implementation Act and the American Recovery and Reinvestment Act.





**Report of Independent Auditor on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

To the Honorable Mayor and
Members of the City Council
City of Raleigh, 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 City of Raleigh, North Carolina (the "City"), as of and for the year ended June 30, 2013, 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 22, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the 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's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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 City'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'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 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 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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Cherry Bolant" followed by a stylized flourish.

Raleigh, North Carolina
October 22, 2013

**Report of Independent Auditor on Compliance for Each Major Federal Program,
Report on Internal Control Over Compliance; in Accordance with OMB Circular A-133;
and the State Single Audit Implementation Act**

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

Report on Compliance for Each Major Federal Program

We have audited City of Raleigh, North Carolina's (the "City"), compliance with the types of compliance requirements described in the 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 the City's major federal programs for the year ended June 30, 2013. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City'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; 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 noncompliance 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'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's compliance.

Opinion on Each Major Federal Program

In our opinion, the City 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, 2013.

Report on Internal Control Over Compliance

Management of the City 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's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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, 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 combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "Cheryl Bokant" followed by a stylized flourish.

Raleigh, North Carolina
October 22, 2013

**Report of Independent Auditor on Compliance for Each Major State Program;
Report on Internal Control Over Compliance; In Accordance with OMB Circular A-133;
and the State Single Audit Implementation Act**

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

Report on Compliance for Each Major State Program

We have audited the City of Raleigh, North Carolina's (the "City") 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's major state programs for the year ended June 30, 2013. The City's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City'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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* as described in the *Audit Manual for Governmental Auditors in North Carolina*, 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 noncompliance 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'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's compliance.

Opinion on Each Major State Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major state program for the year ended June 30, 2013.

Report on Internal Control Over Compliance

Management of the City 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's internal control over compliance with the types of requirements that could have a direct and material effect on a major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program 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, noncompliance with a type of compliance requirement of a state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink, appearing to read "Cherry Bokant" followed by a stylized flourish.

Raleigh, North Carolina
October 22, 2013



Single Audit Schedules

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

GRANTOR/PASSED-THROUGH GRANTOR/GRANTOR PROGRAM AND/OR PROJECT TITLE	Federal CFDA Number	Grant Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Local
EXPENDITURES OF FEDERAL AWARDS:					
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>					
Direct Programs: Federal Transit Administration:					
Bus Replacement-FTA 5309	20.500	NC-04-0036-01/11-0-036	\$ 640,726	\$ 80,090	\$ 80,092
Replacement Buses & Facility	20.507	NC-0036-01	500,042	-	-
Capital Assistance - Section 9	20.507	NC-90-X455	100,213	-	-
Capital Assistance - Section 9	20.507	NC-90-X488	746,729	-	749,117
Capital Assistance - Section 9	20.507	NC-90-X509-00	1,321,429	-	330,357
Capital Assistance - FTA 5307	20.507	NC-90-X528-00	2,725,780	-	681,445
Job Access Remote Commute	20.516	NC-37-X031-00	101,035	-	-
New Freedom 2012	20.521	NC-57-0001-01	12,268	-	-
New Freedom 2013	20.521	NC-57-X016-00	31,892	-	-
Total Direct Programs U.S. Dept. of Transportation:			6,180,114	80,090	1,841,011
Passed-Through North Carolina Department of Transportation:					
Planning Assistance - Section 9	20.507	NC-90-X-509/11-08-101	119,108	-	22,939
Planning Assistance - Section 9	20.507	NC-90-X509-00	298,048	37,256	37,517
Moore Square Station-FY10 STPDA	20.507	NC-95-X043-00	113,762	-	28,441
Dwllk Imp STPDA-0520(42)	20.205	EL-5100ID	59,277	-	14,819
Bike Strp STPDA-0520(40)	20.205	EL-5100IB	51,215	-	12,804
STP-DA Wade Ave Ped	20.205	EL-5100IE	371,734	-	92,934
STP-DA Lake Wheeler Road	20.205	EL-5100IE	26,503	-	6,626
ARRA FHWA Neuse River Greenway	20.205	EB-4829	31,536	-	-
City-wide Traffic Signal Upgrade	20.205	C-4923	3,369,741	-	-
FHWA Falls of Neuse Widening	20.205	U-4901	3,880,414	-	-
Lower Neuse Geenway-STPDA-0520(33)	20.205	EL-5100 IA	704,963	-	-
Mingo Creek Greenway-TCSP-0512(6)	20.205	EB-5002A	58,713	-	-
NCDOT-SPR Blue Ridge Road Corridor Study	20.205	N/A	8,697	-	-
Neuse River Greenway Grant-SAFETEA-LU	20.205	EB-4829	2,978	-	-
House Creek Greenway - Phase 1	20.205	E-4929	180,000	-	-
House Creek Greenway - Phase 2	20.205	E-4979	400,000	-	-
Section 104(f) PL	20.205	WBS39225.1.4	938,646	-	445,105
Section 104(f) STPDA	20.205	WBS39225.1.21	620,722	-	-
GHSP-Equipment	20.600	PT-12-03-03-19	8,861	-	2,954
Total Passed-Through North Carolina Department of Transportation:			11,244,919	37,256	664,139
Total U.S. Department of Transportation			17,425,033	117,346	2,505,150
<u>U.S. DEPARTMENT OF ENERGY</u>					
Direct Programs:					
ARRA - Geothermal Technologies	81.087	DE-EE0002808	53,195	-	53,195
ARRA Grant - US DOE LEAP	81.122	DE-OE-0000325	43,233	-	-
ARRA EECBG Sustainability	81.128	DE-EE-0000768	471,355	-	-
Total U.S. Department of Energy			567,783	-	53,195
<u>CORPORATION FOR NATIONAL SERVICE</u>					
Direct Programs:					
Retired Senior Volunteers Program	94.002	11SRSNCO01	31,043	-	54,131
Retired Senior Volunteers Program	94.002	11SRSNCO01	173	-	-
Retired Senior Volunteers Program	94.002	11SRSNCO01	7,227	-	5,923
Foster Grandparents Program	94.011	11SFNC003	260,977	-	109,959
Total Corporation for National Service			299,420	-	170,013
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>					
Direct Programs:					
Community Development Block Grant - Entitlement Grants	14.218	B10MC370009	729,469	-	-
Community Development Block Grant - Entitlement Grants	14.218	B12MC37-0009	2,233,475	-	-
HOME Grant Program	14.239	M09-11MC370206	384,699	-	-
HOME Grant Program	14.239	M10-11MC370206	1,257,669	-	-
HOME Grant Program	14.239	M11-11MC370206	513	-	-
HOME Grant Program	14.239	M12-11MC370206	78,057	-	-
Emergency Shelter	14.231	E11MC370005	61,133	-	-
Emergency Shelter	14.231	E12MC370005	127,679	-	-
Total Direct U.S. Department of Housing and Urban Development:			4,872,694	-	-
Passed-Through N.C. Department of Commerce:					
Neighborhood Stabilization Program	14.228	08-N-1885	196,563	-	-
Neighborhood Stabilization Program	14.228	11-N-2191	642,936	-	-
Total Passed-Through U.S. Department of Housing and Urban Development			839,499	-	-
Total U.S. Department of Housing and Urban Development			5,712,193	-	-

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

GRANTOR/PASSED-THROUGH GRANTOR/GRANTOR PROGRAM AND/OR PROJECT TITLE	Federal CFDA Number	Grant Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Local
<u>U.S. DEPARTMENT OF JUSTICE</u>					
Direct Programs:					
Bulletproof Vest 2011	16.607	N/A	13,936	-	-
Bulletproof Vest 2012	16.607	N/A	15,264	-	-
Total Direct U.S. Department of Justice:			29,200	-	-
Passed -Through Wake County:					
2011 JAG Asst Grant	16.738	2011-DJ-BX-2526	60,577	-	-
2012 JAG Asst Grant	16.738	2012-H2540-NC-DJ	30,703	-	-
Total Passed-Through Wake County:			91,280	-	-
Passed-Through N.C. Department of Crime Control and Public Safety:					
2012 Prescription Drug Diversion	16.738	2012-DJ-BX-0640	36,241	-	12,080
Total U.S. Department of Justice			156,721	-	12,080
<u>ENVIRONMENTAL PROTECTION AGENCY</u>					
Passed-Through N.C. Department of Environment and Natural Resources:					
ARRA-Cleanwater Trust Loan	66.458	2W370419-14	279,220	-	-
SRF Centennial Reuse Pipeline	66.458	CS-370419-17	1,708,166	-	-
SRF Crabtree Creek North Bank	66.458	CS-370419-13	4,863,712	972,749	-
SRF D.E. Benton Water Treatment Waste Facility	66.468	FS-984338	-	-	-
			6,851,098	972,749	-
Total Environmental Protection Agency			6,851,098	972,749	-
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>					
Passed-Through N.C. Department of Crime Control & Public Safety:					
Federal Emergency Management Assistance	97.036	N/A	207,215	-	-
FEMA-Hazard Mitigation	97.039	N/A	30,244	-	-
FEMA-Pre-Disaster Mitigation	97.017	PDMC-PJ-04-NC-2011-004	796,759	-	256,586
Fire Equipment Grant	97.067	2010SST00751	37,286	-	-
USAR Homeland Security	97.067	EMW-2012-SS-00100-S01	53,500	-	-
2011 Homeland Grant	97.067	2011-SS-00119-S01	23,399	-	-
USAR Base Equipment	97.073	2009-SS-T9-0046	49,024	-	-
USAR Base Equipment	97.073	GET8-2008-00-33-1028	63,321	-	-
Total Passed-Through N.C. Department of Crime Control & Public Safety			1,260,748	-	256,586
Passed-Through Wake County					
FY2010 Homeland Security-Selective Enforcement	97.067	2010-SS-To-0075	93,447	-	-
Total U.S. Department of Homeland Security			1,354,195	-	256,586
<u>OFFICE OF NATIONAL DRUG CONTROL POLICY</u>					
HITDA-2012(Durham FA)	95.001	N/A	19,240	-	238
HITDA-2013(Durham FA)	95.001	G12GA0004A	12,948	-	2,491
Total Office of National Drug Control and Policy			32,188	-	2,729
<u>U.S. DEPARTMENT OF COMMERCE</u>					
Passed-Through One Economy Corp.					
ARRA-Information and Support Eco System	11.557	11-43-B10516	7,276	-	-
Total U. S. Department of Commerce			7,276	-	-
<u>U.S. DEPARTMENT OF AGRICULTURE</u>					
Passed-Through N.C. Department of Agriculture					
NC Urban and Forestry-Tree Inventory	10.664	N/A	2,864	-	2,864
Total U. S. Department of Agriculture			2,864	-	2,864
TOTAL EXPENDITURES OF FEDERAL AWARDS:			32,408,771	1,090,095	3,002,617

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

GRANTOR/PASSED-THROUGH GRANTOR/GRANTOR PROGRAM AND/OR PROJECT TITLE	Federal CFDA Number	Grant Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Local
EXPENDITURES OF STATE AWARDS:					
<u>N.C. DEPARTMENT OF TRANSPORTATION</u>					
NCDOT Bike/Ped Planning		WBS37309.1.1	-	5,148	5,148
NCDOT FY 2013 Advanced Tech Grant		11-AT-004	-	65,848	7,643
Powell Bill		WBS32570	-	10,119,110	-
Public Transportation Maint Asst Prog		13-SM-013	-	2,564,562	-
Total N.C. Department of Transportation			-	12,754,668	12,791
<u>N.C. DEPARTMENT OF CRIME CONTROL AND PUBLIC SAFETY</u>					
Fire Regional Response Team		RRT42012	-	57,936	-
Total N.C. Department of Crime Control & Public Safety			-	57,936	-
<u>N. C. DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES</u>					
Innovative Stormwater Proposal 2008-1018		GA-10046	-	436,766	-
NCDENR Recycling Carts		Contract 4566	-	74,250	-
Neuse River Greenway PARTF Grt		2010-627	-	349,875	349,875
Walnut Creek Cistern		N/A	-	1,002	3,006
2011 Waste Reduction & Recycling Project		Contract 4134	-	120	1,055
Total N. C. Department of Environment and Natural Resources			-	862,013	353,936
TOTAL EXPENDITURES OF STATE AWARDS:			-	13,674,617	366,727
EXPENDITURES OF OTHER AWARDS:					
<u>WAKE COUNTY</u>					
Juvenile Crime Prevention Council		692-XXXX	-	-	128,805 (1)
<u>BIOFUELS CENTER OF NORTH CAROLINA</u>					
Production at Wastewater Treatment Facilities		N/A	-	-	5,148
<u>TRIANGLE J COUNCIL OF GOVERNMENTS</u>					
Travel Demand Management Grant		TDMRAL13	-	53,721	55,914 (1)
TOTAL EXPENDITURES OF OTHER AWARDS:			-	53,721	189,867
TOTAL EXPENDITURES ALL AWARDS:			\$ 32,408,771	\$ 14,818,433	\$ 3,559,211

Notes:

The Schedule of Expenditures of Federal and State Awards is prepared 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 Single 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.

Powell Bill expenditures as reported above represent eligible expenditures reported to the North Carolina Department of Transportation for the fiscal year ending June 30, 2013. The City is required to report annually to the North Carolina Department of Transportation on the accumulated unexpended Powell Bill funds. Unexpended Powell Bill funds are accounted for and maintained within various City funds. The total unexpended balance on-hand at June 30, 2013 is \$-0-

Where allowed by grant agreement, prior year expenditures that have not been previously tested may be included in the Schedule of Awards at June 30, 2013. Generally, this occurs when grants are awarded after the related project or program has started incurring expenses and retroactive reimbursement is allowed per the funding agreement or when corrections are made due to previous year(s) omissions.

Loans Outstanding

City of Raleigh had the following loan balances outstanding at June 30, 2013. The loan balance outstanding is included in the federal expenditures presented in the schedule:

ARRA Cleanwater Trust Loan-Clean Water Revolving Loan CFDA # 66.458 Project 2W370419-14
The loan balance outstanding of \$132,630 is included in the federal expenditures per the above schedule.

SRF Crabtree Revolving Loan CFDA # 66.458 Project CS-370419-13
The loan balance outstanding of \$5,836,461 is included in the federal expenditures per the above schedule.

SRF Centennial Revolving Loan CFDA # 66.458 Project CS-370419-17
The loan balance outstanding of \$1,708,166 is included in the federal expenditures per the above schedule.

(1) Represents City of Raleigh matching and awards from local governments.

I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued: *Unmodified*

Internal control over financial reporting:

- Material weakness(es) identified? _____ yes no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ yes none reported
- Noncompliance material to financial statements noted? _____ yes no

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? _____ yes no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ yes none reported
- Noncompliance material to federal awards? _____ yes no

Type of auditor’s report issued on compliance for major federal programs: *Unmodified*

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

Identification of major federal programs:

CFDA Numbers

66.458

94.011

97.017

97.036

Names of Federal Program or Cluster

ARRA-Cleanwater Trust Loan
SRF Centennial Reuse Pipeline
SRF Crabtree Creek North Bank
SRF D.E. Benton Water Treatment Waste Facility
Foster Grandparent Program
FEMA – Pre-Disaster Mitigation
Federal Emergency Management Assistance

Dollar threshold used to distinguish between Type A and Type B Programs:

\$ 972,694

Auditee qualified as low-risk auditee? yes _____ no

CITY OF RALEIGH, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2013

I – Summary of Auditor’s Results (continued)

State Awards

Internal control over major state programs:

- Material weakness(es) identified? _____ yes X no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ yes X none reported
- Noncompliance material to state awards? _____ yes X no

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 *Audit Manual for Governmental Auditors in North Carolina*? _____ yes X no

Identification of major state programs:

Names of State Program or Cluster

Powell Bill
Innovative Stormwater Proposal 2008-1018
Neuse River Greenway PARTF Grant

II – Financial Statement Findings

None

III – Federal Award Findings and Questioned Costs

None

IV – State Award Findings and Questioned Costs

None

CITY OF RALEIGH, NORTH CAROLINA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED JUNE 30, 2013

VI – Financial Statement Findings

None

