

COUNTY OF LOUDOUN, VIRGINIA

COMPLIANCE REPORTS

For the Year Ended June 30, 2021

And Reports of Independent Auditor

COUNTY OF LOUDOUN, VIRGINIA

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COMPLIANCE REPORTS

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**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 Members of the Board of Supervisors
County of Loudoun, Virginia

We have audited, in accordance with the 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 *Specifications for Audits of Counties, Cities, and Towns* issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Loudoun, Virginia (the "County"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated November 19, 2021. Our report recognizes that the County implemented one new accounting standard, effective July 1, 2020.

Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or 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 County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink that reads "Cheryl Behrnt CPA". The signature is written in a cursive style.

Tysons Corner, Virginia
November 19, 2021

Report of Independent Auditor on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance

To the Honorable Members of the Board of Supervisors
County of Loudoun, Virginia

Report on Compliance for Each Major Federal Program

We have audited the County of Loudoun, Virginia's (the "County") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2021. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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"). Those standards and the Uniform Guidance 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 County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County'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 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 County's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited 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.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated November 19, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for the purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

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.

Cherry Behrnt CPA

Tysons Corner, Virginia
April 22, 2022

**Report of Independent Auditor on Compliance with
Commonwealth of Virginia’s Laws, Regulations, Contracts, and Grants**

To the Honorable Members of the Board of Supervisors
County of Loudoun, Virginia

We have audited, 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 *Specifications for Audits of Counties, Cities, and Towns* (the “Specifications”) issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Loudoun, Virginia (the “County”), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County’s basic financial statements, and have issued our report thereon dated November 19, 2021.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County’s financial statements are free of material misstatement, we performed tests of the County’s compliance with certain provisions of the Commonwealth of Virginia’s laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, the objective of our audit of the basic financial statements was not to provide an opinion on overall compliance with such provisions, and accordingly, we do not express such an opinion.

The following is a summary of the Commonwealth of Virginia’s laws, regulations, contracts, and grants for which we performed tests of compliance:

<u>Code of Virginia</u>		<u>State Agency Requirements</u>
Budget and Appropriation Laws	Procurement	Education
Cash and Investments	Unclaimed Property	Children’s Services Act Funds
Conflicts of Interest	Property Taxes	Social Services
Intergovernmental Revenues	Debt Provisions	Fire Programs Aid to Localities
Economic Development Opportunity Fund		

The results of our tests disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with the Specifications, as described in the accompanying Schedule of Findings and Questioned Costs as item 2021-001.

The County’s response to the noncompliance finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The County’s response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of compliance with certain provisions of the Commonwealth of Virginia’s laws, regulations, contracts, and grants and the results of that testing, and not to provide an opinion on the County’s compliance. Accordingly, this communication is not suitable for any other purpose.



Tysons Corner, Virginia
April 22, 2022

COUNTY OF LOUDOUN, VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2021

Federal Granting Agency/Recipient State Agency/Program Title	Assistance Listing Number	Pass Through Entity Identifying Number	Total 2021 Federal Expenditures	Passed Through to Subrecipient
United States Department Of Agriculture				
Direct Payments				
Farmers Market and Local Food Promotion Program	10.175		\$ 4,900	
Pass Through Payment				
Virginia Department Of Agriculture				
Food Distribution - Non-cash Commodities-National School Lunch Program	10.555		2,504,926	
Virginia Department Of Education				
School Breakfast Program	10.553		8,647,839	
National School Lunch Program	10.555		25,853,054	
Virginia Department of Juvenile Justice				
National School Lunch Program	10.555		7,604	
Virginia Department of Social Services				
State Administrative Matching Grants for Food Stamp Program	10.561		3,165,397	
Total United States Department Of Agriculture			\$ 40,183,720	
United States Department Of Defense				
Direct Payments				
JROTC	12.999		\$ 104,484	
Total United States Department Of Defense			\$ 104,484	
United States Department Of Housing and Urban Development				
Direct Payments				
Community Development Block Grant/Entitlement Grants	14.218		\$ 1,768,507	\$ 1,317,249
COVID-19 - Community Development Block Grant/Entitlement Grants	14.218		134,529	134,529
Supportive Housing Program - Transitional Housing Assistance	14.235		151,838	
Continuum of Care Program	14.267		15,592	
Section 8 Housing Choice Vouchers	14.871		7,315,706	
COVID-19 - Section 8 Housing Choice Vouchers	14.871		8,010	
Mainstream Vouchers	14.879		1,207,495	
Family Self-Sufficiency Program	14.896		74,080	
Pass Through Payment				
Virginia Department of Housing and Community Development				
COVID-19 - Emergency Solution Grants Program	14.231		170,807	
Total United States Department Of Housing and Urban Development			\$ 10,846,564	\$ 1,451,778

See Notes to Schedule of Expenditures of Federal Awards.

COUNTY OF LOUDOUN, VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2021

<u>Federal Granting Agency/Recipient State Agency/Program Title</u>	<u>Assistance Listing Number</u>	<u>Pass Through Entity Identifying Number</u>	<u>Total 2021 Federal Expenditures</u>	<u>Passed Through to Subrecipient</u>
United States Department Of Interior				
Direct Payments				
Payment in Lieu of Taxes	15.226		\$ 3,559	
Total United States Department Of Interior			\$ 3,559	
United States Department Of Justice				
Direct Payments				
COVID-19 - Coronavirus Emergency Supplemental Funding	16.034		\$ 89,506	
Drug Court Discretionary Grant Program	16.585		125,365	
Grants to Encourage Arrest Policies and Endorsement of Protection Orders	16.590		133,949	
State Criminal Alien Assistance Program	16.606		18,500	
Edward Byrne Memorial JAG	16.738		39,159	
Smart Prosecution Initiative	16.825		42,667	
Equitable Sharing Program	16.922		930	
Pass Through Payment				
Virginia Department Of Criminal Justice Services				
COVID-19 - Coronavirus Emergency Supplemental Funding	16.034		34,238	
Juvenile Justice and Delinquency Prevention	16.540		53,595	
Residential substance Abuse Treatment for State Prisoners	16.593		5,589	
Total United States Department Of Justice			\$ 543,498	
United States Department Of Transportation				
Pass Through Payment				
Virginia Department of Motor Vehicles				
State and Community Highway Safety	20.600	FSC2021-51024-21024 FSC2020-50005-20005	\$ 30,210	
Alcohol Open Container Requirement	20.607	154-AL-2021-50023-21023 154-AL-2020-50003-20003	28,527	
Virginia Department Of Transportation				
Highway Planning and Construction	20.205		4,092,453	
National Infrastructure Investments	20.933		5,136,354	
Total United States Department Of Transportation			\$ 9,287,544	

See Notes to Schedule of Expenditures of Federal Awards.

COUNTY OF LOUDOUN, VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2021

Federal Granting Agency/Recipient State Agency/Program Title	Assistance Listing Number	Pass Through Entity Identifying Number	Total 2021 Federal Expenditures	Passed Through to Subrecipient
United States Department Of Treasury				
Direct Payments				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027		\$ 20,000,000	
Pass Through Payment				
Virginia Department Of Accounts				
COVID-19 - Coronavirus Relief Fund	21.019		54,777,881	\$ 11,022,219
Virginia Department Of Education				
COVID-19 - Coronavirus Relief Fund	21.019		14,864,308	
Virginia Department Of Elections				
COVID-19 - Coronavirus Relief Fund	21.019		175,055	
Total United States Department Of Treasury			\$ 89,817,244	\$ 11,022,219
United States Environmental Protection Agency				
Direct Payments				
Diesel Emissions Reduction Act	66.U01		\$ 200,000	
Total United States Environmental Protection Agency			\$ 200,000	
United States Department Of Education				
Direct Payments				
Impact Aid	84.041		\$ 214,339	
Pass Through Payment				
Virginia Department of Behavioral Health and Developmental Services				
Special Education Grants for Infants and Families with Disabilities	84.181		465,046	
Virginia Department Of Education				
Adult Education-State Grant Program	84.002		199,773	
Title I - Grants to Local Educational Agencies	84.010		1,618,397	
Title I - State Agency Program for Neglected & Delinquent Children	84.013		217	
Special Education - Grants to State	84.027		14,281,743	
Vocational Education Basic Grants to States	84.048		785,300	
Special Education - Preschool	84.173		151,489	
Education for Homeless Children and Youth	84.196A		98,609	
English Language Acquisition Grant	84.365		1,098,169	
Title II Improving Teacher Quality State Grants	84.367		647,335	
COVID-19 - CARES Act ESSERF - GEER Wi-Fi and MiFi Access (Vision)	84.425C		26,707	
Total United States Department Of Education			\$ 19,587,124	

COUNTY OF LOUDOUN, VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2021

Federal Granting Agency/Recipient State Agency/Program Title	Assistance Listing Number	Pass Through Entity Identifying Number	Total 2021 Federal Expenditures	Passed Through to Subrecipient
United States Department Of Health And Human Services				
Direct Payments				
Head Start	93.600		\$ 1,103,734	
Pass Through Payment				
County Of Fairfax				
Child Care and Development Block Grant	93.575		60,000	
National Association of County and City Health Officials				
COVID-19 - Medical Reserve Corps Small Grant Program	93.008		5,410	
UnitedHealth Group				
COVID-19 - Provider Relief Fund	93.498		144,788	
Virginia Department For Aging and Rehab Services				
Special Programs for the Aging-Title VII Chapter 3	93.041		1,065	
Special Programs for the Aging-Title III, Part D	93.043		11,079	
Special Programs for the Aging-Title III, Parts B	93.044		56,474	
COVID-19 - Special Programs for the Aging-Title III, Parts B	93.044		67,611	
Special Program for the Aging-Title III, Part C-Nutrition Services	93.045		191,328	
COVID-19 - Special Program for the Aging-Title III, Part C-Nutrition Services	93.045		195,500	
National Family Caregiver Support	93.052		42,260	
COVID-19 - National Family Caregiver Support	93.052		38,145	
Nutrition Services Incentive Program	93.053		74,000	
Medicare Enrollment Assistance Program	93.071		14,630	
State Health Insurance Assistance Program	93.324		30,285	
Virginia Department of Behavioral Health and Developmental Services				
Projects for Assistance in Transition from Homeless (PATH)	93.150		51,995	
Projects of Regional and National Significance	93.243		26,814	
Opioid STR	93.788		192,559	
Block Grants for Community Mental Health Services	93.958		262,856	
Block Grant for Prevention and Treatment of Substance Abuse	93.959		366,736	

See Notes to Schedule of Expenditures of Federal Awards.

COUNTY OF LOUDOUN, VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2021

Federal Granting Agency/Recipient State Agency/Program Title	Assistance Listing Number	Pass Through Entity Identifying Number	Total 2021 Federal Expenditures	Passed Through to Subrecipient
Virginia Department of Social Services				
Promoting Safe and Stable Families	93.556		99,926	
Temporary Assistance for Needy Families	93.558		518,104	
Refugee and Entrant Assistance State Administered Program	93.566		4,284	
Low-Income Home Energy Assistance	93.568		60,623	
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596		105,413	
Chafee Education and Training Vouchers Program	93.599		10,392	
Adoption Incentive Payments	93.603		225	
Child Welfare Services State Grants	93.645		255	
Foster Care-Title IV-E	93.658		1,016,790	
Adoption Assistance	93.659		666,630	
Social Services Block Grant	93.667		761,857	
Chafee Foster Care Independence Program	93.674		32,021	
COVID-19 - Chafee Foster Care Independence Program	93.674		5,520	
State Children's Insurance Program	93.767		24,096	
Medicaid Assistance Program	93.778		2,380,226	
Total United States Department Of Health And Human Services			\$ 8,623,631	
United States Office Of National Drug Control Policy				
Pass Through Payment				
Mercyhurst University				
High Intensity Drug Trafficking Areas (HIDTA)	95.001	G20WB0004A	\$ 13,571	
		G21WB0004A		
Total United States Office Of National Drug Control Policy			\$ 13,571	

COUNTY OF LOUDOUN, VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2021

Federal Granting Agency/Recipient State Agency/Program Title	Assistance Listing Number	Pass Through Entity Identifying Number	Total 2021 Federal Expenditures	Passed Through to Subrecipient
United States Department Of Homeland Security				
Direct Payments				
Assistance to Firefighters Grant	97.044		\$ 225,506	
COVID-19 - Assistance to Firefighters Grant	97.044		168,933	
Pass Through Payment				
Government Of The District Of Columbia				
Homeland Security Grant Program	97.067	19UASI534-01 19UASI581-01 19UASI876-01 19UASI876-02 1FBUA8 20UASI581-01 20UASI876-01	654,031	
Prince George's County Maryland				
Homeland Security Grant Program	97.067	16UASI606-01	9,550	
Virginia Department of Emergency Management				
COVID-19 - Disaster Grants-Public Assistance	97.036		2,003,526	
Homeland Security Grant Program	97.067	8316	38,000	
Total United States Department Of Homeland Security			\$ 3,099,546	
Total Expenditures of Federal Awards			\$ 182,310,485	\$ 12,473,997

COUNTY OF LOUDOUN, VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2021

TOTALS BY CLUSTER		
<u>Programs</u>	<u>Assistance Listing Number</u>	<u>Total 2021 Federal Expenditures</u>
School Breakfast Program	10.553	\$ 8,647,839
National School Lunch Program	10.555	25,853,054
National School Lunch Program	10.555	7,604
National School Lunch Program	10.555	2,504,926
Total of Child Nutrition Cluster		\$ 37,013,423
COVID-19 - Section 8 Housing Choice Vouchers	14.871	\$ 8,010
Section 8 Housing Choice Vouchers	14.871	7,315,706
Mainstream Vouchers	14.879	1,207,495
Total of Housing Choice Voucher Cluster		\$ 8,531,211
Special Education - Grants to State	84.027	\$ 14,281,743
Special Education - Preschool	84.173	151,489
Total of Special Education Cluster		\$ 14,433,232
Child Care and Development Block Grant	93.575	\$ 60,000
Child Care Mandatory and Matching Funds of the CCDF	93.596	105,413
Total of CCDF Cluster		\$ 165,413
COVID-19 - Special Programs for the Aging-Title III, Part D	93.044	\$ 67,611
Special Programs for the Aging-Title III, Part D	93.044	56,474
COVID-19 - Special Programs for the Aging-Title III, Part B	93.045	195,500
Special Programs for the Aging-Title III, Part B	93.045	191,328
Special Programs for the Aging-Title III, Part C	93.053	74,000
Total of Aging Cluster		\$ 584,913

See Notes to Schedule of Expenditures of Federal Awards.

COUNTY OF LOUDOUN, VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2021

TOTALS BY PROGRAM			
<u>Pass-through Agency</u>	<u>Program</u>	<u>Assistance Listing Number</u>	<u>Total 2021 Federal Expenditures</u>
Virginia Department of Juvenile Justice	National School Lunch Program	10.555	\$ 7,604
Virginia Department Of Education	National School Lunch Program	10.555	25,853,054
Virginia Department Of Agriculture	Food Distribution - Non-cash Commodities-National School Lunch Program	10.555	2,504,926
	Total for National School Lunch Program (10.555)		\$ 28,365,584
U.S. Department Of Housing And Urban Development	COVID-19 - Community Development Block Grant/Entitlement Grants	14.218	\$ 134,529
U.S. Department Of Housing And Urban Development	Community Development Block Grant/Entitlement Grants	14.218	1,768,507
	Total for Community Development Block Grant/Entitlement Grants (14.218)		\$ 1,903,036
U.S. Department Of Housing And Urban Development	COVID-19 - Section 8 Housing Choice Vouchers	14.871	\$ 8,010
U.S. Department Of Housing And Urban Development	Section 8 Housing Choice Vouchers	14.871	7,315,706
	Total for Section 8 Housing Choice Vouchers (14.871)		\$ 7,323,716
U.S. Department Of Justice	COVID-19 - Coronavirus Emergency Supplemental Funding	16.034	\$ 89,506
Virginia Department of Criminal Justice Services	COVID-19 - Coronavirus Emergency Supplemental Funding	16.034	34,238
	Total for Coronavirus Emergency Supplemental Funding (16.034)		\$ 123,744
Virginia Department Of Elections	COVID-19 - Coronavirus Relief Fund	21.019	\$ 175,055
Virginia Department Of Accounts	COVID-19 - Coronavirus Relief Fund	21.019	54,777,881
Virginia Department Of Education	COVID-19 - CARES CRF K-12 Schools	21.019	14,864,308
	Total for Coronavirus Relief Fund (21.019)		\$ 69,817,244
Virginia Department For Aging and Rehab Services	COVID-19 - Special Programs for the Aging - Title III, Parts B	93.044	\$ 67,611
Virginia Department For Aging and Rehab Services	Special Programs for the Aging-Title III, Parts B	93.044	56,474
	Total for Special Programs for the Aging - Title III, Parts B (93.044)		\$ 124,085
Virginia Department For Aging and Rehab Services	COVID-19 - Special Program for the Aging Title III, Part C-Nutrition Service	93.045	\$ 195,500
Virginia Department For Aging and Rehab Services	Special Program for the Aging Title III, Part C-Nutrition Services	93.045	191,328
	Total for Special Program for the Aging Title III, Part C - Nutrition Services (93.045)		\$ 386,828
Virginia Department For Aging and Rehab Services	COVID-19 - National Family Caregiver Support	93.052	\$ 38,145
Virginia Department For Aging and Rehab Services	National Family Caregiver Support	93.052	42,260
	Total for National Family Caregiver Support (93.052)		\$ 80,405
Virginia Department of Social Services	COVID-19 - Chafee Foster Care Independence Program	93.674	\$ 5,520
Virginia Department of Social Services	Chafee Foster Care Independence Program	93.674	32,021
	Total of Chafee Foster Care Independence Program (93.674)		\$ 37,541

COUNTY OF LOUDOUN, VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2021

TOTALS BY PROGRAM (continued)			
<u>Pass-through Agency</u>	<u>Program</u>	<u>Assistance Listing Number</u>	<u>Total 2021 Federal Expenditures</u>
U.S. Department Of Homeland Security	COVID-19 - Assistance to Firefighters Grant	97.044	\$ 168,933
U.S. Department Of Homeland Security	Assistance to Firefighters Grant	97.044	225,506
	Total of Assistance to Firefighters Grant (97.044)		\$ 394,439
Virginia Department of Emergency Services	Homeland Security Grant Program	97.067	\$ 38,000
Government of The District of Columbia	Homeland Security Grant Program	97.067	654,031
Prince George's County Maryland	Homeland Security Grant Program	97.067	9,550
	Total of Homeland Security Grant Program (97.067)		\$ 701,581

COUNTY OF LOUDOUN, VIRGINIA

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2021

Note 1—Summary of significant accounting policies

Reporting Entity – The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the activity of all federal award programs administered by the County of Loudoun, Virginia (the “County”) and its component unit, the Loudoun County Public Schools. The County’s reporting entity is defined in Note I A of the County’s basic financial statements.

Basis of Presentation – The information in the Schedule 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* (“Uniform Guidance”). Therefore, some amounts presented in the Schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. Federal award program titles are reported as presented by the Assistance Listing Number (“ALN”) in effect for the year in which the award was granted.

Basis of Accounting – The Schedule has been prepared on the modified accrual basis of accounting as defined in Note I B of the County’s basic financial statements.

Matching Costs – The nonfederal share of certain program costs are not included in the Schedule.

De Minimis Cost Rate – The County has not elected to use the 10% de minimis cost rate allowed under the Uniform Guidance.

Federal Award Programs – The County’s programs include direct expenditures, monies passed through to other governmental entities (i.e., payments to subrecipients), and nonmonetary assistance.

Note 2—Relationship to federal financial reports

The regulation and guidelines governing the preparation of federal financial reports vary by federal agency and among programs administered by the same agency. Accordingly, the amounts reported in the federal financial reports do not necessarily agree with the amounts reported in the accompanying Schedule.

Note 3—Noncash and other programs

- (a) The County received \$17,163 pass-through property sub-awards under the Homeland Security Grant Program (ALN 97.067) for the year ended June 30, 2021. Such amounts are reflected in the accompanying Schedule and in the basic financial statements.
- (b) The Community Development Block Grant/Entitlement (“CDBG”) (ALN 14.218) is granted by U.S. Department of Housing and Urban Development (“HUD”) to develop viable urban communities by providing decent housing, a suitable living environment, and expanding economic opportunities, principally for persons of low and moderate income. The Loudoun County Home Improvement Program, which is funded by CDBG, provides loans and grants to income eligible homeowners to rehabilitate their homes. For the year ended June 30, 2021, Loudoun County provided no funds from the repayment fund to program recipients.
- (c) The Section 8 Housing Choice Vouchers program (ALN 14.871) is granted by HUD to aid low-income families in obtaining decent, safe, and sanitary rental housing. For the year ended June 30, 2021, \$27,775 from program income was provided to clients.
- (d) The Mainstream Vouchers program (ALN 14.879) is granted by HUD to aid persons with disabilities in obtaining decent, safe, and sanitary rental housing. For the year ended June 30, 2021, \$500 from program income was provided to clients.

COUNTY OF LOUDOUN, VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2021

(1) Summary of Auditor's Results

- a. The type of report issued on the financial statements: **Unmodified**
- b. Significant deficiencies in internal control disclosed by the audit of the financial statements: **None reported**
- c. Material weaknesses in internal control disclosed by the audit of the financial statements: **No**
- d. Noncompliance which is material to the financial statements: **No**
- e. Significant deficiencies in internal control over major programs: **None reported**
- f. Material weakness in internal control over major programs: **No**
- g. The type of report issued on compliance for major programs: **Unmodified**
- h. Any audit findings which are required to be reported under Section 200.516(a) of the Uniform Guidance: **No**
- i. Major programs:
 - Housing Voucher Cluster (Assistance Listing Number 14.871 and 14.879)
 - Highway Planning and Construction Cluster (Assistance Listing Number 20.205)
 - National Infrastructure Investments (Assistance Listing Number 20.933)
 - COVID-19 Coronavirus Relief Fund (Assistance Listing Number 21.019)
 - COVID-19 Coronavirus State and Local Fiscal Recovery Funds (Assistance Listing Number 21.027)
- j. Dollar threshold used to distinguish between Type A and Type B programs: **\$3,000,000**
- k. Auditee qualified as low-risk auditee: **Yes**

(2) Findings Relating to the Financial Statements Reported in Accordance with *Government Auditing Standards*

None reported.

COUNTY OF LOUDOUN, VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2021

(3) Findings and Questioned Costs Relating to Federal Awards

None reported.

(4) Findings and Questioned Costs Relating to Compliance with Commonwealth of Virginia Laws, Regulations, Contracts, and Grants

2021-001: Non-material Noncompliance – Real Estate Disclosure Form (REDF)

Condition: One (1) new member appointed to the Board of Zoning Appeals (BZA) during the fiscal year ended June 30, 2021 did not file a required form prior to assuming office.

Criteria: Section 2.2-3115 of the Code of Virginia requires local officials to file a Statement of Economic Interests, REDF, or Financial Disclosure Statement form, as applicable, with the clerk of the governing body by February 1st or prior to assuming office or taking employment to disclose personal financial interests that may cause conflicts. Additionally, the Council requires that the local official may not sign, date, or submit a disclosure form for the regular annual filing period prior to January 1 each year.

Cause: Lack of controls over the Real Estate Disclosure Statement to ensure that all statements are filed within the prescribed time constraints.

Effect: Noncompliance may result in action by the Commonwealth.

Questioned Cost: Non-financial finding.

Recommendation: Local government officials should complete the Statement of Economic Interests, REDF, or Financial Disclosure Statement forms, as applicable, in accordance with prescribed requirements.

Views of Responsible Officials and Planned Corrective Action:

Responsible Person: Leo Rogers, County Attorney

Estimated Completion: June 30, 2022

Corrected Action: As related to the BZA, in particular, the Secretary to the BZA will be advised that all new BZA members must complete the Real Estate Disclosure form upon being appointed to office and before assuming their duties. Therefore, the BZA Secretary should include completion of the Real Estate Disclosure Form as part of the on-boarding process for new BZA members. Similarly, the Clerk to the Board of Supervisors will be advised to inform the appropriate liaison for other affected public bodies (i.e., Planning Commission, EDA and Board of Supervisors) that the applicable form must be completed prior to new members assuming their duties and, therefore, the form should be included as part of the on-boarding process for affected public bodies.

COUNTY OF LOUDOUN, VIRGINIA
STATUS OF PRIOR AUDIT FINDINGS

FOR THE YEAR ENDED JUNE 30, 2021

Status of Prior Year Findings and Questioned Costs Relating to *Government Auditing Standards*

None reported.

Status of Prior Year Findings and Questioned Costs Relating to Federal Awards

None reported.

Status of Prior Year Findings and Questioned Costs Relating to Compliance with Commonwealth of Virginia Laws, Regulations, Contracts, and Grants

None reported.