

COUNTY OF LOUDOUN, VIRGINIA

COMPLIANCE REPORTS

For the Year Ended June 30, 2020

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, 2020, 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 25, 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 County'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 County'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 CP". The signature is written in a cursive style.

Tysons Corner, Virginia
November 25, 2020

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, 2020. 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, 2020.

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, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated November 25, 2020, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's 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 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.



Tysons Corner, Virginia
December 3, 2020

**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, 2020, 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 25, 2020.

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:

Code of Virginia		State Agency Requirements
Budget and Appropriation Laws	Procurement	Education
Cash and Investments	Unclaimed Property	Comprehensive Service Act Funds
Conflicts of Interest	Property Taxes	Social Services
Debt Provisions		
Intergovernmental Revenues		
Economic Development Opportunity Fund		

The results of our tests disclosed no instances of noncompliance which are required to be reported in accordance with the Specifications.

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
December 3, 2020

COUNTY OF LOUDOUN, VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2020

<u>Federal Granting Agency/Recipient State Agency/Program Title</u>	<u>Federal Catalog Number</u>	<u>Pass Through Entity Identifying Number</u>	<u>Total 2020 Federal Expenditures</u>	<u>Passed Through to Subrecipient</u>
United States Department of Agriculture				
Pass Through Payment				
Virginia Department of Agriculture				
Food Distribution - Non-cash Commodities-National School Lunch Program	10.555		\$1,858,216	
Virginia Department of Education				
School Breakfast Program	10.553		\$2,514,027	
National School Lunch Program	10.555		\$7,910,727	
Virginia Department of Juvenile Justice				
National School Lunch Program	10.555		\$17,869	
Virginia Department of Social Services				
State Administrative Matching Grants for Food Stamp Program	10.561		\$2,609,791	
Total United States Department of Agriculture			\$14,910,630	
United States Department of Defense				
Direct Payments				
JROTC	12.999		\$89,781	
Total United States Department of Defense			\$89,781	
United States Department of Housing and Urban Development				
Direct Payments				
Community Development Block Grant/Entitlement Grants	14.218		\$1,252,969	\$925,857
Supportive Housing Program - Transitional Housing Assistance	14.235		\$140,982	
Continuum of Care Program	14.267		\$25,623	
Section 8 Housing Choice Vouchers	14.871		\$7,099,477	
COVID-19: Section 8 Housing Choice Vouchers	14.871		\$11,634	
Mainstream Vouchers	14.879		\$1,076,736	
Family Unification Program (FUP)	14.880		\$135,092	
Family Self-Sufficiency Program	14.896		\$70,750	
Pass Through Payment				
Virginia Department of Housing and Community Development				
Community Development Block Grant	14.228		\$3,992	
COVID-19: Community Development Block Grant	14.228		\$11,634	
Total United States Department of Housing and Urban Development			\$9,828,889	

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, 2020

<u>Federal Granting Agency/Recipient State Agency/Program Title</u>	<u>Federal Catalog Number</u>	<u>Pass Through Entity Identifying Number</u>	<u>Total 2020 Federal Expenditures</u>	<u>Passed Through to Subrecipient</u>
United States Department of Interior				
Pass Through Payment				
Payment in Lieu of Taxes	15.226		\$3,509	
Total United States Department of Interior			\$3,509	
United States Department of Justice				
Direct Payments				
Drug Court Discretionary Grant Program	16.585		\$111,846	
Grants to Encourage Arrest Policies and Endorsement of Protection Orders	16.590		\$38,102	
State Criminal Alien Assistance Program	16.606		\$134,335	
Edward Byrne Memorial JAG	16.738		\$67,840	
Pass Through Payment				
Virginia Department of Criminal Justice Services				
TITLE II - JJDP FY17 / RESTORATION	16.540		\$12,047	
Edward Byrne Memorial JAG	16.738		\$1,106	
Total United States Department of Justice			\$365,276	
United States Department of Transportation				
Pass Through Payment				
Virginia Department of Motor Vehicles				
State and Community Highway Safety	20.600	FSC2019-59023-9023	\$22,625	
Alcohol Open Container Requirement	20.607	FSC2020-50005-20005 154-AL-2019-59013-9013 154-AL-2020-50003-20003	\$14,993	
Virginia Department of Transportation				
Safe Routes to School - Federal thru State	20.205		\$90,999	
Highway Planning and Construction	20.205		\$312,776	
Total United States Department of Transportation			\$441,393	

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, 2020

<u>Federal Granting Agency/Recipient State Agency/Program Title</u>	<u>Federal Catalog Number</u>	<u>Pass Through Entity Identifying Number</u>	<u>Total 2020 Federal Expenditures</u>	<u>Passed Through to Subrecipient</u>
United States Department of Treasury				
Direct Payments				
Treasury Forfeiture Fund Program	21.000		\$7,879	
Pass Through Payment				
Virginia Department of Accounts				
Coronavirus Relief Fund	21.019		\$17,924,592	\$5,919,233
Total United States Department of Treasury			\$17,932,471	
Pass Through Payment				
Virginia Commission For The Arts				
Promotion of the Arts Grants	45.024		\$340	
Total			\$340	
United States Department of Education				
Direct Payments				
Impact Aid	84.041		\$189,517	
Pass Through Payment				
Virginia Department of Behavioral Health and Developmental Services				
Special Education - Grants for Infants and Families with Disabilities	84.181		\$430,432	
Virginia Department of Education				
Adult Education - State Grant Program	84.002		\$183,162	
Title I- Grants to Local Educational Agencies	84.010		\$1,764,653	
Title I- State Agency Program for Neglected & Delinquent Children	84.013		\$9,149	
Special Education - Grants to State	84.027		\$13,181,935	
Vocational Education - Basic Grants to States	84.048		\$430,450	
Special Education - Preschool	84.173		\$147,802	
Education for Homeless Children and Youth	84.196		\$106,554	
English Language Acquisition Grant	84.365		\$1,086,830	
Title II Improving Teacher Quality State Grants	84.367		\$623,660	
COVID- 19: CARES Act ESSERF LEA Activities	84.425		\$1,237,601	
Total United States Department of Education			\$19,391,745	

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, 2020

<u>Federal Granting Agency/Recipient State Agency/Program Title</u>	<u>Federal Catalog Number</u>	<u>Pass Through Entity Identifying Number</u>	<u>Total 2020 Federal Expenditures</u>	<u>Passed Through to Subrecipient</u>
United States Department of Health And Human Services				
Direct Payments				
Head Start	93.600		\$1,017,533	
Pass Through Payment				
County of Fairfax				
Child Care and Development Block Grant	93.575		\$60,000	
Virginia Department For Aging and Rehab Services				
Special Programs for the Aging- Title III, Part D	93.043		\$10,203	
Special Programs for the Aging- Title III, Parts B	93.044		\$83,647	
Special Program for the Aging- Title III, Part C- Nutrition Services	93.045		\$222,939	
National Family Caregiver Support	93.052		\$47,693	
Nutrition Services Incentive Program	93.053		\$86,113	
Medicare Enrollment Assistance Program	93.071		\$13,083	
State Health Insurance Assistance Program	93.324		\$28,934	
Virginia Department of Behavioral Health and Developmental Services				
Projects for Assistance in Transition from Homeless (PATH)	93.150		\$53,319	
Projects of Regional and National Significance	93.243		\$102,486	
Opioid STR	93.788		\$173,067	
Block Grants for Community Mental Health Services	93.958		\$283,415	
Block Grant for Prevention and Treatment of Substance Abuse	93.959		\$381,005	
Virginia Department of Social Services				
Promoting Safe and Stable Families	93.556		\$115,328	
Temporary Assistance for Needy Families	93.558		\$664,398	
Refugee and Entrant Assistance State Administered Program	93.566		\$7,843	
Low- Income Home Energy Assistance	93.568		\$87,550	
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596		\$124,734	
Chafee Education and Training Vouchers Program	93.599		\$7,779	
Adoption Incentive Payments	93.603		\$2,582	
Child Welfare Services State Grants	93.645		\$739	
Foster Care- Title IV- E	93.658		\$1,000,803	
Adoption Assistance	93.659		\$605,612	

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, 2020

<u>Federal Granting Agency/Recipient State Agency/Program Title</u>	<u>Federal Catalog Number</u>	<u>Pass Through Entity Identifying Number</u>	<u>Total 2020 Federal Expenditures</u>	<u>Passed Through to Subrecipient</u>
Social Services Block Grant	93.667		\$839,329	
Chafee Foster Care Independence Program	93.674		\$16,046	
State Children's Insurance Program	93.767		\$39,689	
Medicaid Assistance Program	93.778		\$2,611,140	
Total United States Department of Health And Human Services			\$8,687,009	
United States Office of National Drug Control Policy				
Pass Through Payment				
Mercyhurst University				
High Intensity Drug Trafficking Areas (HIDTA)	95.001	G19WB0004A G20WB0004A	\$5,625	
Total United States Office of National Drug Control Policy			\$5,625	
United States Department of Homeland Security				
Direct Payments				
Assistance to Firefighters Grant	97.044		\$298,184	
Pass Through Payment				
Government of The District of Columbia				
Homeland Security Grant Program	97.067	18UASI876-01 2018-SS-00051 19UASI581-01 19UASI876-01	\$316,250	
Securing the Cities Program	97.106	1FBUA8 14DNSTC00003	\$95,628	
Northern Virginia Emergency Response System Inc				
Homeland Security Grant Program	97.067	17UASI650-02 19UASI650-03	\$50,260	
Prince George's County Maryland				
Homeland Security Grant Program	97.067	16UASI606-01	\$89,101	
Total United States Department of Homeland Security			\$849,423	
Total Expenditures of Federal Awards			\$72,506,091	\$13,695,090

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, 2020

<u>Programs</u>	<u>Federal Catalog Number</u>	<u>Total 2020 Federal Expenditures</u>
School Breakfast Program	10.553	\$2,514,027
National School Lunch Program	10.555	\$7,910,727
National School Lunch Program	10.555	\$17,869
National School Lunch Program	10.555	\$1,858,216
Total of Child Nutrition Cluster		<u>\$12,300,839</u>
Section 8 Housing Choice Vouchers	14.871	\$7,111,111
Mainstream Vouchers	14.879	\$1,076,736
Total of Housing Choice Voucher Cluster		<u>\$8,187,847</u>
Special Education - Grants to State	84.027	\$13,181,935
Special Education - Preschool	84.173	\$147,802
Total of Special Education Cluster		<u>\$13,329,737</u>
Child Care and Development Block Grant	93.575	\$60,000
Child Care Mandatory and Matching Funds of the CCDF	93.596	\$124,734
Total of CCDF Cluster		<u>\$184,734</u>
Special Programs for the Aging-Title III, Part D	93.044	\$83,647
Special Programs for the Aging-Title III, Part B	93.045	\$222,939
Special Programs for the Aging-Title III, Part C	93.053	\$86,113
Total of Aging Cluster		<u>\$392,699</u>

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

FOR THE YEAR ENDED JUNE 30, 2020

<u>Pass-through Agency</u>	<u>Program</u>	<u>Federal Catalog Number</u>	<u>Total 2020 Federal Expenditures</u>
Virginia Department of Juvenile Justice		10.555	\$17,869
Virginia Department of Education		10.555	\$7,910,727
Virginia Department of Agriculture		10.555	\$1,858,216
	Total for National School Lunch Program (10.555)		\$9,786,812
Virginia Department of Housing and Community Development		14.228	\$3,992
Virginia Department of Housing and Community Development		14.228	\$11,634
	Total for Community Development Block Grant (14.228)		\$15,626
United States Department of Housing and Urban Development		14.871	\$7,099,477
United States Department of Housing and Urban Development		14.871	\$11,634
	Total for Section 8 Housing Choice Vouchers (14.871)		\$7,111,111
United States Department of Justice		16.738	\$67,840
Virginia Department of Criminal Justice Services		16.738	\$1,106
	Total for Edward Byrne Memorial Grant (16.738)		\$68,946
Virginia Department of Transportation		20.205	\$90,999
Virginia Department of Transportation		20.205	\$312,776
	Total for Highway Planning and Construction (20.205)		\$403,775
Prince George's County Maryland		97.067	\$89,101
Northern Virginia Emergency Response System Inc.		97.067	\$50,260
Government of The District of Columbia		97.067	\$316,250
	Total for Homeland Security Grant Program (97.067)		\$455,611

COUNTY OF LOUDOUN, VIRGINIA

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2020

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 in the Catalog of Federal Domestic Assistance (“CFDA”) 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.

The County has not elected to use the 10% de minimis cost rate allowed under the Uniform Guidance.

Federal award 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 \$213,188 pass-through property sub-awards under the Homeland Security Grant Program (CFDA 97.067) for the year ended June 30, 2020. Such amounts are reflected in the accompanying Schedule and in the basic financial statements.
- (b) The County received \$95,628 pass-through property sub-awards under the Securing the Cities Program (CFDA 97.106) for the year ended June 30, 2020. Such amounts are reflected in the accompanying Schedule and in the basic financial statements.
- (c) The Community Development Block Grant/Entitlement (“CDBG”) (CFDA 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, 2020, Loudoun County provided \$31,124 from the repayment fund to the program recipients.

COUNTY OF LOUDOUN, VIRGINIA

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2020

Note 3—Noncash and other programs (continued)

- (d) The Section 8 Housing Choice Vouchers program (CFDA 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, 2020, \$51,276 from program income was provided to clients.
- (e) The Mainstream Vouchers program (CFDA 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, 2020, \$500 from program income was provided to clients.
- (f) On December 9, 2014, the County and the Economic Development Authority entered into a Transportation Infrastructure Finance and Innovation Act (“TIFIA”) loan agreement under CFDA 20.223 with the U.S. Department of Transportation. This loan was used to finance the County’s proportionate share (4.8%) of the costs of construction to extend the Washington Metropolitan Area Transit Authority’s mass transit system into the County, not to exceed \$195.1 million. On May 28, 2020, the County sold Public Facility Lease Revenue Bonds and, using a portion of the proceeds, refunded its outstanding TIFIA loan.

COUNTY OF LOUDOUN, VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2020

(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:
 - SNAP Cluster (CFDA Number 10.561)
 - Child Nutrition Cluster (CFDA Numbers 10.553 and 10.555)
 - Coronavirus Relief Fund (CFDA Number 21.019)
- j. Dollar threshold used to distinguish between Type A and Type B programs: **\$2,175,183**
- k. Auditee qualified as low-risk auditee: **No**

(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, 2020

(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

None reported.

COUNTY OF LOUDOUN, VIRGINIA
STATUS OF PRIOR AUDIT FINDINGS

FOR THE YEAR ENDED JUNE 30, 2020

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

2019-001: Significant Deficiency and Non-material Noncompliance – Medical Assistance Program Eligibility

Condition: During our testing of sixty (60) eligibility determinations, we noted one (1) beneficiary case file did not contain evidence for verification of income.

Status: Finding not repeated in current year

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

2019-002: Non-material Noncompliance – Social Service Computer Access Request Forms

Condition: For a sample of thirteen (13) Social Service workers selected for testing, one (1) had access to a system and was not included on the system user report, five (5) had access to a system, but were listed as inactive on the system user report, and one (1) was listed as approved to have access to a system no longer used.

Status: Finding not repeated in current year.

2019-003: Non-material Noncompliance – Social Service Terminated Users

Condition: For a sample of two (2) terminated employees selected for testing, one (1) did not have system access removed within three (3) working days of termination.

Status: Finding not repeated in current year.