

# **COUNTY OF LOUDOUN, VIRGINIA**

## **COMPLIANCE REPORTS**

***For the Year Ended June 30, 2023***

***And Reports of Independent Auditor***

COUNTY OF LOUDOUN, VIRGINIA  
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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, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 13, 2023.

**Report on 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 or significant deficiencies may exist that were not identified.

**Report on 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.

*Cherry Bekaert LLP*

Tysons Corner, Virginia  
December 13, 2023

## **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**

#### ***Opinion on Each Major Federal Program***

We have audited the County of Loudoun, Virginia's (the "County") compliance with the types of compliance requirements identified as subject to audit 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, 2023. 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.

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, 2023.

#### ***Basis for Opinion on Each Major Federal Program***

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"). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

#### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the County's federal programs.

#### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance, but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on 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 *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

### **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, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated December 13, 2023, 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 Bekaert LLP*

Tysons Corner, Virginia  
March 25, 2024

## 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, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 13, 2023.

### 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	Children's Services Act Funds
Conflicts of Interest	Property Taxes	Social Services
Intergovernmental Revenues	Debt Provisions	

The results of our tests disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with the Specifications, as described in the accompanying schedule of findings and questioned costs as items 2023-001 through 2023-002.

The County's responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on them.

### 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.

*Cherry Bekaert LLP*

Tysons Corner, Virginia  
March 25, 2024



**COUNTY OF LOUDOUN, VIRGINIA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

*YEAR ENDED JUNE 30, 2023*

<b>Federal Granting Agency/Recipient State Agency/Program Title</b>	<b>Assistance Listings</b>	<b>Pass Through Entity Identifying Number</b>	<b>Total 2023 Federal Expenditures</b>	<b>Passed Through to Subrecipient</b>
<b>United States Department Of Agriculture</b>				
<b>Direct Payments</b>				
Farmers Market and Local Food Promotion Program	10.175		\$ 21,000	
<b>Pass Through Payment</b>				
<b>Virginia Department Of Agriculture</b>				
Food Distribution - Non-cash Commodities-National School Lunch Program	10.555		2,409,519	
<b>Virginia Department Of Education</b>				
School Breakfast Program	10.553		2,903,561	
National School Lunch Program	10.555		14,555,899	
<b>Virginia Department of Juvenile Justice</b>				
National School Lunch Program	10.555		7,783	
<b>Virginia Department of Social Services</b>				
State Administrative Matching Grants for Food Stamp Program	10.561		4,378,417	
<b>Total United States Department Of Agriculture</b>			<b>24,276,179</b>	
<b>United States Department Of Defense</b>				
<b>Direct Payments</b>				
JROTC	12.999		121,666	
<b>Total United States Department Of Defense</b>			<b>121,666</b>	
<b>United States Department Of Housing and Urban Development</b>				
<b>Direct Payments</b>				
Community Development Block Grant/Entitlement Grants	14.218		738,140	\$ 407,772
COVID-19 - Community Development Block Grant/Entitlement Grants	14.218		1,404,703	1,370,227
Supportive Housing Program - Transitional Housing Assistance	14.235		151,199	
Continuum of Care Program	14.267		14,713	
Section 8 Housing Choice Vouchers	14.871		8,732,934	
Mainstream Vouchers	14.879		1,221,315	
Family Self-Sufficiency Program	14.896		87,272	
<b>Pass Through Payment</b>				
<b>Virginia Department of Housing and Community Development</b>				
COVID-19 - Emergency Solution Grants Program	14.231		199,601	
<b>Total United States Department Of Housing and Urban Development</b>			<b>12,549,877</b>	

See notes to schedule of expenditures of federal awards.

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

YEAR ENDED JUNE 30, 2023

<b>Federal Granting Agency/Recipient State Agency/Program Title</b>	<b>Assistance Listings</b>	<b>Pass Through Entity Identifying Number</b>	<b>Total 2023 Federal Expenditures</b>	<b>Passed Through to Subrecipient</b>
<b>United States Department Of Interior</b>				
<b>Direct Payments</b>				
Payment in Lieu of Taxes	15.226		3,906	
<b>Total United States Department Of Interior</b>			<b>3,906</b>	
<b>United States Department Of Justice</b>				
<b>Direct Payments</b>				
Drug Court Discretionary Grant Program	16.585		66,858	
Grants to Encourage Arrest Policies and Endorsement of Protection Orders Program	16.590		100,577	
State Criminal Alien Assistance Program	16.606		513,660	
Public Safety Partnership and Community Policing Grants	16.710		1,067,668	
Edward Byrne Memorial Justice Assistance Grant	16.738		48,335	
Smart Prosecution Initiative	16.825		63,134	
Stop School Violence	16.839		375,686	
Equitable Sharing Program	16.922		417,257	
<b>Pass Through Payment</b>				
<b>Virginia Department Of Criminal Justice Services</b>				
Edward Byrne Memorial Justice Assistance Grant	16.738		62,398	
<b>Total United States Department Of Justice</b>			<b>2,715,573</b>	
<b>United States Department Of Transportation</b>				
<b>Pass Through Payment</b>				
<b>Virginia Department of Motor Vehicles</b>				
State and Community Highway Safety	20.600	BPT-2023-53285-23285 FSC2022-52032-22032	34,153	
Alcohol Open Container Requirement	20.607	ENF-AL-2023-53276-23276 154-AL-2022-52021-22021	29,848	
<b>Virginia Department Of Transportation</b>				
Highway Planning and Construction	20.205		368,370	
National Infrastructure Investments	20.933		6,137,784	
<b>Total United States Department Of Transportation</b>			<b>6,570,155</b>	

See notes to schedule of expenditures of federal awards.

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

YEAR ENDED JUNE 30, 2023

<b>Federal Granting Agency/Recipient State Agency/Program Title</b>	<b>Assistance Listings</b>	<b>Pass Through Entity Identifying Number</b>	<b>Total 2023 Federal Expenditures</b>	<b>Passed Through to Subrecipient</b>
<b>United States Department Of Treasury</b>				
<b>Direct Payments</b>				
Treasury Forfeiture Fund Program	21.000		4,711	
Coronavirus State and Local Fiscal Recovery Funds	21.027		5,531,093	4,704,369
COVID-19-Local Assistance and Tribal Consistency Fund	21.032		50,000	
<b>Pass Through Payment</b>				
<b>Virginia Department of Behavioral Health and Developmental Services</b>				
Coronavirus State and Local Fiscal Recovery Funds	21.027		41,758	
<b>Virginia Department of Social Services</b>				
Coronavirus State and Local Fiscal Recovery Funds	21.027		10,772	
<b>Virginia Department Of Education</b>				
Coronavirus State and Local Fiscal Recovery Funds	21.027		8,408,574	
<b>Total United States Department Of Treasury</b>			<b>14,046,908</b>	
<b>Federal Communications Commission</b>				
<b>Direct Payments</b>				
COVID-19-Emergency Connectivity Fund Program	32.009		924,057	
<b>Total Federal Communications Commission</b>			<b>924,057</b>	
<b>United States Department Of Education</b>				
<b>Direct Payments</b>				
Impact Aid	84.041		228,289	
<b>Pass Through Payment</b>				
<b>Virginia Department of Behavioral Health and Developmental Services</b>				
Special Education_Grants for Infants and Families with Disabilities	84.181		558,903	
COVID-19 Special Education_Grants for Infants and Families with Disabilities	84.181		294,547	
<b>Virginia Department Of Education</b>				
Adult Education-State Grant Program	84.002		200,027	
Title I - Grants to Local Educational Agencies	84.010		2,136,195	
Title I-State Agency Program for Neglected & Delinquent Children	84.013		43,863	
Special Education - Grants to State	84.027		19,779,072	
Career and Technical Education-Basic Grants to States	84.048		537,092	
Special Education - Preschool	84.173		227,914	
Education for Homeless Children and Youth	84.196		125,683	
English Language Acquisition Grant	84.365		659,811	
Supporting Effective Instruction State Grants	84.367		708,057	
COVID-19 Education Stabilization Fund	84.425D		8,261,584	
<b>Total United States Department Of Education</b>			<b>33,761,037</b>	

See notes to schedule of expenditures of federal awards.

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

YEAR ENDED JUNE 30, 2023

<b>Federal Granting Agency/Recipient State Agency/Program Title</b>	<b>Assistance Listings</b>	<b>Pass Through Entity Identifying Number</b>	<b>Total 2023 Federal Expenditures</b>	<b>Passed Through to Subrecipient</b>
<b>United States Consumer Product Safety Commission</b>				
<b>Direct Payments</b>				
Virginia Graeme Baker Pool and Spa Safety	87.002		1,575	
<b>Total United States Consumer Product Safety Commission</b>			<b>1,575</b>	
<b>United States Department Of Health And Human Services</b>				
<b>Direct Payments</b>				
Head Start	93.600		1,229,746	
<b>Pass Through Payment</b>				
<b>National Association of County and City Health Officials</b>				
Medical Reserve Corps Small Grant Program	93.008		32,009	
<b>Virginia Department of Health</b>				
Immunization Cooperative Agreements	93.268		115,906	
<b>Virginia Department Of Education</b>				
COVID-19 - Child Care and Development Block Grant	93.575		448,366	
<b>Virginia Department For Aging and Rehab Services</b>				
Special Programs for the Aging Title VII Chapter 3	93.041		1,216	
Special Programs for the Aging-Title III, Part D	93.043		26,103	
Special Programs for the Aging-Title III, Parts B	93.044		200,484	
Special Program for the Aging Title III, Part C-Nutrition Services	93.045		251,184	
National Family Caregiver Support	93.052		64,134	
COVID-19-National Family Caregiver Support	93.052		678	
Nutrition Services Incentive Program	93.053		135,986	
Medicare Enrollment Assistance Program	93.071		18,239	
State Health Insurance Assistance Program	93.324		28,391	

See notes to schedule of expenditures of federal awards.

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

YEAR ENDED JUNE 30, 2023

<b>Federal Granting Agency/Recipient State Agency/Program Title</b>	<b>Assistance Listings</b>	<b>Pass Through Entity Identifying Number</b>	<b>Total 2023 Federal Expenditures</b>	<b>Passed Through to Subrecipient</b>
<b>Virginia Department of Behavioral Health and Developmental Services</b>				
Projects for Assistance in Transition from Homeless (PATH)	93.150		64,658	
Opioid STR	93.788		199,695	
Block Grants for Community Mental Health Services	93.958		306,782	
Block Grant for Prevention and Treatment of Substance Abuse	93.959		451,971	
COVID-19 - Block Grant for Prevention and Treatment of Substance Abuse	93.959		65,925	
<b>Virginia Department of Social Services</b>				
Guardianship Assistance	93.090		847	
Title IV-E Prevention Program	93.472		33,410	
Promoting Safe and Stable Families	93.556		123,493	
Temporary Assistance for Needy Families	93.558		709,895	
Refugee and Entrant Assistance State Administered Program	93.566		182,159	
Low-Income Home Energy Assistance	93.568		102,048	
Child Care and Development Block Grant	93.575		28,328	
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596		149,489	
Chafee Education and Training Vouchers Program	93.599		3,562	
COVID-19-Chafee Education and Training Vouchers Program	93.599		1,880	
Adoption Incentive Payments	93.603		3,462	
Child Welfare Services State Grants	93.645		1,098	
Foster Care-Title IV-E	93.658		1,099,616	
Adoption Assistance	93.659		722,132	
Social Services Block Grant	93.667		926,441	
Chafee Foster Care Independence Program	93.674		32,330	
COVID-19 - Elder Abuse Prevention Interventions Program	93.747		15,845	
State Children's Insurance Program	93.767		17,706	
Medicaid Assistance Program	93.778		2,273,890	
<b>Total United States Department Of Health And Human Services</b>			<b>10,069,104</b>	

See notes to schedule of expenditures of federal awards.

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

YEAR ENDED JUNE 30, 2023

<u>Federal Granting Agency/Recipient State Agency/Program Title</u>	<u>Assistance Listings</u>	<u>Pass Through Entity Identifying Number</u>	<u>Total 2023 Federal Expenditures</u>	<u>Passed Through to Subrecipient</u>
<b>United States Office Of National Drug Control Policy</b>				
<b>Pass Through Payment</b>				
<b>Mercyhurst University</b>				
High Intensity Drug Trafficking Areas (HIDTA)	95.001		17,700	
<b>Total United States Office Of National Drug Control Policy</b>			<b>17,700</b>	
<b>United States Department Of Homeland Security</b>				
<b>Direct Payments</b>				
Assistance to Firefighters Grant	97.044		103,032	
COVID-19 - Assistance to Firefighters Grant	97.044		22,370	
<b>Pass Through Payment</b>				
<b>Government Of The District Of Columbia</b>				
Homeland Security Grant Program	97.067	21UASI876-01 22UASI876-01	498,187	
<b>Northern Virginia Emergency Response System Inc</b>				
Homeland Security Grant Program	97.067		85,499	
<b>Prince George's County, Maryland</b>				
Homeland Security Grant Program	97.067		23,262	
<b>Virginia Department of Emergency Management</b>				
COVID-19 - Disaster Grants-Public Assistance	97.036		2,514,224	
Emergency management Performance Grants	97.042		88,701	
<b>Total United States Department Of Homeland Security</b>			<b>3,335,275</b>	
<b>Total Expenditures of Federal Awards</b>			<b>\$ 108,393,012</b>	<b>\$ 6,482,368</b>

See notes to schedule of expenditures of federal awards.

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

YEAR ENDED JUNE 30, 2023

TOTALS BY CLUSTER		Total 2023 Federal Expenditures
Programs	Assistance Listings	
State Administrative Matching Grants for Supplemental Nutritional Assistance Program	10.561	\$ 4,378,417
<b>Total of SNAP Cluster</b>		<b>\$ 4,378,417</b>
School Breakfast Program	10.553	\$ 2,903,561
National School Lunch Program	10.555	7,783
National School Lunch Program	10.555	14,555,899
National School Lunch Program	10.555	2,409,519
<b>Total of Child Nutrition Cluster</b>		<b>\$ 19,876,762</b>
Community Development Block Grants/Entitlement Grants	14.218	\$ 2,142,843
<b>Total of CDBG - Entitlement Grants Cluster</b>		<b>\$ 2,142,843</b>
Section 8 Housing Choice Vouchers	14.871	\$ 8,732,934
Mainstream Vouchers	14.879	1,221,315
<b>Total of Housing Choice Voucher Cluster</b>		<b>\$ 9,954,249</b>
State and Community Highway Safety	20.600	\$ 34,153
<b>Total of Highway Safety Cluster</b>		<b>\$ 34,153</b>
Special Education - Grants to State	84.027	\$ 19,779,072
Special Education - Preschool	84.173	227,914
<b>Total of Special Education Cluster</b>		<b>\$ 20,006,986</b>
Special Programs for the Aging-Title III, Part D	93.044	\$ 200,484
Special Programs for the Aging-Title III, Part B	93.045	251,184
Special Programs for the Aging-Title III, Part C	93.053	135,986
<b>Total of Aging Cluster</b>		<b>\$ 587,654</b>
Head Start	93.600	\$ 1,229,746
<b>Total of Head Start Cluster</b>		<b>\$ 1,229,746</b>
Child Care and Development Block Grant	93.575	\$ 28,328
COVID-19 - Child Care and Development Block Grant	93.575	448,366
Child Care Mandatory and Matching Funds of the CCDF	93.596	149,489
<b>Total of CCDF Cluster</b>		<b>\$ 626,183</b>
Medical Assistance Program	93.778	\$ 2,273,890
<b>Total of Medicaid Cluster</b>		<b>\$ 2,273,890</b>

See notes to schedule of expenditures of federal awards.

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

YEAR ENDED JUNE 30, 2023

**TOTALS BY PROGRAM**

<u>Pass-through Agency</u>	<u>Program</u>	<u>Assistance Listings</u>	<u>Total 2023 Federal Expenditures</u>
Virginia Department of Juvenile Justice	National School Lunch Program	10.555	\$ 7,783
Virginia Department Of Education	National School Lunch Program	10.555	14,555,899
Virginia Department Of Agriculture	Food Distribution - Non-cash Commodities-National School Lunch Program	10.555	2,409,519
	<b>Total for National School Lunch Program (10.555)</b>		<b>\$ 16,973,201</b>
United States Department Of Housing And Urban Development	COVID-19 - Community Development Block Grant/Entitlement Grants	14.218	\$ 1,404,703
United States Department Of Housing And Urban Development	Community Development Block Grant/Entitlement Grants	14.218	738,140
	<b>Total for Community Development Block Grant/Entitlement Grants(14.218)</b>		<b>\$ 2,142,843</b>
United States Department Of Justice	Edward Byrne Memorial - Drug Treatment	16.738	\$ 48,335
Virginia Department of Criminal Justice Services	Edward Byrne Memorial - Drug Treatment	16.738	62,398
	<b>Total for Edward Byrne Memorial - Drug Treatment(16.738)</b>		<b>\$ 110,733</b>
Virginia Department of Behavioral Health and Development	Coronavirus State and Local Fiscal Recovery Funds	21.027	\$ 41,758
Virginia Department of Social Services	Coronavirus State and Local Fiscal Recovery Funds	21.027	10,772
Virginia Department Of Education	Coronavirus State and Local Fiscal Recovery Funds	21.027	8,408,574
United States Department of Treasury	Coronavirus State and Local Fiscal Recovery Funds	21.027	5,531,093
	<b>Total for Coronavirus Relief Fund(21.027)</b>		<b>\$ 13,992,197</b>
Virginia Department of Behavioral Health and Development	Special Education Grants for Infants and Families with Disabilities	84.181	\$ 558,903
Virginia Department of Behavioral Health and Development	COVID-19 Special Education Grants for Infants and Families with Disabilities	84.181	294,547
	<b>Total for Special Education Grants for Infants and Families with Disabilities(84.181)</b>		<b>\$ 853,450</b>
Virginia Department For Aging and Rehab Services	National Family Caregiver Support	93.052	\$ 64,134
Virginia Department For Aging and Rehab Services	COVID-19-National Family Caregiver Support	93.052	678
	<b>Total for National Family Caregiver Support(93.052)</b>		<b>\$ 64,812</b>

See notes to schedule of expenditures of federal awards.



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

YEAR ENDED JUNE 30, 2023

TOTALS BY PROGRAM			
<u>Pass-through Agency</u>	<u>Program</u>	<u>Assistance Listings</u>	<u>Total 2023 Federal Expenditures</u>
Virginia Department of Social Services	Child Care and Development Block Grant	93.575	\$ 28,328
Virginia Department of Education	Covid-19-Child Care and Development Block Grant	93.575	448,366
	<b>Total of Child Care and Development Block Grant(93.575)</b>		<b>\$ 476,694</b>
Virginia Department of Social Services	COVID-19-Chafee Education and Training Vouchers Program	93.599	\$ 1,880
Virginia Department of Social Services	Chafee Education and Training Vouchers Program	93.599	3,562
	<b>Total of Chafee Education and Training Vouchers Program(93.599)</b>		<b>\$ 5,442</b>
Virginia Department of Behavioral Health and Developmental Services	COVID-19 - Block Grant for Prevention and Treatment of Substance Abuse	93.959	\$ 65,925
Virginia Department of Behavioral Health and Developmental Services	Block Grant for Prevention and Treatment of Substance Abuse	93.959	451,971
	<b>Total of Block Grant for Prevention and Treatment of Substance Abuse</b>		<b>\$ 517,896</b>
United States Department Of Homeland Security	COVID-19 - Assistance to Firefighters Grant	97.044	\$ 22,370
United States Department Of Homeland Security	Assistance to Firefighters Grant	97.044	103,032
	<b>Total of Assistance to Firefighters Grant(97.044)</b>		<b>\$ 125,402</b>
Prince George's County, Maryland	Homeland Security Grant Program	97.067	\$ 23,262
Government of The District of Columbia	Homeland Security Grant Program	97.067	498,187
Northern Virginia Emergency Response System Inc	Homeland Security Grant Program	97.067	85,499
	<b>Total of Homeland Security Grant Program(97.067)</b>		<b>\$ 606,948</b>

See notes to schedule of expenditures of federal awards.

**COUNTY OF LOUDOUN, VIRGINIA**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

JUNE 30, 2023

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**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 \$23,262 pass-through property sub-awards under the Homeland Security Grant Program (ALN 97.067) for the year ended June 30, 2023. 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, 2023, \$253,351 from program income was provided to clients.
- (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, 2023, \$447 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, 2023, \$500 from program income was provided to clients.

**COUNTY OF LOUDOUN, VIRGINIA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

*JUNE 30, 2023*

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**(1) Summary of Auditor's Results**

- a. The type of report issued on the financial statements in accordance with GAAP: **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:
  - Supplemental Nutrition Assistance Program (Assistance Listing Number 10.561)
  - COVID-19 Coronavirus State and Local Fiscal Recovery Funds (Assistance Listing Number 21.027)
  - COVID-19 Education Stabilization Fund (Assistance Listing Number 84.425)
- 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.

**(3) Findings and Questioned Costs Relating to Federal Awards**

None reported.

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

JUNE 30, 2023

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

**2023-001: Non-material Noncompliance – Financial Disclosure Statement (the “FDS”) (Repeat Finding 2022-001)**

**Condition:** Two (2) members of the Dulles Town Center Community Development Authority’s (the “CDA”) Board of Directors (the “Board”) during the fiscal year ended June 30, 2023 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, Real Estate Disclosure Form, or FDS form, as applicable, with the clerk of the governing body by February 1<sup>st</sup> or prior to assuming office or taking employment to disclose personal financial interests that may cause conflicts. Additionally, the Virginia Conflict of Interest and Ethics Advisory 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<sup>st</sup> each year.

**Cause:** Failure of the Board members to comply with the obligation to complete and submit the FDS, despite being directed to do so and reminded of the requirement by the Clerk to the County Board of Supervisors.

**Effect:** Noncompliance may result in a penalty imposed on the Board member.

**Questioned Cost:** Non-financial finding.

**Recommendation:** Local government officials should complete the Statement of Economic Interests, Real Estate Disclosure Forms, or FDS 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, 2024

**Corrected Action:** The Clerk to the County Board of Supervisors will be advised to continue to inform the appropriate liaison for other affected public bodies (i.e., Planning Commission, Economic Development Authority, CDA and County Board of Supervisors) that the applicable form(s) must be completed by members in accordance with the requirements per the Code of Virginia.

**2023-002: Non-material Noncompliance – Virginia Initiative for Education and Work (the “VIEW”) (Repeat Finding 2022-002)**

**Condition:** For a sample of twenty-five (25) VIEW purchased service transactions, we noted two (2) instances in which supporting documentation could not be produced to show that services were being performed in accordance with the individuals’ VIEW Participant’s Activity and Service Plan (the “Plan”). Additionally, we noted two (2) instances in which services were provided outside of the active period of the individuals’ Plan.

**Criteria:** Per Section 3-15 of the *Specifications for Audits of Counties, Cities, and Towns*, published by the Commonwealth of Virginia’s Auditor of Public Accounts, counties are responsible for maintaining individual VIEW Plan to determine if the services being performed are in accordance with the policy and the individual’s respective plan.

**Cause:** A lack of documentation for individuals’ VIEW Plan.

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

*JUNE 30, 2023*

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**Effect:** Noncompliance may result in action by the Commonwealth.

**Questioned Cost:** Non-financial finding.

**Recommendation:** The County should ensure all beneficiary case files contain a VIEW Plan and corresponding evidence supporting the services being performed are in accordance with the policy and respective beneficiaries service plan as required by the Commonwealth.

**Views of Responsible Officials and Planned Corrective Action:**

**Responsible Person:** Chris Slagle, Public Benefits Program Manager

**Estimated Completion:** June 30, 2024

**Corrected Action:** Supervisors will require individual service plans to be completed prior to services being provided for each respective beneficiary and will retain all evidence in each respective beneficiary case file.

**COUNTY OF LOUDOUN, VIRGINIA**  
**STATUS OF PRIOR AUDIT FINDINGS**

*JUNE 30, 2023*

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**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**

**2022-001: Non-material Noncompliance – Real Estate Disclosure Form (REDF)**

**Condition:** One (1) new member appointed to the Dulles Town Center Community Development Authority's (the "CDA") Board of Directors (the "Board") during the fiscal year ended June 30, 2022 did not file a required form prior to assuming office.

**Status:** Finding repeated in current year – see 2023-001.

**2022-002: Non-material Noncompliance – Virginia Initiative for Education and Work (the "VIEW")**

**Condition:** For a sample of twenty-five (25) VIEW purchased service transactions, twelve (12) beneficiary case files did not contain evidence for verification of the services being performed in accordance with the policy based on the individuals' VIEW Participant's Activity and Service Plan (the "Plan").

**Status:** Finding repeated in current year – see 2023-002.

**2022-003: Non-material Noncompliance – Property Taxes**

**Condition:** For a sample of twenty-five (25) exonerations, support for one (1) exoneration form could not be provided for compliance testing.

**Status:** Resolved.