

COMPLIANCE AUDIT PURSUANT TO 2 CFR PART 200 (SINGLE AUDIT REPORT)

For the Fiscal Year Ended June 30, 2021

(With Reports of Independent Auditor Thereon)

**FAIRFAX COUNTY
SINGLE AUDIT REPORT
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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 Board of Supervisors
County of Fairfax, Virginia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Fairfax, 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 15, 2021.

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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2021-001, that we consider to be a material weakness.

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*.

County's Response to Finding

The County's response to the 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 the financial statements 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 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.

Handwritten signature of Cherry Bekant in black ink, followed by the text "LLP".

Tysons Corner, Virginia
November 15, 2021

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

To the Board of Supervisors
County of Fairfax, Virginia

Report on Compliance for Each Major Federal Program

We have audited the County of Fairfax, Virginia's (the "County") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have 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 identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs 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.

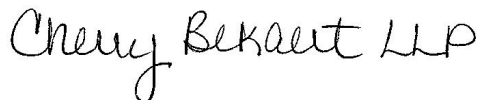
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement 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 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2021-002 that we consider to be a significant deficiency.

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

We have audited the financial statements of the governmental activities, business-type activities, the aggregate discretely presented component units, 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 15, 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 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.



Tysons Corner, Virginia
November 19, 2021

COUNTY OF FAIRFAX, VIRGINIA
Schedule of Expenditures of Federal Awards
Fiscal year ended June 30, 2021

Federal Grantor/Pass-Through Entity/Program Title	Assistance Listing	Cluster Name	Pass-Through Entity Identifying Number	Loans	Expenditures	Total Cluster	Total Program	Passed Through to Subrecipients
Department of Agriculture								
Direct Awards:								
National School Lunch Program	10.555 ¹	Child Nutrition Cluster			\$ 4,805,299			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561 ⁴	SNAP Cluster			47,877			
Farm to School Grant Program	10.575				21,939			
Passed Through Commonwealth of Virginia:								
<u>Department of Agriculture and Consumer Services</u>								
Non-Cash Assistance: National School Lunch Program	10.555 ¹	Child Nutrition Cluster	00145 04754		41,076			
<u>Department of Education</u>								
School Breakfast Program	10.553	Child Nutrition Cluster	17901-40253		22,146			
National School Lunch Program	10.555 ¹	Child Nutrition Cluster	17901-40254		37,074			
Child and Adult Care Food Program	10.558 ²		4172		405,506			
Fresh Fruit and Vegetable Program	10.582		N/A		218,133			
<u>Department of Health</u>								
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557		409WIC2020 409WIC2021 707CB-FFX-BF-2021 707CB-FFX-BF-2022		2,798,319			
Child and Adult Care Food Program	10.558 ²		10449 10450 4172 58795 60199		11,597,777			
COVID-19 - Child and Adult Care Food Program	10.558 ²		10449 58795 60199		59,632			
Summer Food Service Program for Children	10.559 ³	Child Nutrition Cluster	N/A		22,484,644			
COVID-19 - Summer Food Service Program for Children	10.559 ³	Child Nutrition Cluster	N/A		17,250,904			

The accompanying notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule. Total by cluster and individual program may be found at the end of each federal grantor section.

COUNTY OF FAIRFAX, VIRGINIA
Schedule of Expenditures of Federal Awards
Fiscal year ended June 30, 2021

Federal Grantor/Pass-Through Entity/Program Title	Assistance Listing	Cluster Name	Pass-Through Entity Identifying Number	Loans	Expenditures	Total Cluster	Total Program	Passed Through to Subrecipients
<u>Department of Social Services</u>								
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561 ⁴	SNAP Cluster	84322-90212		14,344,682			
			84403-90304					
			84903-92103					
			84904-92104					
			85102-90666					
			85503-91103					
			85504-91104					
			85803-91403					
			85804-91404					
Passed Through Capital Area Food Bank:								
<u>Capital Area Food Bank</u>								
Non-Cash Assistance: Summer Food Service Program for Children	10.559 ³	Child Nutrition Cluster	N/A		75,199			
Total for Child Nutrition Cluster (10.553, 10.555, 10.559)						\$ 44,716,342		
Total for SNAP Cluster (10.561)						14,392,559		
1 - Total National School Lunch Program (10.555)							\$ 4,883,449	
2 - Total Child and Adult Care Food Program (10.558)							12,062,915	
3 - Total Summer Food Service Program for Children (10.559)							39,810,747	
4 - Total State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (10.561)							14,392,559	
Department of Defense								
Direct Awards:								
Junior ROTC	12.000				574,535			
Community Economic Adjustment Assistance for Responding to Threats to the Resilience of a Military Installation	12.003				51,662			
Competitive Grants: Promoting K-12 Student Achievement at Military-Connected Schools	12.556				1,167,561			
Invitational Grants for Military-Connected Schools	12.557				64,652			
Language Grant Program	12.900				2,062			

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COUNTY OF FAIRFAX, VIRGINIA
Schedule of Expenditures of Federal Awards
Fiscal year ended June 30, 2021

Federal Grantor/Pass-Through Entity/Program Title	Assistance Listing	Cluster Name	Pass-Through Entity Identifying Number	Loans	Expenditures	Total Cluster	Total Program	Passed Through to Subrecipients
Department of Housing and Urban Development								
Direct Awards:								
Little River Glen Loans:								
Loans Beginning Balance	14.000			\$ 2,605,000	2,605,000			
Community Development Block Grants/Entitlement Grants	14.218 ⁵	CDBG - Entitlement Grants Cluster			14,769,492			
COVID-19 - Community Development Block Grants/Entitlement Grants	14.218 ⁵	CDBG - Entitlement Grants Cluster			7,073,798			
Community Development Block Grants/Entitlement Grants - Loans:								
Loans Beginning Balance	14.218 ⁵	CDBG - Entitlement Grants Cluster		22,089,070				
New Loans	14.218 ⁵	CDBG - Entitlement Grants Cluster		1,729,797	23,818,867			
Emergency Solutions Grant Program	14.231 ⁶				439,742			\$ 65,554
COVID-19 - Emergency Solutions Grant Program	14.231 ⁶				2,986,161			2,986,161
Home Investment Partnerships Program	14.239 ⁷				976,885			
Home Investment Partnerships Program - Loans:	14.239 ⁷							
Loans Beginning Balance	14.239 ⁷			10,537,907				
New Loans	14.239 ⁷			2,461,271	12,999,178			
Continuum of Care Program	14.267				1,939,575			1,783,031
Fair Housing Assistance Program State and Local	14.401				114,346			
Section 8 Housing Choice Vouchers	14.871	Housing Voucher Cluster			8,661,216			
Mainstream Vouchers	14.879 ⁸	Housing Voucher Cluster			1,229,721			
COVID-19 - Mainstream Vouchers	14.879 ⁸	Housing Voucher Cluster			13,679			
Moving to Work Demonstration Program	14.881 ⁹				61,336,229			
COVID-19 - Moving to Work Demonstration Program	14.881 ⁹				1,584,370			
Family Self-Sufficiency Program	14.896				156,011			
Total for CDBG - Entitlement Grants Cluster (14.218)						45,662,157		
Total for Housing Voucher Cluster (14.871, 14.879)						9,904,616		
5 - Total Community Development Block Grants/Entitlement Grants (14.218)							45,662,157	
6 - Total Emergency Solutions Grant Program (14.231)							3,425,903	
7 - Total Home Investment Partnerships Program (14.239)							13,976,063	
8 - Total Mainstream Vouchers (14.879)							1,243,400	
9 - Total Moving to Work Demonstration Program (14.881)							62,920,599	
Department of the Interior								
Direct Awards:								
Payments in Lieu of Taxes	15.226				6,823			
National Wildlife Refuge Fund	15.659				33,928			
Passed Through Commonwealth of Virginia:								
<u>Department of Historic Resources:</u>								
Historic Preservation Fund Grants-In-Aid	15.904		HPF-VACLG-FAIRCO-2020		1,603			

The accompanying notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule. Total by cluster and individual program may be found at the end of each federal grantor section.

COUNTY OF FAIRFAX, VIRGINIA
Schedule of Expenditures of Federal Awards
Fiscal year ended June 30, 2021

Federal Grantor/Pass-Through Entity/Program Title	Assistance Listing	Cluster Name	Pass-Through Entity Identifying Number	Loans	Expenditures	Total Cluster	Total Program	Passed Through to Subrecipients
Department of Justice								
Direct Awards:								
COVID-19 - Coronavirus Emergency Supplemental Funding Program	16.034				266,408			
Drug Court Discretionary Grant Program	16.585				261,281			
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	16.590				274,828			152,587
Edward Byrne Memorial Justice Assistance Grant Program	16.738 ¹⁰				123,100			
Harold Rogers Prescription Drug Monitoring Program	16.754				332,406			150,500
STOP School Violence Grant Program	16.839				256,236			
Consolidated And Technical Assistance Grant Program to Address Children and Youth Experiencing Domestic and Sexual Violence and Engage Men and Boys as Allies	16.888				79,176			79,176
Equitable Sharing Program	16.922				816,157			
Passed Through Commonwealth of Virginia:								
<u>Department of Criminal Justice Services</u>								
Juvenile Justice and Delinquency Prevention	16.540		20-A4948JJ16		44,670			
			21-A5009JJ17					
Crime Victim Assistance	16.575		20-A344VP18		1,146,325			
			20-A4118VP18					
			21-B3445VP19					
			21-B4118VP19					
			21-Y9279VG19					
Violence Against Women Formula Grants	16.588		20-W9836VA19		88,820			
			20-X9333VA19					
			21-X9836VA20					
			21-Y9333VA20					
Edward Byrne Memorial Justice Assistance Grant Program	16.738 ¹⁰		20-A4922AD16		35,580			
10 - Total Edward Byrne Memorial Justice Assistance Grant Program (16.738)							158,680	

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COUNTY OF FAIRFAX, VIRGINIA
Schedule of Expenditures of Federal Awards
Fiscal year ended June 30, 2021

Federal Grantor/Pass-Through Entity/Program Title	Assistance Listing	Cluster Name	Pass-Through Entity Identifying Number	Loans	Expenditures	Total Cluster	Total Program	Passed Through to Subrecipients
Department of Labor								
Passed Through Commonwealth of Virginia:								
<u>Virginia Community College System</u>								
WIOA Adult Program	17.258	WIOA Cluster	LWDA 11-19-02 LWDA 11-20-02 LWDA EEI 11-18-01		883,319			300,909
WIOA Youth Activities	17.259	WIOA Cluster	LWA 11-19-01 LWDA 11-20-01		708,703			146,879
COVID-19 - WIOA National Dislocated Worker Grants / WIA National Emergency Grants	17.277		DWG COVID 11-01		69,508			15,484
WIOA Dislocated Worker Formula Grants	17.278 ¹¹	WIOA Cluster	LWDA 11-19-02 LWDA 11-20-02 LWDA 11-18-RR-01 PLAN 11-18-01		961,038			275,714
COVID-19 - WIOA Dislocated Worker Formula Grants	17.278 ¹¹	WIOA Cluster	RR COVID 11-19-01		159,835			159,835
Total for WIOA Cluster (17.258, 17.259, 17.278)						2,712,895		
11 - Total WIOA Dislocated Worker Formula Grants (17.278)							1,120,873	
Department of Transportation								
Direct Awards:								
Federal Transit Capital Investment Grants	20.500	Federal Transit Cluster			654,183			
Passed Through Commonwealth of Virginia:								
<u>Department of Conservation and Recreation</u>								
Recreational Trails Program	20.219		N/A		188,237			
<u>Department of Motor Vehicles</u>								
State and Community Highway Safety	20.600	Highway Safety Cluster	FSC-2020-50168-20168 FSC-2021-51296-21296		11,570			
Alcohol Open Container Requirements	20.607		154AL-2020-50086-20086 154AL-2021-51298-21298 154AL-2020-50424-20424 154AL-2021-51191-21191		973,524			
National Priority Safety Programs	20.616	Highway Safety Cluster	FHLE-2021-51297-21297		2,732			
<u>Department of Rail and Public Transportation</u>								
Highway Planning and Construction	20.205 ¹²	Highway Planning and Construction Cluster	UPC T21448, 47019-03		380,864			

The accompanying notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule. Total by cluster and individual program may be found at the end of each federal grantor section.

COUNTY OF FAIRFAX, VIRGINIA
Schedule of Expenditures of Federal Awards
Fiscal year ended June 30, 2021

Federal Grantor/Pass-Through Entity/Program Title	Assistance Listing	Cluster Name	Pass-Through Entity Identifying Number	Loans	Expenditures	Total Cluster	Total Program	Passed Through to Subrecipients
<u>Department of Transportation</u>								
Highway Planning and Construction	20.205 ¹²	Highway Planning and Construction Cluster	EN09029119,P101,C501		15,613,171			
			UPC 103262					
			UPC 103265					
			UPC 103276					
			UPC 103280					
			UPC 103281					
			UPC 103282					
			UPC 103283					
			UPC 103284					
			UPC 103285					
			UPC 103907					
			UPC 104294					
			UPC 105266					
			UPC 105990					
			UPC 106143					
			UPC 106474					
			UPC 107437					
			UPC 107438					
			UPC 107439					
			UPC 108498					
			UPC 108499					
			UPC 108500					
			UPC 108720					
			UPC 109607					
			UPC 110477					
			UPC 111898					
			UPC 113610					
			UPC 113637					
			UPC 114128					
			UPC 93146					
Passed Through Metropolitan Washington Council of Governments:								
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	Transit Services Programs Cluster	19-062		182,995			
Total for Highway Planning and Construction Cluster (20.205)						15,994,035		
Total for Federal Transit Cluster (20.500)						654,183		
Total for Transit Services Programs Cluster (20.513)						182,995		
Total for Highway Safety Cluster (20.600, 20.616)						14,302		
12 - Total Highway Planning and Construction (20.205)							15,994,035	

The accompanying notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule. Total by cluster and individual program may be found at the end of each federal grantor section.

COUNTY OF FAIRFAX, VIRGINIA
Schedule of Expenditures of Federal Awards
Fiscal year ended June 30, 2021

Federal Grantor/Pass-Through Entity/Program Title	Assistance Listing	Cluster Name	Pass-Through Entity Identifying Number	Loans	Expenditures	Total Cluster	Total Program	Passed Through to Subrecipients
Department of the Treasury								
Direct Awards:								
COVID-19 - Coronavirus Relief Fund	21.019 ¹³				130,186,171			52,494,688
COVID-19 - Emergency Rental Assistance Program	21.023				3,783,313			
Passed Through Commonwealth of Virginia:								
<u>Department of Accounts</u>								
COVID-19 - Coronavirus Relief Fund	21.019 ¹³		N/A		943,267			
<u>Department of Education</u>								
COVID-19 - Coronavirus Relief Fund	21.019 ¹³		N/A		32,215,943			
<u>Virginia Community College System</u>								
COVID-19 - Coronavirus Relief Fund	21.019 ¹³		N/A		99,256			
13 - Total COVID-19 - Coronavirus Relief Fund (21.019)							163,444,637	
National Aeronautics and Space Administration								
Passed Through Inspiration and Recognition of Science and Technology:								
<u>Inspiration and Recognition of Science and Technology</u>								
Science	43.001		NNG06GA51A		16,548			
Department of Education								
Direct Awards:								
Impact Aid	84.041				3,990,428			
Passed Through Commonwealth of Virginia:								
<u>Department of Behavioral Health and Developmental Services</u>								
Special Education-Grants for Infants and Families	84.181		720-4515-14		1,543,095			
<u>Department of Education</u>								
Adult Education - Basic Grants to States	84.002		V002A160047 V002A170047 V002A180047		1,965,652			1,159,108
Title I Grants to Local Educational Agencies	84.010		S010A160046 S010A170046 S010A180046		22,072,773			
Title I State Agency Program for Neglected and Delinquent Children and Youth	84.013		S013A160046 S013A170046 S013A180046		19,030			
Special Education Grants to States	84.027	Special Education Cluster (IDEA)	H027A150107 H027A160107 H027A170107 H027A180107		35,846,658			
Career and Technical Education -- Basic Grants to States	84.048		V048A160046 V048A170046 V048A180046		2,116,072			

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COUNTY OF FAIRFAX, VIRGINIA
Schedule of Expenditures of Federal Awards
Fiscal year ended June 30, 2021

Federal Grantor/Pass-Through Entity/Program Title	Assistance Listing	Cluster Name	Pass-Through Entity Identifying Number	Loans	Expenditures	Total Cluster	Total Program	Passed Through to Subrecipients
Special Education Preschool Grants	84.173	Special Education Cluster (IDEA)	H173A160112		827,482			
			H173A170112					
			H173A180112					
Education for Homeless Children and Youth	84.196		S196A170048		124,635			
			S196A180048					
Twenty-First Century Community Learning Centers	84.287		S287C150047		244,620			
			S287C160047					
			S287C170047					
			S287C180047					
English Language Acquisition State Grants	84.365		S365A150046		4,956,791			
			S365A160046					
			S365A170046					
			S365A180046					
Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)	84.367		S367A150044		3,034,100			
			S367A160044					
			S367A170044					
			S367A180044					
Student Support and Academic Enrichment Program	84.424		S424A170048		1,450,144			
COVID-19 - Education Stabilization Fund (ESF)	84.425		S425D200008		17,401,142			
Total for Special Education Cluster (IDEA) (84.027, 84.173)						36,674,140		
U.S. Election Assistance Commission								
Passed Through Commonwealth of Virginia:								
<u>Department of Elections</u>								
COVID-19 - 2018 HAVA Election Security Grants	90.404		89331		432,837			
Department of Health and Human Services								
Direct Awards:								
Substance Abuse and Mental Health Services								
Projects of Regional and National Significance	93.243				459,283			
COVID-19 - Provider Relief Fund	93.498				697,400			
Head Start	93.600	Head Start Cluster			9,775,869			5,352,646
Passed Through Commonwealth of Virginia:								
<u>Department for Aging and Rehabilitative Services</u>								
Special Programs for the Aging, Title VII,								
Chapter 3, Programs for Prevention of Elder	93.041		MOU-20-179		2,797			
Abuse, Neglect, and Exploitation			MOU-21-179					

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COUNTY OF FAIRFAX, VIRGINIA
Schedule of Expenditures of Federal Awards
Fiscal year ended June 30, 2021

Federal Grantor/Pass-Through Entity/Program Title	Assistance Listing	Cluster Name	Pass-Through Entity Identifying Number	Loans	Expenditures	Total Cluster	Total Program	Passed Through to Subrecipients
Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals	93.042 ¹⁴		MOU-20-179		21,265			
			MOU-21-179					
COVID-19 - Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals	93.042 ¹⁴		MOU-20-179		15,107			
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044 ¹⁵	Aging Cluster	MOU-16-118, 15-181		966,746			
			MOU-20-179, 19-036					
			MOU-21-179					
COVID-19 - Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044 ¹⁵	Aging Cluster	MOU-20-179 MOD 2		333,836			
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045 ¹⁶	Aging Cluster	MOU-20-179		719,093			
			MOU-21-179					
COVID-19 - Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045 ¹⁶	Aging Cluster	20-179		1,514,453			
			MOU-20-179 MOD 2					
Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	93.048		MOU-21-179		4,473			
National Family Caregiver Support, Title III, Part E	93.052 ¹⁷		MOU-16-118		380,772			
			MOU-20-179					
			MOU-21-179					
COVID-19 - National Family Caregiver Support, Title III, Part E	93.052 ¹⁷		MOU-20-179 MOD 2		200,332			
Nutrition Services Incentive Program	93.053	Aging Cluster	MOU-20-179		161,210			
			MOU-21-179					
Medicare Enrollment Assistance Program	93.071		MOU-20-179, 19-036		60,246			
State Health Insurance Assistance Program	93.324		MOU-21-179		55,091			
Medical Assistance Program	93.778 ²⁴	Medicaid Cluster	MOU-20-179		8,424			
			MOU-21-179					
Department of Behavioral Health and Developmental Services								
Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)	93.104		720-4544		193,106			
Projects for Assistance in Transition from Homelessness (PATH)	93.150		FY2020 DBHDS SPC 827		192,045			
			FY2021 DBHDS SPC 827					

The accompanying notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule. Total by cluster and individual program may be found at the end of each federal grantor section.

COUNTY OF FAIRFAX, VIRGINIA
Schedule of Expenditures of Federal Awards
Fiscal year ended June 30, 2021

Federal Grantor/Pass-Through Entity/Program Title	Assistance Listing	Cluster Name	Pass-Through Entity Identifying Number	Loans	Expenditures	Total Cluster	Total Program	Passed Through to Subrecipients
COVID-19 - Emergency Grants to Address Mental and Substance Use Disorders During COVID-19	93.665		FY2021 DBHDS SPC 824		87,463			
Opioid STR	93.788		FY2019 DBHDS SPC 825		326,627			
			FY2020 DBHDS SPC 827					
			FY2021 DBHDS SPC 822					
Block Grants for Community Mental Health Services	93.958		FY2016 DBHDS SPC 871		1,704,327			
			FY2018 DBHDS SPC 871					
			FY2020 DBHDS SPC 871					
			FY2021 DBHDS SPC 871					
			DBHDS SPC 824					
			DBHDS SPC 837					
			DBHDS SPC 848					
Block Grants for Prevention and Treatment of Substance Abuse	93.959		FY2019 DBHDS SPC 872		3,054,103			
			FY2020 DBHDS SPC 872					
			FY2021 DBHDS SPC 872					
			FY2021 DBHDS SPC 997					
			DBHDS SPC 814					
			DBHDS SPC 816					
			DBHDS SPC 818					
			DBHDS SPC 826					
			DBHDS SPC 981					
<u>Department of Education</u>								
Every Student Succeeds Act/Preschool Development Grants	93.434 ¹⁹		90TP0039		7,125			
Temporary Assistance for Needy Families	93.558 ²⁰		2101VATANF		1,202,913			
<u>Department of Health</u>								
Public Health Emergency Preparedness	93.069		EP&R 2017-2022		186,388			
			EP&R FY 2020-2024					
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116		409TB603GY20		140,641			
			FRXTB603-GY21					
Immunization Cooperative Agreements	93.268		FRXCIAP607GY20		307,914			
			FRXCIAP607GY21					
			FRXIP607-GY21					
PPHF 2018: Office of Smoking and Health-National State-Based Tobacco Control Programs-Financed in part by 2018 Prevention and Public Health Funds (PPHF)	93.305		409CI532395		76,942			
			703A032924					
COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323		FRXCOV610-GY21		20,224,135			

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COUNTY OF FAIRFAX, VIRGINIA
Schedule of Expenditures of Federal Awards
Fiscal year ended June 30, 2021

Federal Grantor/Pass-Through Entity/Program Title	Assistance Listing	Cluster Name	Pass-Through Entity Identifying Number	Loans	Expenditures	Total Cluster	Total Program	Passed Through to Subrecipients
Maternal, Infant and Early Childhood Home Visiting Grant Program	93.870		705BJ632557		545,001			
HIV Prevention Activities Health Department Based	93.940		FRXHIV611-FY21 FRXDIS611-GY21		5,531			
Sexually Transmitted Diseases (STD) Prevention and Control Grants	93.977		FRXDIS611GY20 FRXDIS611-GY21		39,121			
Maternal and Child Health Services Block Grant to the States	93.994		705PFFXMCH2020 705PMCH2021		268,981			
<u>Department of Social Services</u>								
Promoting Safe and Stable Families	93.556		84929-92129 85529-91129 86601-90359 86602-90360 86605-90361		52,152			
Temporary Assistance for Needy Families	93.558 ²⁰		80801-90603 84909-92109 84910-92110 84911-92111 84912-92112 84927-92127 85101-90665 85509-91109 85510-91110 85511-91111 85512-91112 85527-91127 87201-90365 87202-90366 87204-90367 87207-90377 87212-90391 BEN-19-113-08 CVS-19-057-A-11 CVS-19-063-09 FAM-18-106A-04 CVS-19-057-A-11		5,143,492			915,307
COVID-19 - Temporary Assistance for Needy Families	93.558 ²⁰				31,600			
Refugee and Entrant Assistance State/Replacement Designee Administered Programs	93.566		81901-90623 84913-92113 85513-91113		65,516			

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COUNTY OF FAIRFAX, VIRGINIA
Schedule of Expenditures of Federal Awards
Fiscal year ended June 30, 2021

Federal Grantor/Pass-Through Entity/Program Title	Assistance Listing	Cluster Name	Pass-Through Entity Identifying Number	Loans	Expenditures	Total Cluster	Total Program	Passed Through to Subrecipients
Low-Income Home Energy Assistance	93.568		84914-92114 85514-91114		438,420			
Community Services Block Grant	93.569 ²¹		CVS-18-210-09		758,394			476,729
COVID-19 - Community Services Block Grant	93.569 ²¹		CVS-20-124-09		564,101			564,101
Child Care and Development Block Grant	93.575 ²²	CCDF Cluster	88801-90564 OECD-19-047-02		692,561			218,696
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	CCDF Cluster	84916-92116 84917-92117 84918-92118 85516-91116 85517-91117 85518-91118 88901-90566		707,780			
Chafee Education and Training Vouchers Program (ETV)	93.599		86101-90353		48,866			
Adoption and Legal Guardianship Incentive Payments	93.603		82001-90651		1,665			
Stephanie Tubbs Jones Child Welfare Services Program	93.645		84931-92131 85531-91131		3,295			

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COUNTY OF FAIRFAX, VIRGINIA
Schedule of Expenditures of Federal Awards
Fiscal year ended June 30, 2021

<u>Federal Grantor/Pass-Through Entity/Program Title</u>	<u>Assistance Listing</u>	<u>Cluster Name</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Loans</u>	<u>Expenditures</u>	<u>Total Cluster</u>	<u>Total Program</u>	<u>Passed Through to Subrecipients</u>
Foster Care Title IV-E	93.658		81107-90636		4,944,286			
			81108-90637					
			81110-90639					
			81112-90657					
			81113-90658					
			81401-90638					
			81402-90640					
			81403-90635					
			81404-90656					
			81405-90655					
			82201-90633					
			82202-90634					
			82203-90642					
			84319-90209					
			84905-92105					
			84906-92106					
			84907-92107					
			84928-92128					
			84933-92133					
			84938-92138					
			84947-92147					
			85505-91105					
			85506-91106					
			85507-91107					
			85528-91128					
			85533-91133					
			85538-91138					
			85547-91147					
			85805-91405					
			85806-91406					
			85807-91407					
			85833-91433					
			85838-91438					
			85847-91447					
			87301-90047					
			87302-90368					
			87303-90369					
			87502-90082					

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COUNTY OF FAIRFAX, VIRGINIA
Schedule of Expenditures of Federal Awards
Fiscal year ended June 30, 2021

Federal Grantor/Pass-Through Entity/Program Title	Assistance Listing	Cluster Name	Pass-Through Entity Identifying Number	Loans	Expenditures	Total Cluster	Total Program	Passed Through to Subrecipients
Adoption Assistance	93.659		81201-90606		4,101,913			
			81202-90627					
			81203-90607					
			84324-90214					
			84908-92108					
			85508-91108					
			85808-91408					
Social Services Block Grant	93.667 ²³		81701-90648		3,420,429			
			82904-90357					
			83304-90340					
			84920-92120					
			84922-92122					
			84923-92123					
			84924-92124					
			84925-92125					
			84926-92126					
			84942-92142					
			85520-91120					
			85522-91122					
			85523-91123					
			85524-91124					
			85525-91125					
			85526-91126					
			85542-91142					
			86401-90351					
			89501-90379					
Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	93.671		CVS-19-057-A-11		6,688			
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674		84934-92134		54,974			
			85534-91134					
			86201-90356					
Children's Health Insurance Program	93.767		84902-92102		133,208			
			85104-90668					
			85106-90173					
			85502-91102					
			85802-91402					

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COUNTY OF FAIRFAX, VIRGINIA
Schedule of Expenditures of Federal Awards
Fiscal year ended June 30, 2021

Federal Grantor/Pass-Through Entity/Program Title	Assistance Listing	Cluster Name	Pass-Through Entity Identifying Number	Loans	Expenditures	Total Cluster	Total Program	Passed Through to Subrecipients
Medical Assistance Program	93.778 ²⁴	Medicaid Cluster	84323-90213 84901-92101 84946-92146 84950-92150 85103-90667 85107-90174 85501-91101 85546-91146 85550-91150 85801-91401 85846-91446 85850-91450		10,727,331			
<u>Office of Children's Services</u>								
Social Services Block Grant	93.667 ²³		1300		396,244			
Passed Through Association of Food and Drug Officials: Food and Drug Administration Research	93.103		G-T-1909-07618		482			
Passed Through Child Development Resources: Child Care and Development Block Grant	93.575 ²²	CCDF Cluster	ITSN-NOR-17		452,806			
Passed Through National Association of County and City Health Officials: Medical Reserve Corps Small Grant Program	93.008		MRC 17 - 0169		2,309			
Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	93.421 ¹⁸		2019-081501		4,440			
Passed Through Virginia Early Childhood Foundation: Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	93.421 ¹⁸		6 NU380T000304-01-02		5,000			
Every Student Succeeds Act/Preschool Development Grants	93.434 ¹⁹		90TP0039-01-00 90TP0067 PDG B-5		437,301			
Total for Aging Cluster (93.044, 93.045, 93.053)						3,695,338		
Total for CCDF Cluster (93.575, 93.596)						1,853,147		
Total for Head Start Cluster (93.600)						9,775,869		
Total for Medicaid Cluster (93.778)						10,735,755		

The accompanying notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule. Total by cluster and individual program may be found at the end of each federal grantor section.

COUNTY OF FAIRFAX, VIRGINIA
Schedule of Expenditures of Federal Awards
Fiscal year ended June 30, 2021

Federal Grantor/Pass-Through Entity/Program Title	Assistance Listing	Cluster Name	Pass-Through Entity Identifying Number	Loans	Expenditures	Total Cluster	Total Program	Passed Through to Subrecipients
14 - Total Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals (93.042)							36,372	
15 - Total Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers (93.044)							1,300,582	
16 - Total Special Programs for the Aging, Title III, Part C, Nutrition Services (93.045)							2,233,546	
17 - Total National Family Caregiver Support, Title III, Part E (93.052)							581,104	
18 - Total Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health (93.421)							9,440	
19 - Total Every Student Succeeds Act/Preschool Development Grants (93.434)							444,426	
20 - Total Temporary Assistance for Needy Families (93.558)							6,378,005	
21 - Total Community Services Block Grant (93.569)							1,322,495	
22 - Total Child Care and Development Block Grant (93.575)							1,145,367	
23 - Total Social Services Block Grant (93.667)							3,816,673	
24 - Total Medical Assistance Program (93.778)							10,735,755	
Executive Office of the President								
Passed Through Washington/Baltimore HIDTA:								
High Intensity Drug Trafficking Areas Program	95.001		2020TXFAIRFAX-FALLS CHRC G20WB0004A I-2019TXFAIRFAX		489,256			
Department of Homeland Security								
Direct Awards:								
National Urban Search and Rescue (US&R) Response System	97.025				1,933,539			
Assistance to Firefighters Grant	97.044 ²⁶				124,097			
COVID-19 - Assistance to Firefighters Grant	97.044 ²⁶				78,621			
Passed Through Commonwealth of Virginia:								
<u>Department of Emergency Management</u>								
Non-Cash Assistance: COVID-19 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036 ²⁵		N/A		310,612			
COVID-19 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036 ²⁵		FEMA-DR-4512-VA		11,515,469			
Emergency Management Performance Grants	97.042		8050 8330 8624		84,026			
Homeland Security Grant Program	97.067 ²⁷		SHSP 2018 7954 SHSP 2019 8142 SHSP 2019 8155 SHSP 2019 8237 SHSP 2019 8239 SHSP 2019 8242 SHSP 2019 8282 SHSP 2020 8566		291,742			

The accompanying notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule. Total by cluster and individual program may be found at the end of each federal grantor section.

COUNTY OF FAIRFAX, VIRGINIA
Schedule of Expenditures of Federal Awards
Fiscal year ended June 30, 2021

Federal Grantor/Pass-Through Entity/Program Title	Assistance Listing	Cluster Name	Pass-Through Entity Identifying Number	Loans	Expenditures	Total Cluster	Total Program	Passed Through to Subrecipients
Passed Through Montgomery County, MD:								
<u>Montgomery County Fire and Rescue</u>								
Non-Cash Assistance: Homeland Security Grant Program	97.067 ²⁷		15UASI535-18		607,969			
<u>Northern Virginia Emergency Response System, Inc</u>								
Non-Cash Assistance: Homeland Security Grant Program	97.067 ²⁷		20UASI1650-03		6,120			
Passed Through District of Columbia:								
<u>Homeland Security and Emergency Management</u>								
Homeland Security Grant Program	97.067 ²⁷		18UASI529-03		8,117,209			
			18UASI530-01					
			18UASI531-01					
			18UASI531-02					
			18UASI533-01					
			18UASI583-01					
			18UASI583-02					
			18UASI583-03					
			18UASI583-05					
			19UASI529-01					
			19UASI529-02					
			19UASI530-01					
			19UASI531-01					
			19UASI531-02					
			19UASI531-03					
			19UASI531-04					
			19UASI533-01					
			19UASI583-01					
			19UASI583-02					
			19UASI583-05					
			20UASI529-01					
			20UASI529-02					
			20UASI531-01					
			20UASI531-03					
			20UASI531-04					
			20UASI533-01					
			20UASI583-01					
			20UASI583-02					
25 - Total Disaster Grants - Public Assistance (Presidentially Declared Disasters) (97.036)							11,826,081	
26 - Total Assistance to Firefighters Grant (97.044)							202,718	
27 - Total Homeland Security Grant Program (97.067)							9,023,040	

The accompanying notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule. Total by cluster and individual program may be found at the end of each federal grantor section.

COUNTY OF FAIRFAX, VIRGINIA
Schedule of Expenditures of Federal Awards
Fiscal year ended June 30, 2021

<u>Federal Grantor/Pass-Through Entity/Program Title</u>	<u>Assistance Listing</u>	<u>Cluster Name</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Loans</u>	<u>Expenditures</u>	<u>Total Cluster</u>	<u>Total Program</u>	<u>Passed Through to Subrecipients</u>
Agency for International Development								
Direct Awards:								
USAID Foreign Assistance for Programs Overseas	98.001				1,744,444			
					<u>\$ 607,039,043</u>			<u>\$ 67,297,105</u>

The accompanying notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule. Total by cluster and individual program may be found at the end of each federal grantor section.

COUNTY OF FAIRFAX, VIRGINIA

Notes to Schedule of Expenditures of Federal Awards

Fiscal year ended June 30, 2021

(1) Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes all federal grant activity of the County of Fairfax, Virginia (County) and its component units. The County's reporting entity is defined in Note A, Part 1 of the County's basic financial statements.

The information in this 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 this Schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

(2) Summary of Significant Accounting Policies

Except for the beginning loan balances, expenditures reported on the accompanying Schedule are reported on the modified accrual basis of accounting as defined in Note A, Part 3 of the County's basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited for reimbursement.

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

(3) Non-Cash and Other Programs

The Commonwealth of Virginia Department of Agriculture and Consumer Services, Food Distribution Program, administers the United States Department of Agriculture (USDA) donated food program within the Commonwealth of Virginia. USDA provides values for all donated food. For Assistance Listing 10.555, National School Lunch Program, the County received donated food for the fiscal year ended June 30, 2021. The value of the donated food is included on the accompanying Schedule.

The Capital Area Food Bank donated food to the County for the fiscal year ended June 30, 2021, under Summer Food Service Program for Children (Assistance Listing 10.559). The value of the donated food is included on the accompanying Schedule.

The Disaster Grants - Public Assistance (Presidentially Declared Disasters) (Assistance Listing 97.036) is granted by the U.S. Department of Homeland Security to reimburse eligible costs associated with a federally declared disaster. This year funding covered COVID-19 specific eligible costs. For the fiscal year ended June 30, 2021, the County received donated Personal Protective Equipment (PPE) from the Virginia Department of Emergency Management. The value of the donated PPE is included on the accompanying Schedule.

The Homeland Security Grant Program (Assistance Listing 97.067) is granted by the U.S. Department of Homeland Security to enhance the ability of state and local governments to prepare, prevent, respond to, and recover from terrorist attacks and other disasters. Several Washington, DC metropolitan jurisdictions receive funding under this program. In addition to purchasing equipment, maintenance services, or supplies for their own jurisdiction, they may purchase these items for surrounding jurisdictions and then transfer, or donate, the items to other jurisdictions per the federal government or pass-through entity's instructions. For the fiscal year ended June 30, 2021, the County received donated equipment from Montgomery County, MD and Northern Virginia Emergency Response System, Inc. The value of the donated equipment is included on the accompanying Schedule.

COUNTY OF FAIRFAX, VIRGINIA

Notes to Schedule of Expenditures of Federal Awards

Fiscal year ended June 30, 2021

(4) Loans

The U.S. Department of Housing and Urban Development has insured certain mortgage loan borrowings made by the County through the Fairfax County Redevelopment and Housing Authority (Authority) in connection with certain low-income housing projects. The loan program under Assistance Listing 14.248, Community Development Block Grant Section 108 Loan Guarantees had outstanding principal balance of \$3,554,000 on June 30, 2021. This loan does not have any continuing compliance requirements; therefore, it is not reported on the accompanying Schedule.

The Authority provides loans to qualified low-income borrowers through Assistance Listing 14.239, Home Investment Partnerships Program (HOME), to promote home ownership and provide assistance with down payments and closing costs. The outstanding principal balance of the HOME loans was \$12,971,842 on June 30, 2021. Loans made in prior years to partnership entities that are believed to be uncollectable are tracked by the Authority's loan tracking software and the County's financial system. Since there is no expectation of collecting these loans, a 100% allowance is reflected, and the value of \$7,545,190 is not included in the ending principal balance.

The Authority also provides loans to qualified low-income homeowners or homeowners living in areas targeted for improvement, resulting in the elimination of health or safety code violations, through Assistance Listing 14.218, Community Development Block Grants/Entitlement Grants (CDBG). The outstanding principal balance of the CDBG loans was \$23,713,116 on June 30, 2021. Loans made in prior years to partnership entities that are believed to be uncollectable are tracked by the Authority's loan tracking software and the County's financial system. Since there is no expectation of collecting these loans, a 100% allowance is reflected, and the value of \$2,553,420 is not included in the ending principal balance.

In addition, the Authority held Federal Housing Administration - insured mortgage revenue bonds secured by land, buildings, and equipment of \$2,300,000 on June 30, 2021. This is reported under Assistance Listing 14.000.

On December 17, 2014, the Economic Development Authority and the County entered a Transportation Infrastructure Finance and Innovation Act (TIFIA) loan agreement under Assistance Listing 20.223 with the United States Department of Transportation. The TIFIA loan is for the aggregate principal amount of up to \$403.3 million. This loan is to fund the County's obligated project costs for the construction of Phase Two of the Metrorail Silver Line extension. The outstanding balance of the TIFIA loan was \$447,480,044 on June 30, 2021, which includes principal and capitalized interest. The maximum principal available on the loan was reached in a prior year; therefore, no additional draws will be made against the loan. Under the terms of the loan agreement, the County will begin repayment on October 1, 2023. This loan does not have any continuing compliance requirements; therefore, it is not reported on the accompanying Schedule.

(5) Transportation Grants

The County's transportation grants are typically multi-year projects with flexible funding sources that result in funding allocation changes throughout the life of the project. Accordingly, due to the inherent nature of these transportation grants, the County prepares the accompanying Schedule using the best information available at the time of reporting. In cases where it is difficult to identify the mix of federal and state money under the federal transportation program, the expenditure is reported on the accompanying Schedule.

COUNTY OF FAIRFAX, VIRGINIA

Notes to Schedule of Expenditures of Federal Awards

Fiscal year ended June 30, 2021

(6) Disaster Grants – Public Assistance (Presidentially Declared Disasters)

After a presidentially declared disaster, FEMA provides assistance under the federal program, Disaster Grants – Public Assistance (Presidentially Declared Disasters) (Assistance Listing 97.036), to reimburse eligible costs associated with debris removal, emergency protective measures and the repair, restoration, reconstruction or replacement of public facilities or infrastructure damaged or destroyed as a result of the federally declared disaster or emergency. The federal government typically makes reimbursements in the form of cost-share grants, but cost-share requirements were waived for expenditures incurred as a result of the COVID-19 pandemic. For the fiscal year ended June 30, 2021, FEMA approved \$11,826,801 in eligible expenditures that were incurred in both the current and prior fiscal years. These expenditures are reported on the accompanying Schedule.

(7) COVID-19 Funding

Several Acts of Congress provided relief funding to respond to the COVID-19 pandemic. The Coronavirus Aid, Relief, and Economic Security (“CARES”) Act was signed on March 27, 2020, to provide relief from the impact of the COVID-19 pandemic. In addition, the American Rescue Plan Act was signed on March 11, 2021, to provide additional, longer term assistance. Included in the Acts are provisions and funding specific to state and local governments to protect their communities during this challenging period. During the fiscal year ended June 30, 2021, the County received and expended COVID-19 funding for authorized purposes. For SEFA reporting, the prefix “COVID-19” is used in the name of each federal program that has COVID-19 related expenditures.

COUNTY OF FAIRFAX, VIRGINIA

Schedule of Findings and Questioned Costs

Fiscal year ended June 30, 2021

(1) Summary of Auditor's Results

Basic Financial Statements

- A. Type of report issued on the financial statements: **Unmodified**
- B. Internal control over financial reporting:
- Significant deficiencies identified that are not considered a material weakness? **None Reported**
- Material weakness identified? **Yes**
- C. Noncompliance material to financial statements noted? **None Reported**

Federal Awards

- D. Significant deficiencies in internal control over major programs noted? **Yes**
- E. Material weaknesses in internal control over major programs noted? **No**
- F. Type of report issued on compliance for major programs: **Unmodified**
- G. Any findings which are required to be reported under Section 200.516(a) of Uniform Guidance? **Yes**
- H. Major programs are as follows:
1. SNAP Cluster (10.561)
 2. Child Nutrition Cluster (10.553/10.555/10.559)
 3. CDBG – Entitlement Grants Cluster (14.218)
 4. Emergency Solutions Grant Program (14.231)
 5. Housing Voucher Cluster (14.871/14.879)
 6. Coronavirus Relief Fund (21.019)
 7. Emergency Rental Assistance Program (21.023)
 8. English Language Acquisition State Grants (84.365)
 9. Supporting Effective Instruction State Grants (84.367)
 10. Education Stabilization Fund (ESF) (84.425)
 11. Aging Cluster (93.044/93.045/93.053)
 12. Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) (93.323)
 13. Temporary Assistance for Needy Families (93.558)
 14. Social Services Block Grant (93.667)
 15. Medicaid Cluster (93.778)
 16. Disaster Grants - Public Assistance (Presidentially Declared Disasters) (97.036)
- I. Dollar threshold used to distinguish between Type A and Type B programs: **\$3,000,000**
- J. Auditee qualified as low-risk auditee? **No**

COUNTY OF FAIRFAX, VIRGINIA

Schedule of Findings and Questioned Costs

Fiscal year ended June 30, 2021

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

Finding: 2021-001 – Fairfax County Housing and Redevelopment Authority – Forgivable loans with Blended Component Units

Type of Finding: Material Weakness

Criteria: Under Governmental Accounting Standards Board (GASB) reporting requirements, a blended component unit (BCU) should be treated as though they are funds of the Authority, and all interfund activities between the BCUs and Authority should be in balance.

[Note: certain BCUs report and are audited under Financial Accounting Standards Board (FASB) and for combining and reporting purposes of the Authority, interfund activities with the Authority and equity classifications are converted to GASB.]

Condition: During the year, one of the previously reported discretely presented component units became a BCU. In this process, management analyzed and recorded an allowance of \$681,381 for the forgivable loan they had with this BCU. During the audit and preparation of the financial statements, including the GASB conversion, management worked to ensure all transactions of the BCU with the Authority were properly adjusted and balanced, including recording the forgiveness of debt of \$681,381 for the new BCU. During management's review of balances and activity between the Authority and the BCU, they further identified additional loans where debt had been forgiven by the Authority but was not recognized by the BCU under FASB. The value of these loans and related interest payable identified by management which should have been adjusted by the BCU in prior years, amounted to \$2,680,176, and \$4,172,373, respectively, and were not reported by the Authority in its financial statements.

Cause: The BCU forgivable loans and related interest payable balances were not correctly converted to GASB and adjusted during the blending process into the Authority's financial statements in prior years.

Effect: At June 30, 2021, the Authority had understated beginning net position of \$6,852,549 related to these forgivable loans and related interest payable.

Auditor's Recommendation: We recommend the Authority track and monitor all interfund activities with the BCUs on a GASB basis to ensure all interfund activities with the BCUs balance.

Management's Response: Management agrees with the requirement to convert the interfund amounts from FASB to GASB and ensure all interfund activity is balanced. Management will track all interfund amounts with the BCUs on a GASB basis and ensure all balances are in agreement in the financial statements.

COUNTY OF FAIRFAX, VIRGINIA

Schedule of Findings and Questioned Costs

Fiscal year ended June 30, 2021

(3) Findings and Questioned Costs for Federal Awards

Finding: 2021-002

Program name: Emergency Rental Assistance Program

Assistance Listing Number: 21.023

Federal Awarding Agency: Department of the Treasury

State Awarding Agency: N/A (Direct Award)

Department: Fairfax County Department of Neighborhood and Community Services

Compliance Requirement: Activities Allowed

Prior Year Audit Finding Number: N/A

Type of Finding: Significant Deficiency, Non Material Non-Compliance

Criteria:

Per *Title 2 Subpart §200.303*, "The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (c) Evaluate and monitor the non-Federal entity's compliance with statutes, regulations and the terms and conditions of Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings."

Condition:

During our testing of 40 rental assistance disbursements, we noted one instance in which late rent fees paid on behalf of a program beneficiary were doubled in error when the assistance amount was calculated.

Cause:

The account ledger provided by the landlord included a subtotal of the base rent plus late fees which was used by the program personnel as the base rent when calculating the assistance payment. The supervisory review of the assistance calculation did not identify the error made.

COUNTY OF FAIRFAX, VIRGINIA

Schedule of Findings and Questioned Costs

Fiscal year ended June 30, 2021

Effect:

The Emergency Rental Assistance Program as operated by the Fairfax County Department of Neighborhood and Community Services was not in compliance with the activities allowed compliance requirement for the year ended June 30, 2021. Additionally, ineffective internal control over the activities allowed compliance requirement could result in payments made on behalf of program beneficiaries in error.

Recommendation:

We recommend the Fairfax County Department of Neighborhood and Community Services evaluate and modify, as determined necessary, its internal control over compliance with respect to the activities allowed compliance requirement to ensure that assistance payments are accurately calculated.

Known and likely questioned costs: \$4,634

Views of responsible officials and planned corrective actions:

The Emergency Rental Assistance (ERA) program, which was first rolled out by the federal government in January 2021, was implemented by the County at the end of FY 2021 based on extensive requirements and guidance from the U.S. Department of Treasury. In order to implement the new program and address the urgent need for financial assistance within the Fairfax County community, the County was required to create and establish new detailed policies and operating procedures for conducting eligibility determination, quality control, and administrative processes for the disbursement of these federal funds, all within a condensed period of time.

To maximize flexibility for program participants, ensure equitable access for residents, and minimize barriers to this critical financial resource, neither the federal funding source nor the County prescribe a particular format for documentation from applicants. As a result, documents submitted by residents and landlords to determine eligibility and the specific amount of assistance they are eligible for varies greatly. The miscalculated late fee identified was a result of human error. The first referrals for assistance payments for the ERA program were made in June 2021, while the specific referral associated with the notated instance of non-compliance occurred on June 1, 2021, making this one of the first referrals processed by the County as the program was being implemented.

Recognizing the importance of adequate internal controls to ensure the accuracy of the ERA program implementation amid the complex requirements of the program, several measures have been taken to strengthen quality control and incorporate best practices. While supervisory case review has been part of the process from the time the ERA program was implemented, an additional supervisory review process has been added as a further control measure to address the variability, complexity, and nuances of the applications. In October 2021, 9/9.0 FTE new positions were approved by the Board of Supervisors to provide Quality Assurance and technical and programmatic support to the ERA program. Additionally, the Department of Neighborhood and Community Services (NCS) has consulted with the Department of Family Services (DFS) on best practices and Quality Assurance control measures that are used in large-scale, federally funded, public assistance and eligibility determination programs. NCS is currently exploring a new case management technology system with more robust data management capabilities to enhance administration, analytical, and control processes.

COUNTY OF FAIRFAX, VIRGINIA

Status of Prior Audit Findings

Fiscal 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

Finding 2020-001 – Significant Deficiency, Non Material Non-Compliance – Moving to Work Special Test-Housing Quality Standards Enforcement

Status: Corrective action was taken. Finding not repeated in current year.