

COUNTY OF YORK, VIRGINIA

**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)

**COUNTY OF YORK, VIRGINIA
SINGLE AUDIT REPORT
TABLE OF CONTENTS**

	<u>Page</u>
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 <i>Government Auditing Standards</i>	1 - 2
Report of Independent Auditor on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance	3 - 4
Schedule of Expenditures of Federal Awards	5 - 6
Notes to Schedule of Expenditures of Federal Awards	7
Schedule of Findings and Questioned Costs	8

**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 York, 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 business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of York, 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 29, 2021. That report recognizes that the County restated certain net position amounts due to the implementation of a new accounting standard effective July 1, 2020.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or the *Specifications for Audits of Counties, Cities, and Towns*.

Purpose of this Report

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

A handwritten signature in black ink that reads "Cheryl Bekaert LLP". The signature is written in a cursive, flowing style.

Virginia Beach, Virginia
November 29, 2021

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

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

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

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

Report on Internal Control over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

We have audited the financial statements of the governmental activities, 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 29, 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.

A handwritten signature in black ink that reads "Cheryl Bekaert LLP". The signature is written in a cursive, flowing style.

Virginia Beach, Virginia
February 22, 2022

COUNTY OF YORK, VIRGINIA
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2021

<u>Federal Granting Agency/Recipient State Agency/Grant Program/Grant Number</u>	<u>Assistance Listing Number</u>	<u>Federal Expenditures</u>
Department of Agriculture:		
Direct payments: Child and Adult Care Food Program	10.558	\$ 55,292
Pass-through payments:		
Department of Social Services:		
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (765-460-03; 765-460-010)	10.561	913,263
Department of Education:		
School Breakfast Program (197-179-01)	10.553	2,039,950
Department of Agriculture:		
National School Lunch Program (Donated Foods)	10.555	320,962
Department of Education:		
National School Lunch Program (197-179-01)	10.555	<u>3,825,825</u>
Subtotal Donated Foods and National School Lunch Program	10.555	<u>4,146,787</u>
Total Child Nutrition Cluster		6,186,737
Department of Defense:		
Direct payments:		
Naval Junior ROTC Program	12.UNK	126,578
National Defense Authorization Act	12.UNK	1,257,379
Forest Reserve	12.UNK	5,928
Competitive Grants: Promoting K-12 Student Achievement at Military-Connected Schools	12.556	186,763
Department of Housing and Urban Development:		
Pass-through payments:		
Department of Housing and Community Development		
Community Development Block Grants/State's Program (165-533-05)	14.228	1,470,073
Virginia Housing Development Authority:		
Section 8 Housing Choice Vouchers	14.871	<u>166,590</u>
Total Housing Voucher Cluster		166,590
Department of Justice:		
Direct payments:		
Bulletproof Vest Partnership Program	16.607	14,115
Equitable Sharing Program	16.922	29,475
Pass-through payments:		
Department of Criminal Justice Services:		
Crime Victim Assistance (140-390-01)	16.575	103,003
Violence Against Women Formula Grants (140-390-01)	16.588	27,366
Department of Transportation:		
Pass-through payments: Department of Transportation:		
Highway Planning and Construction	20.205	<u>25,852</u>
Total Highway Planning and Construction Cluster		25,852
Pass-through payments: Department of Motor Vehicles:		
State and Community Highway Safety (530-605-07)	20.600	<u>12,656</u>
Total Highway Safety Cluster		12,656
Alcohol Open Container Requirements	20.607	9,002
Department of the Treasury:		
Pass-through payments: Department of Accounts:		
Coronavirus Relief Fund	21.019	11,394,140
Coronavirus State and Local Fiscal Recovery Fund (ARPA)	21.027	6,631,295
Federal Communications Commission:		
Direct payments: Universal Service Fund - Schools and Libraries (E-rate)	32.004	10,542
Department of Education:		
Direct payments:		
Impact Aid	84.041	9,123,392
Pass-through payments:		
Department of Education (197-179-01):		
Title I Grants to Local Educational Agencies	84.010	755,511

(continued)

See accompanying notes to Schedule of Expenditures of Federal Awards.

COUNTY OF YORK, VIRGINIA
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2021

<u>Federal Granting Agency/Recipient State Agency/Grant Program/Grant Number</u>	<u>Assistance Listing Number</u>	<u>Federal Expenditures</u>
Department of Education:		
Special Education and Rehabilitative Services:		
Special Education Grants to States	84.027	2,269,963
Special Education Preschool Grants	84.173	<u>47,709</u>
Total Special Education Cluster (IDEA)		2,317,672
Department of Education:		
Pass-through payments:		
Department of Education (197-179-01):		
School Safety National Activities	84.184	46,102
Vocational and Adult Education:		
Career and Technical Education - Basic Grants to States	84.048	115,819
English Language Acquisition State Grants	84.365	23,326
Supporting Effective Instruction State Grants	84.367	179,100
Education Stabilization Fund	84.425D	1,133,377
United States Election Assistance Commission:		
Pass-through payments:		
State Board of Elections		
HAVA Election Security Grants	90.404	68,555
Department of Health and Human Services:		
Direct payments:		
Administration for Children, Youth and Families: Head Start	93.600	1,212,695
Pass-through payments:		
Department of Social Services:		
MaryLee Allen Promoting Safe and Stable Families Program (765-460-10; 765-469-02)	93.556	15,410
Temporary Assistance for Needy Families (765-452-12; 765-452-01; 765-460-10)	93.558	319,443
Refugee and Entrant Assistance State/Replacement Designee Administered Programs (765-460-10; 765-491-02)	93.566	507
Low-Income Home Energy Assistance (765-460-10)	93.568	44,253
Child Care and Development Block Grant (765-452-15)	93.575	(1,874)
Child Care Mandatory and Matching Funds of the Child Care and Development Fund (765-452-14; 765-452-15; 765-460-10)	93.596	<u>69,682</u>
Total Child Care and Development Fund Cluster (93.575, 93.596)		67,808
Chafee Education and Training Vouchers Program (ETV) (765-469-02)	93.599	888
Stephanie Tubbs Jones Child Welfare Services Program (765-460-10)	93.645	312
Foster Care - Title IV-E (765-460-03; 765-460-10; 765-469-01; 765-469-02)	93.658	274,519
Adoption Assistance (765-460-03; 765-460-10; 765-469-03)	93.659	108,274
Social Services Block Grant (765-460-10; 765-468-02; 765-469-02; 765-469-03)	93.667	300,319
John H. Chafee Foster Care Program for Successful Transition to Adulthood (765-460-10; 765-469-02)	93.674	8,283
Children's Health Insurance Program (765-460-10)	93.767	8,033
Medical Assistance Program (765-460-03; 765-460-10)	93.778	680,694
Department of Medical Assistance Services: Medical Assistance Program	93.778	<u>182,308</u>
Subtotal Medical Assistance Program		<u>863,002</u>
Total Medicaid Cluster		863,002
Department of Homeland Security:		
Direct payments:		
Assistance to Firefighters Grant	97.044	36,688
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	363,406
Pass-through payments:		
Department of Homeland Security:		
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	490,958
Emergency Management Performance Grants (127-775-01)	97.042	50,335
Homeland Security Grant Program (127-775-01)	97.067	<u>234,858</u>
Total		\$ <u>46,788,894</u>

See accompanying notes to Schedule of Expenditures of Federal Awards.

COUNTY OF YORK, VIRGINIA
Notes to Schedule of Expenditures of Federal Awards
June 30, 2021

1. GENERAL

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) presents the activity of all federal awards of the County. The County's reporting entity is defined in Note 1 to the basic financial statements. All amounts expended directly from federal agencies as well as monies passed through other government agencies are included on the Schedule.

2. BASIS OF ACCOUNTING

The accompanying Schedule is presented using the modified accrual basis of accounting, which is described in Note 1 to the County's basic financial statements.

3. SUBRECIPIENTS

Of the federal expenditures presented in the Schedule, the County provided no federal awards to a subrecipient during the year ended June 30, 2021.

4. UNIFORM GRANT GUIDANCE

The Uniform Administrative Requirements, Cost Principles, and Audit Requirement for Federal Awards, which is effective for new grants, issued after December 26, 2014, included changes to how indirect costs are awarded. In an effort to relieve administrative burden, the Office of Management and Budget (OMB) specified that non-federal entities that have never received a negotiated indirect cost rate may elect to charge a de minimis cost rate of 10 percent of modified total direct costs, which may be used indefinitely. The County elected not to apply the de minimis rate for fiscal year 2021.

COUNTY OF YORK, VIRGINIA
Schedule of Findings and Questioned Costs
Year Ended June 30, 2021

A. Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued on the financial statements:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified:	No
Significant deficiencies identified:	None reported
Noncompliance material to the financial statements noted?	No

Federal Awards:

Type of auditor's report issued on compliance for major programs:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified:	No
Significant deficiencies identified:	None reported
Noncompliance material to federal awards noted?	No
Any audit findings disclosed that are required to be reported in Accordance with Section 200.516(a) of the Uniform Guidance?	No

Identification of major federal programs:

<u>Name of Program</u>	<u>Assistance Listing #</u>
Department of Agriculture:	
Child Nutrition Cluster	10.553 and 10.555
Department of Housing and Urban Development:	
Community Development Block Grants/ State's Program	14.228
Department of the Treasury:	
Coronavirus Relief Fund	21.019
Coronavirus State and Local Fiscal Recovery Fund	21.027
Department of Education:	
Education Stabilization Fund	84.425D
Department of Health and Human Services:	
Medicaid Cluster	93.778

Dollar threshold to distinguish between Types A and B Programs:	\$1,403,667
---	--------------------

The County of York was qualified as a low risk auditee in? Accordance with Section 200.520 of the Uniform Guidance?	Yes
--	------------

B. Findings - Financial Statement Audit	None
C. Findings and Questioned Costs – Major Federal Awards	None
D. Findings and Questioned Costs – State Compliance	None
E. Resolution of Prior Year's Findings	Not applicable