COUNTY OF FAIRFAX, VIRGINIA

COMPLIANCE AUDIT PURSUANT TO 2 CFR PART 200 AND *GOVERNMENT AUDITING STANDARDS* (SINGLE AUDIT REPORT)

For the Fiscal Year Ended June 30, 2023

(With Reports of Independent Auditor)

Cherry Bekaert LLP
Your Guide Forward

COUNTY OF FAIRFAX, VIRGINIA
COMPLIANCE REPORTS
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Report of Independent Auditor on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Board of Supervisors
County of Fairfax, 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* (the "Specifications") 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 Fairfax, 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 November 17, 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2023-001 that we consider to be a significant deficiency.

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*.

County's Response to Finding
Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the finding identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. The County's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.

Cherry Bekaert LLP

Tysons Corner, Virginia
November 17, 2023

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
Fairfax County, Virginia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the County of Fairfax, 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 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 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.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying Schedule of Findings and Questioned Costs as item 2023-002. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the noncompliance finding identified in our compliance audit described in the accompanying Schedule of Findings and Questioned Costs. The County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

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. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2023-002 to be a significant deficiency.

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.

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the internal control over compliance finding identified in our compliance audit described in the accompanying Schedule of Findings and Questioned Costs. The County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

We have audited 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 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 November 17, 2023, which contained unmodified opinions on those financial statements. Our audit was performed 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.

Cherry Bekaert LLP

Tysons Corner, Virginia
November 17, 2023

Federal Grantor/Pass-Through Entity/Program Title	Assistance Listing Number	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	N/A		**$ 10,416,126**			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561 [4]	SNAP Cluster			**110,433**			
Passed Through Commonwealth of Virginia:								
Department of Agriculture and Consumer Services								
Non-Cash Assistance: National School Lunch Program	10.555 [1]	Child Nutrition Cluster	04754		**4,934**			
Department of Education								
School Breakfast Program	10.553	Child Nutrition Cluster	17901-40253		**9,231,878**			
National School Lunch Program	10.555 [1]	Child Nutrition Cluster	17901-40254		**39,218,565**			
Child and Adult Care Food Program	10.558 [2]		4172		**589,930**			
Summer Food Service Program for Children	10.559 [3]	Child Nutrition Cluster	4172		**259,165**			
Fresh Fruit and Vegetable Program	10.582	Child Nutrition Cluster	N/A		**622,985**			
Department of Health								
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557		409WIC2021		**3,334,376**			
			409WIC2022					
			707CB-FFX-BF-2021					
			707CB-FFX-BF-2022					
			707CB-FFX-BF-2023					
Child and Adult Care Food Program	10.558 [2]		10450		**6,239,652**			
			10449					
			58795					
			60199					
Summer Food Service Program for Children	10.559 [3]	Child Nutrition Cluster	N/A		**1,472,275**			
Child Nutrition Discretionary Grant Limited Availability	10.579				**10,496**			
State Pandemic Electronic Benefit Transfer (P-EBT) Administrative Costs Grants	10.649		202121S900941		**5,950**			
Department of Social Services								
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561 [4]	SNAP Cluster	84322-90212		**17,351,695**			
			84403-90304					
			84404-90303					
			84703-93103					
			84704-93104					
			84903-92103					
			84904-92104					
			85503-91103					
			85504-91104					
			85803-91403					
			85804-91404					
Total for Child Nutrition Cluster (10.553, 10.555, 10.559, 10.582)						$ 61,225,928		
Total for SNAP Cluster (10.561)						17,462,128		
1 - Total National School Lunch Program (10.555)							$ 49,639,625	
2 - Total Child and Adult Care Food Program (10.558)							6,829,582	
3 - Total Summer Food Service Program for Children (10.559)							1,731,440	
4 - Total State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (10.561)							17,462,128	

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.

Federal Grantor/Pass-Through Entity/Program Title	Assistance Listing Number	Cluster Name	Pass-Through Entity Identifying Number	Loans	**Expenditures**	Total Cluster	Total Program	Passed Through to Subrecipients
Department of Commerce								
Passed Through The Chesapeake Bay Trust								
Chesapeake Bay Studies	11.457		P326BBJU66M3		**4,320**			
Department of Defense								
Direct Awards:								
Junior ROTC	12.000				**537,584**			
Competitive Grants: Promoting K-12 Student Achievement at Military-Connected Schools	12.556				**1,655,840**			
Invitational Grants for Military-Connected Schools	12.557				**171,111**			
Department of Housing and Urban Development								
Direct Awards:								
Little River Glen Loans:								
Loans Beginning Balance	14.000			$ 1,975,000	**1,975,000**			
Community Development Block Grants/Entitlement Grants	14.218 [5]	CDBG - Entitlement Grants Cluster			**5,406,954**			42,656
COVID-19 - Community Development Block Grants/Entitlement Grants	14.218 [5]	CDBG - Entitlement Grants Cluster			**542,035**			
Community Development Block Grants/Entitlement Grants - Loans:								
Loans Beginning Balance	14.218 [5]	CDBG - Entitlement Grants Cluster		24,717,366				
New Loans	14.218 [5]	CDBG - Entitlement Grants Cluster		1,937,026	**26,654,392**			
Emergency Solutions Grant Program	14.231 [6]				**448,851**			448,851
COVID-19 - Emergency Solutions Grant Program	14.231 [6]				**805,813**			805,813
Home Investment Partnerships Program	14.239 [7]				**2,487,440**			8,610
COVID-19 - Home Investment Partnerships Program	14.239 [7]				**43,741**			
Loans Beginning Balance	14.239 [7]			13,939,258				
New Loans	14.239 [7]			1,518,854	**15,458,112**			
Continuum of Care Program	14.267				**288,509**			34,076
Fair Housing Assistance Program State and Local	14.401		FF203K163023 FF203K173023		**139,591**			
Section 8 Housing Choice Vouchers	14.871	Housing Voucher Cluster			**11,114,938**			
Mainstream Vouchers	14.879	Housing Voucher Cluster			**1,916,281**			
Moving to Work Demonstration Program	14.881				**70,873,545**			
Family Self-Sufficiency Program	14.896				**203,666**			
Passed Through Commonwealth of Virginia:								
Virginia Department of Housing								
COVID-19 - Emergency Solutions Grant Program	14.231				**901,552**			901,552
Total for CDBG - Entitlement Grants Cluster (14.218)						32,603,381		
Total for Housing Voucher Cluster (14.871, 14.879)						13,031,219		
5 - Total Community Development Block Grants/Entitlement Grants (14.218)							32,603,381	
6 - Total Emergency Solutions Grant Program (14.231)							2,156,216	
7 - Total Home Investment Partnerships Program (14.239)							17,989,293	

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.

Federal Grantor/Pass-Through Entity/Program Title	Assistance Listing Number	Cluster Name	Pass-Through Entity Identifying Number	Loans	**Expenditures**	Total Cluster	Total Program	Passed Through to Subrecipients
Department of the Interior								
Direct Awards:								
Payments in Lieu of Taxes	15.226				**7,489**			
National Wildlife Refuge Fund	15.659				**37,646**			
Department of Justice								
Direct Awards:								
Drug Court Discretionary Grant Program	16.585				**327,548**			
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	16.590		15JOVW-21-GG-02042-ICJR		**279,132**			52,020
Public Safety Partnership and Community Policing Grants	16.710				**394,183**			
Edward Byrne Memorial Justice Assistance Grant Program	16.738 [8]				**234,041**			
Body Worn Camera Policy and Implementation	16.835				**14,517**			
STOP School Violence	16.839				**11,155**			
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				**236,354**			236,354
Equitable Sharing Program	16.922				**63,191**			
Passed Through Commonwealth of Virginia:								
<u>Department of Criminal Justice Services</u>								
Crime Victim Assistance	16.575		20-X9279VG18 21-B3445VP19 21-B4118VP19 21-Y9279VG19 22-C3445VP20 22-C4118VP20 22-O1052VG19		**1,040,701**			
Violence Against Women Formula Grants	16.588		21-X9836VA20 21-Y9333VA20 22-Y9836VA21 22-Z9333VA21 23-Z9836VA21		**122,560**			
Edward Byrne Memorial Justice Assistance Grant Program	16.738 [8]		9214		**36,042**			
8 - Total Edward Byrne Memorial Justice Assistance Grant Program (16.738)							270,083	
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 11-21-02 LWDA EEI 11-18-01 SECURE-11-20-01 LWDA 11-20-03 LWDA 11-21-03 LWDA 11-22-03		**1,864,023**			458,665
WIOA Youth Activities	17.259	WIOA Cluster	LWDA 11-20-01 LWDA 11-21-01		**1,321,567**			306,543
WIOA Dislocated Worker Formula Grants	17.278 [9]	WIOA Cluster	CHW LWDA 11-21-01		**947,747**			404,112

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.

Federal Grantor/Pass-Through Entity/Program Title	Assistance Listing Number	Cluster Name	Pass-Through Entity Identifying Number	Loans	**Expenditures**	Total Cluster	Total Program	Passed Through to Subrecipients
			LWDA 11-18-RR-01					
			LWDA 11-20-02					
			LWDA 11-21-02					
			LWDA 11-20-04					
			LWDA 11-21-04					
			LWDA 11-22-03					
COVID-19 - WIOA Dislocated Worker Formula Grants	17.278 [9]	WIOA Cluster	RTE 11-19-01		**33,651**			
Total for WIOA Cluster (17.258, 17.259, 17.278)						4,166,988		
9 - Total WIOA Dislocated Worker Formula Grants (17.278)							981,398	
Department of Transportation								
Passed Through Commonwealth of Virginia:								
Department of Motor Vehicles								
State and Community Highway Safety	20.600	Highway Safety Cluster	FPS-2022-52241-22241		**16,460**			
			FSC-2021-51296-21296					
			FSC-2022-52234-22234					
Alcohol Open Container Requirements	20.607		154AL-2021-51191-21191		**949,211**			
			154AL-2021-51298-21298					
			154AL-2022-52204-22204					
			154AL-2022-52243-22243					
National Priority Safety Programs	20.616	Highway Safety Cluster	FHLE-2021-51297-21297		**1,857**			
Department of Rail and Public Transportation								
Highway Planning and Construction	20.205 [10]		47021-12, UPC T21448		**443,291**			
Department of Transportation								
Highway Planning and Construction	20.205 [10]		UPC 094286		**25,759,706**			
			UPC 103280					
			UPC 103281					
			UPC 104294					
			UPC 105266					
			UPC 106143					
			UPC 106274					
			UPC 106474					
			UPC 107439					
			UPC 108720					
			UPC 109607					
			UPC 110477					
			UPC 111898					
			UPC 113610					
			UPC 113637					
			UPC 114128					
			UPC 116319					
			UPC 116320					
			UPC 118128					
			UPC 118236					
			UPC 118237					
			UPC 118238					
Passed Through Metropolitan Washington Council of Governments:								
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	Transit Services Programs Cluster	19-062		**243,801**			
			21-055					

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.

Federal Grantor/Pass-Through Entity/Program Title	Assistance Listing Number	Cluster Name	Pass-Through Entity Identifying Number	Loans	**Expenditures**	Total Cluster	Total Program	Passed Through to Subrecipients
Total for Transit Services Programs Cluster (20.513)						243,801		
Total for Highway Safety Cluster (20.600, 20.616)						18,317		
10 - Total Highway Planning and Construction (20.205)							26,202,997	
Department of the Treasury								
Direct Awards:								
Equitable Sharing	21.016				**99,302**			
COVID-19 - Emergency Rental Assistance Program	21.023				**10,084,075**			
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027 [11]				**68,346,206**			34,104
Local Assistance and Tribal Consistency Fund	21.032				**50,000**			
Passed Through Commonwealth of Virginia:								
Department of Criminal Justice Services								
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027 [11]		22-A3445ARRF		**178,217**			
Department of Education								
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027 [11]		266-22 280-21 064-23		**19,398,716**			
Virginia Community College System								
COVID-19 - Coronavirus Relief Fund	21.027 [11]		N/A		**6,439**			
Virginia Tourism Corporation								
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027 [11]				**2,117,750**			2,085,000
11 - Total COVID-19 - Coronavirus State and Local Fiscal Recovery Funds (21.027)							90,047,328	
Federal Communications Commission								
Direct Awards:								
COVID-19 - Emergency Connectivity Fund Program	32.009 [12]				**204,000**			
Passed Through Universal Service Administration Co.								
COVID-19 - Emergency Connectivity Fund Program	32.009 [12]				**40,771**			
12 - Total COVID-19 - Emergency Connectivity Fund Program (32.009)							244,771	
National Aeronautics and Space Administration								
Passed Through Inspiration and Recognition of Science and Technology:								
Science	43.001		NNG06GA51A		**37,362**			
Institute of Museum and Library Services								
Passed Through the Commonwealth of Virginia								
Library of Virginia								
COVID-19 - Grants to States	45.310				**46,208**			
National Endowment for the Arts								
Passed Through Mid Atlantic Arts Foundation								
Promotion of the Arts Grants to Organizations and Individuals	45.025				**9,200**			

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.

Federal Grantor/Pass-Through Entity/Program Title	Assistance Listing Number	Cluster Name	Pass-Through Entity Identifying Number	Loans	**Expenditures**	Total Cluster	Total Program	Passed Through to Subrecipients
Department of Education								
Direct Awards:								
Impact Aid	84.041				**3,569,606**			
Passed Through Commonwealth of Virginia:								
Department of Behavioral Health and Developmental Services								
Special Education-Grants for Infants and Families	84.181 [13]		720-4515-14		**1,519,970**			
COVID-19 - Special Education-Grants for Infants and Families	84.181 [13]		720-4515-14		**860,892**			
Department of Education								
Adult Education - Basic Grants to States	84.002		V002A160047		**2,343,367**			1,087,011
			V002A170047					
			V002A180047					
Title I Grants to Local Educational Agencies	84.010		S010A160046		**31,475,220**			
			S010A170046					
			S010A180046					
Title I State Agency Program for Neglected and Delinquent Children and Youth	84.013		S013A160046		**10,157**			
			S013A170046					
			S013A180046					
Special Education Grants to States	84.027	Special Education Cluster (IDEA)	H027A150107		**36,258,813**			
			H027A160107					
			H027A170107					
			H027A180107					
Career and Technical Education -- Basic Grants to States	84.048		V048A160046		**2,513,567**			
			V048A170046					
			V048A180046					
Special Education Preschool Grants	84.173	Special Education Cluster (IDEA)	H173A160112		**1,403,196**			
			H173A170112					
			H173A180112					
School Safety National Activities (formerly, Safe and Drug-Free Schools and Communities-National Programs)	84.184		S184H220145		**91,230**			
Education for Homeless Children and Youth	84.196		S196A170048		**96,013**			
			S196A180048					
Twenty-First Century Community Learning Centers	84.287		S287C150047		**38,648**			
			S287C160047					
			S287C170047					
			S287C180047					
English Language Acquisition State Grants	84.365		S365A150046		**4,244,397**			
			S365A160046					
			S365A170046					
			S365A180046					
Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)	84.367		S367A150044		**4,371,844**			
			S367A160044					
			S367A170044					
			S367A180044					
Student Support and Academic Enrichment Program	84.424		S424A170048		**2,977,501**			
COVID-19 - Education Stabilization Fund	84.425		S425D200008		**110,883,358**			

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.

Federal Grantor/Pass-Through Entity/Program Title	Assistance Listing Number	Cluster Name	Pass-Through Entity Identifying Number	Loans	**Expenditures**	Total Cluster	Total Program	Passed Through to Subrecipients
Total for Special Education Cluster (IDEA) (84.027, 84.173)						37,662,009		
13 - Total Special Education-Grants for Infants and Families (84.181)							2,380,862	
Department of Health and Human Services								
Direct Awards:								
COVID-19 - Community Programs to Improve Minority Health Grant Program	93.137				**1,533,574**			
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243 [18]				**479,572**			
Congressional Directives	93.493				**465,399**			
Head Start	93.600 [25]	Head Start Cluster	03CH012068-02-00		**9,815,880**			4,998,619
COVID-19 - Head Start	93.600 [25]	Head Start Cluster			**794,765**			584,993
Passed Through Commonwealth of Virginia:								
Department for Aging and Rehabilitative Services								
Special Programs for the Aging,Title VII, Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041		MOU-20-179		**7,383**			
Special Programs for the Aging,Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals	93.042 [13]		MOU-20-179 MOD 11		**70,001**			
COVID-19 - Special Programs for the Aging,Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals	93.042 [13]		MOU-20-179 MOD 2		**36,283**			
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043		MOU-20-179		**2,090**			
Special Programs for the Aging,Title III, Part B, Grants for Supportive Services and Senior Centers	93.044 [16]	Aging Cluster	MOU-20-179 MOD 11		**933,327**			
			A262-82544 MOD 4 CTR012537					
COVID-19 - Special Programs for the Aging,Title III, Part B, Grants for Supportive Services and Senior Centers	93.044 [16]	Aging Cluster	MOU-20-179		**265,515**			
			MOU-20-179 MOD 2 MOU-20-179 MOD 6 ITSN-NOR-22					
Special Programs for the Aging,Title III, Part C, Nutrition Services	93.045 [17]	Aging Cluster	MOU-20-179 MOD 11		**1,080,009**			
COVID-19 - Special Programs for the Aging,Title III, Part C, Nutrition Services	93.045 [17]	Aging Cluster	MOU-20-179 MOD 11		**351,954**			
Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	93.048		MOU-21-179		**5,000**			
National Family Caregiver Support, Title III, Part E	93.052		MOU-16-118 MOU-20-179 MOD 11		**293,307**			
Nutrition Services Incentive Program	93.053	Aging Cluster	MOU-20-179		**461,993**			
Medicare Enrollment Assistance Program	93.071		MOU-20-179		**101,313**			
State Health Insurance Assistance Program	93.324				**59,128**			
Medical Assistance Program	93.778 [29]	Medicaid Cluster	MOU-20-179		**25,752**			
Department of Behavioral Health and Developmental Services								
Projects for Assistance in Transition from Homelessness (PATH)	93.150		FY2021 DBHDS SPC 827		**184,660**			

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.

Federal Grantor/Pass-Through Entity/Program Title	Assistance Listing Number	Cluster Name	Pass-Through Entity Identifying Number	Loans	**Expenditures**	Total Cluster	Total Program	Passed Through to Subrecipients
			FY2022 DBHDS SPC 827					
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243 [18]		FY2022 DBHDS SPC 873		**43,718**			
Opioid STR	93.788		FY2021 DBHDS SPC 822		**274,511**			
			FY2021 DBHDS SPC 825					
			FY2022 DBHDS SPC 822					
			FY2022 DBHDS SPC 825					
Block Grants for Community Mental Health Services	93.958 [30]		FY2018 DBHDS SPC 871		**1,977,023**			
			FY2020 DBHDS SPC 871					
			FY2021 DBHDS SPC 871					
			FY2022 DBHDS SPC 837					
			FY2022 DBHDS SPC 871					
COVID-19 - Block Grants for Community Mental Health Services	93.958 [30]		FY2022 DBHDS SPC 871		**51,444**			
Block Grants for Prevention and Treatment of Substance Abuse	93.959		FY2020 DBHDS SPC 872		**3,425,432**			
			FY2021 DBHDS SPC 872					
			FY2021 DBHDS SPC 997					
			FY2022 DBHDS SPC 814					
			FY2022 DBHDS SPC 818					
			FY2022 DBHDS SPC 872					
<u>Department of Education</u>								
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354 [19]		FAIRFAX-6190000119389		**219,015**			
Every Student Succeeds Act/Preschool Development Grants	93.434 [20]		90TP0039		**5,947**			
Child Care and Development Block Grant	93.575 [23]	CCDF Cluster	2001VACCDF		**767,506**			136,768
COVID-19 - Child Care and Development Block Grant	93.575 [23]	CCDF Cluster	ARP03546		**23,090**			
			ARP03467					
<u>Department of Health</u>								
Public Health Emergency Preparedness	93.069		EP&R FY 2020-2024		**247,686**			
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116		FRXTB603-GY21		**182,839**			
			FRXTB603-GY22					
Immunization Cooperative Agreements	93.268		FRXCIAP607GY21		**80,009**			
			FRXIAP607-FY22					
			FRXIPI607-GY22					
COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323		FRXCOV610-GY21		**1,057,850**			
			FRXED610-GY21					
			FRXSST610-GY23					
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354 [19]		FAIRFAX-619-0000119389		**453,195**			
National and State Tobacco Control Program	93.387		703A032924		**95,878**			
			709CE220066					
COVID-19 - Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	93.391		521A210102		**51,678**			
Maternal, Infant and Early Childhood Home Visiting Grant Program	93.870		705A210069		**584,206**			
			705BJ632557					

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.

Federal Grantor/Pass-Through Entity/Program Title	Assistance Listing Number	Cluster Name	Pass-Through Entity Identifying Number	Loans	**Expenditures**	Total Cluster	Total Program	Passed Through to Subrecipients
HIV Prevention Activities Health Department Based	93.940		705BQ210111 FRXDIS611-GY21 FRXHIV611-FY21 FRXHIV611-FY22		**19,783**			
Assistance Programs for Chronic Disease Prevention and Control	93.945		709BG210055		**8,172**			
Sexually Transmitted Diseases (STD) Prevention and Control Grants	93.977		FRXDIS611-GY21 FRXDIS611-GY23		**207,308**			
Maternal and Child Health Services Block Grant to the States	93.994		705PMCH2021 705PMCH-FX2022		**256,849**			
Department of Social Services								
Guardianship Assistance	93.090		82201-90633 82202-90634 84728-93128 84928-92128 85528-91128 85828-91428		**37,868**			
Title IV-E Prevention Program	93.472		84751-93151 84951-92151 85551-91151 85851-91451		**150,199**			
MaryLee Allen Promoting Safe and Stable Families Program	93.556 [21]		84729-93129 84929-92129 85529-91129 85829-91429 86601-90359 86602-90360 86605-90361 86608-90393		**71,540**			
COVID-19 - MaryLee Allen Promoting Safe and Stable Families Program	93.556 [21]		86801-93152 86802-93153		**12,632**			
Temporary Assistance for Needy Families	93.558 [22]		80801-90603 84709-93109 84710-93110 84711-93111 84712-93112 84727-93127 84909-92109 84910-92110 84911-92111 84912-92112 84927-92127 85509-91109 85510-91110 85511-91111 85512-91112 85527-91127 85809-91409		**5,320,378**			529,264

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Federal Grantor/Pass-Through Entity/Program Title	Assistance Listing Number	Cluster Name	Pass-Through Entity Identifying Number	Loans	**Expenditures**	Total Cluster	Total Program	Passed Through to Subrecipients
			85810-91410 85811-91411 85812-91412 85827-91427 87201-90365 87202-90366 87204-90367 87207-90377 87210-90364 87212-90391 BEN-19-113-08 BEN-19-113-08 #2 CVS-19-057-A-11					
Refugee and Entrant Assistance State/Replacement Designee Administered Programs	93.566		81901-90623		**1,335,519**			
Low-Income Home Energy Assistance	93.568		84713-93113 84913-92113 85513-91113 85813-91413 84714-93114 84914-92114 85514-91114 85814-91414		**565,897**			
Community Services Block Grant	93.569		CVS-19-063-09		**649,182**			649,182
Child Care and Development Block Grant	93.575 [23]	CCDF Cluster	88001-90785 OECD-19-047-02		**(112,456)**			
COVID-19 - Child Care and Development Block Grant	93.575 [23]	CCDF Cluster	88801-90564		**13,653**			
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	CCDF Cluster	84716-93116 84717-93117 84718-93118 84916-92116 84917-92117 84918-92118 85516-91116 85517-91117 85518-91118 85816-91416 85817-91417 85818-91418 88901-90566		**720,041**			
Chafee Education and Training Vouchers Program (ETV)	93.599 [24]		86101-90353		**7,089**			
COVID-19 - Chafee Education and Training Vouchers Program (ETV)	93.599 [24]		88501-90273		**71,147**			
Adoption and Legal Guardianship Incentive Payments	93.603		82001-90651		**1,165**			
Stephanie Tubbs Jones Child Welfare Services Program	93.645		84731-93131		**2,408**			
Foster Care Title IV-E	93.658		84931-92131 85531-91131 85831-91431 81107-90636 81108-90637		**5,109,268**			

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Federal Grantor/Pass-Through Entity/Program Title	Assistance Listing Number	Cluster Name	Pass-Through Entity Identifying Number	Loans	**Expenditures**	Total Cluster	Total Program	Passed Through to Subrecipients
			81110-90639					
			81112-90657					
			81113-90658					
			81401-90638					
			81402-90640					
			81403-90635					
			81404-90656					
			81405-90655					
			84319-90209					
			84705-93105					
			84706-93106					
			84707-93107					
			84733-93133					
			84738-93138					
			84747-93147					
			84905-92105					
			84906-92106					
			84907-92107					
			84933-92133					
			84938-92138					
			84947-92147					
			85505-91105					
			85506-91106					
			85507-91107					
			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					
Adoption Assistance	93.659		81201-90606		**4,423,243**			
			81202-90627					
			81203-90607					
			84324-90214					
			84708-93108					
			84908-92108					
			85508-91108					
			85808-91408					
Social Services Block Grant	93.667 [26]		81701-90648		**3,377,108**			
			82904-90357					
			83304-90340					
			84720-93120					
			84722-93122					
			84723-93123					
			84724-93124					
			84725-93125					

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Federal Grantor/Pass-Through Entity/Program Title	Assistance Listing Number	Cluster Name	Pass-Through Entity Identifying Number	Loans	**Expenditures**	Total Cluster	Total Program	Passed Through to Subrecipients
			84726-93126					
			84742-93142					
			84920-92120					
			84922-92122					
			84923-92123					
			84924-92124					
			84925-92125					
			84926-92126					
			84942-92142					
			84957-92157					
			85520-91120					
			85522-91122					
			85523-91123					
			85524-91124					
			85525-91125					
			85526-91126					
			85542-91142					
			85557-91157					
			85820-91420					
			85822-91422					
			85823-91423					
			85824-91424					
			85825-91425					
			85826-91426					
			85842-91442					
			85857-91457					
			86401-90351					
			89501-90379					
			CVS-19-057-A-11					
Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	93.671 [27]		CVS-19-057-A-11		**19,160**			
COVID-19 - Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	93.671 [27]		CVS-19-057-A-11		**347**			
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674 [28]		84734-93134		**48,867**			
			84934-92134					
			85534-91134					
			85834-91434					
			86201-90356					
COVID-19 - John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674 [28]		88401-90270		**26,934**			
COVID-19 - Elder Abuse Prevention Interventions Program	93.747		89601-90380		**476,926**			
			89602-90381					
Children's Health Insurance Program	93.767		84702-93102		**76,782**			
			84902-92102					
			85502-91102					
			85802-91402					
Medical Assistance Program	93.778 [29]	Medicaid Cluster	84323-90213		**8,871,679**			
			84701-93101					
			84746-93146					

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Federal Grantor/Pass-Through Entity/Program Title	Assistance Listing Number	Cluster Name	Pass-Through Entity Identifying Number	Loans	**Expenditures**	Total Cluster	Total Program	Passed Through to Subrecipients
			84750-93150					
			84901-92101					
			84946-92146					
			84950-92150					
			85501-91101					
			85546-91146					
			85550-91150					
			85801-91401					
			85846-91446					
			85850-91450					
Afghan Repatriation Reimbursement	93.REF				**29,835**			
Office of Children's Services								
Social Services Block Grant	93.667 [26]		1300		**620,735**			
Passed Through Child Development Resources:								
Child Care and Development Block Grant	93.575 [23]	CCDF Cluster	ITSN-NOR-17		**474,313**			
Passed Through National Association of County and City Health Officials:								
Medical Reserve Corps Small Grant Program	93.008 [14]				**18,583**			
COVID-19 - Medical Reserve Corps Small Grant Program	93.008 [14]				**19,421**			
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				**5,344**			
Temporary Assistance for Needy Families	93.558 [22]				**103,000**			
Every Student Succeeds Act/Preschool Development Grants	93.434 [20]		22_FAIRFAX_PDG		**1,369,709**			437,064
			90TP0067					
			RR-2021-0002-FAIRFAX					
Total for Aging Cluster (93.044, 93.045, 93.053)						3,092,798		
Total for CCDF Cluster (93.575, 93.596)						1,886,147		
Total for Head Start Cluster (93.600)						10,610,645		
Total for Medicaid Cluster (93.778)						8,897,431		
14 - Total Medical Reserve Corps Small Grant Program (93.008)							38,004	
15 - Total Special Programs for the Aging,Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals (93.042)							106,284	
16 - Total Special Programs for the Aging,Title III, Part B, Grants for Supportive Services and Senior Centers (93.044)							1,198,842	
17 - Total Special Programs for the Aging,Title III, Part C, Nutrition Services (93.045)							1,431,963	
18 - Total Substance Abuse and Mental Health Services Projects of Regional and National Significance (93.243)							523,290	
19 - Total Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response (93.354)							672,210	
20 - Total Every Student Succeeds Act/Preschool Development Grants (93.434)							1,375,656	
21 - Total Promoting Safe and Stable Families (93.556)							84,172	
22 - Total Temporary Assistance for Needy Families (93.558)							5,423,378	
23 - Total Child Care and Development Block Grant (93.575)							1,166,106	
24 - Total Chafee Education and Training Vouchers Program (ETV) (93.599)							78,236	
25 - Total Head Start (93.600)							10,610,645	
26 - Total Social Services Block Grant (93.667)							3,997,843	
27 - Total Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services (93.671)							19,507	
28 - Total John H. Chafee Foster Care Program for Successful Transition to Adulthood (93.674)							75,801	
29 - Total Medical Assistance Program (93.778)							8,897,431	
30 - Total Block Grants for Community Mental Health Services (93.958)							2,028,467	

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.

Federal Grantor/Pass-Through Entity/Program Title	Assistance Listing Number	Cluster Name	Pass-Through Entity Identifying Number	Loans	**Expenditures**	Total Cluster	Total Program	Passed Through to Subrecipients
Executive Office of the President								
Passed Through Washington/Baltimore HIDTA:								
High Intensity Drug Trafficking Areas Program	95.001		2021TXFAIRFAXSHERIFF G20WB0004A G21WB0004A		**386,502**			
Department of Homeland Security								
Direct Awards:								
National Urban Search and Rescue (US&R) Response System	97.025				**2,989,852**			
Assistance to Firefighters Grant	97.044				**291,830**			
Financial Assistance for Targeted Violence and Terrorism Prevention	97.132				**98,168**			
Passed Through Commonwealth of Virginia:								
Department of Emergency Management								
COVID-19 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036		FEMA-DR-4512-VA		**5,946,823**			
Emergency Management Performance Grants	97.042		EMP-2020-EP-0005-S01 EMP-2020-EP-0010-S01 EMP-2021-EP-0004-S03		**47,490**			
Homeland Security Grant Program	97.067 [31]		SHSP 2018 7954 SHSP 2019 8237 SHSP 2019 8242 SHSP 2020 8566 SHSP 2020 8592 SHSP 2020 8597 SHSP 2021 77 SHSP 2021 80		**413,379**			
Passed Through Metropolitan Washington Council of Governments (MWCOG)								
Metropolitan Washington Council of Governments (MWCOG)								
Non Cash Assistance: Homeland Security Grant Program	97.067 [31]				**474,000**			
Passed Through District of Columbia:								
Homeland Security and Emergency Management								
Homeland Security Grant Program	97.067 [31]		18UASI529-01 19UASI529-01 19UASI529-02 19UASI531-01 19UASI531-02 19UASI531-04 19UASI533-01 19UASI533-02 19UASI583-01 19UASI583-02 19UASI583-05 20UASI529-01 20UASI529-02 20UASI531-01 20UASI531-03 20UASI531-04		**7,676,389**			

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Federal Grantor/Pass-Through Entity/Program Title	Assistance Listing Number	Cluster Name	Pass-Through Entity Identifying Number	Loans	**Expenditures**	Total Cluster	Total Program	Passed Through to Subrecipients
			20UASI533-01					
			20UASI533-02					
			20UASI583-01					
			20UASI583-02					
			20UASI583-05					
			21UASI529-01					
			21UASI529-02					
			21UASI531-01					
			21UASI531-03					
			21UASI531-04					
			21UASI533-01					
			21UASI583-01					
			21UASI583-02					
			21UASI650-09					
31 - Total Homeland Security Grant Program (97.067)							8,563,768	
Agency for International Development								
Direct Awards:								
USAID Foreign Assistance for Programs Overseas	98.001				**4,585,449**			
					651,987,075			14,241,258

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.

Note 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.

Note 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.

Note 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, 2023. The value of the donated food is included on the accompanying Schedule.

The purpose of the Homeland Security Program, Assistance Listing 97.067, is 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. For the fiscal year ended June 30, 2023, the County received a donated vehicle from Metropolitan Washington Council of Government. The value of the donated vehicle is included on the accompanying Schedule.

Additionally, under USAID Foreign Assistance for Programs Overseas Assistance Listing 98.001, Fairfax County's Urban Search and Rescue Team ("USAR") can be deployed immediately by the U.S. Agency for International Development ("USAID") to assist in the federal government's humanitarian response to a natural disaster. During these deployments, USAR will bring capital equipment and non-capital supplies to their deployment site. Under certain circumstances and with the federal government's approval, USAR will transfer, or donate, the capital equipment and non-capital supplies to designated relief organizations. For the year ended June 30, 2023, USAR purchased and transferred equipment or supplies valued at $1,551,021 to these organizations.

Note 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 $2,751,000 on June 30, 2023. 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 $15,441,857 on June 30, 2023. 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 $25,799,129 on June 30, 2023. 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 $1,630,000 on June 30, 2023. 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 $436,344,725 on June 30, 2023, 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.

Note 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.

Note 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, 2023, FEMA approved $5,946,823 in eligible expenditures that were incurred in both the current and prior fiscal years as follows: FY 2022 $5,288,988 and FY 2023 $657,835. These expenditures are reported on the accompanying Schedule.

Note 7—COVID-19 pandemic expenditures

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 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, 2023, 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.

(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? **Yes**
Material weakness identified? **No**

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. WIC Special Supplemental Nutrition Program for Women, Infants, and Children (10.557)
2. Child and Adult Care Food Program (10.558)
3. Moving to Work Demonstration Program (14.881)
4. Highway Planning and Construction (20.205)
5. Emergency Rental Assistance Program (21.023)
6. Coronavirus State and Local Fiscal Recovery Funds (21.027)
7. Title I Grants to Local Educational Agencies (84.010)
8. Education Stabilization Fund (84.425)
9. Foster Care Title IV-E (93.658)
10. Block Grants for Prevention and Treatment of Substance Abuse (93.959)
11. USAID Foreign Assistance for Programs Overseas (98.001)

I. Dollar threshold used to distinguish between Type A and Type B programs: **$3,000,000**

J. Auditee qualified as low-risk auditee? **No**

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

Finding: 2023-001 – Significant Deficiency – Internal Control over Financial Reporting

Criteria: To prepare financial statements in accordance with accounting principles generally accepted in the United States of America ("GAAP"), accurate and complete recordation of transactions must be maintained to support the fair and timely presentation of the County's financial statements and to ensure accountability to the users of the financial statements.

Condition: Throughout the fiscal year, County's Department of Finance personnel oversee the preparation, processing, and recordation of thousands of financial transactions that are compiled and provided to County management by way of reports used to run the County and ultimately used in the year end publication of the Annual Comprehensive Financial Report ("ACFR"). To ensure transactions are fairly represented, procedures must be in place and functioning effectively to produce complete and accurate financial information. During the audit process, it was determined that the County did not recognize unrealized losses on investments in the General Fund in accordance with GAAP.

Cause: Inaccurate application of investment recognition criteria per GAAP.

Effect: As of and for the fiscal years ended June 30, 2023 and 2022, balances related to General Fund investments, revenue from the use of money and property and fund balance were overstated by the unrecording of unrealized losses on investment activities.

Recommendation: The County should record unrealized investment losses in accordance with GAAP.

Views of responsible officials and planned corrective actions: We agree with this finding and have taken steps to implement corrective action to ensure that proper valuation of unrealized gains and losses will be done going forward. In addition, the unrealized losses will be corrected for FY24, and the correction will be disclosed in accordance with GAAP. This finding occurred during turnover and reassignment of responsibilities. At the time, a procedural change was made that was not properly vetted by the appropriate subject matter experts and the impact of the change was not identified during the general statement review process.

The impact was unrealized gains and losses continued to be properly recognized in the government-wide statements; however, the amounts were not being reflected in the fund level statement as required by GAAP.

(3) Findings and Questioned Costs for Federal Awards

Finding: 2023-002

Program Name: Moving to Work Demonstration Program

Assistance Listing Number: 14.881

Federal Awarding Agency: Department of Housing and Urban Development (HUD)

State Awarding Agency: Not applicable (Direct Award)

Department: Fairfax County Department of Housing and Community Development (DHCD)

Compliance Requirement: Special Test-Housing Quality Standards (HQS) Enforcement

Prior Year Finding Number: Not applicable

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

Criteria: Per 24 CFR 982.404 "The public housing authority ("PHA") must not make any housing assistance payments (HAP) for a dwelling unit that fails to meet the HQS, unless the owner corrects the defect within the period specified by the PHA and the PHA verifies the correction. If a defect is life threatening, the owner must correct the defect within no more than 24 hours. For other defects, the owner must correct the defect within no more than 30 calendar days (or any PHA-approved extension)." Per 2 CFR Section 200.303, non-Federal entities receiving federal awards must establish and maintain internal control designed to reasonably ensure compliance with federal statutes, regulations, and terms and conditions of the federal award.

Per 24 CFR 982.405, "The PHA must inspect the unit leased to a family prior to the initial term of the lease, at least biennially during assisted occupancy, and at other times as needed, to determine if the unit meets the Housing Quality Standards (HQS)." However, Fairfax County DHCD participates in the Moving to Work Demonstration Program ("MTW") that provides them the opportunity to design and test innovative strategies that use federal dollars more efficiently. MTW allows PHAs exemptions from many existing public housing and voucher rules. Per Fairfax County Redevelopment and Housing Authority's FY 2023 Moving to Work Plan, the County implemented Activity 2014-3, Streamlined Inspections for Housing Choice Voucher and Rental Assistance Demonstration Project-Based Voucher Units, in 2014 and later amended in 2020 and 2021. This activity reduces costs associated with conducting inspections, encourages owners to maintain their units, and incentivizes families to employ good housekeeping practices. The activity allows HCV units to be inspected on a triennial basis.

Condition: During our testing of 60 inspections, we noted four instances where a unit failed its inspection and the defect was not corrected within the allowable timeframe and HAP payments were not abated:

- In one instance, a unit failed inspection and the required re-inspection was never performed prior to the tenant moving out, 4 months after the failed inspection.
- In the second instance, a unit failed inspection. The first re-inspection was performed within 30 days; however, the unit failed re-inspection. Another re-inspection was never performed prior to the tenant moving out, 5 months after the second failed inspection.
- In the third instance, a unit failed inspection and was not re-inspected for 7 months. The re-inspection also failed. DHCD withheld HAP payments beginning after the second failed inspection, however, this was not completed timely.
- In the fourth instance, a unit failed inspection and the required re-inspection was not performed prior to the fiscal year-end.

During our testing of 60 inspection, we noted four instances where a unit was not inspected on the required triennial basis.

Cause: The Authority relies on a heavily manual process and does not have a comprehensive inspection report for ensuring that units are timely re-inspected, self-certifications get documented within the system, the status of the failed unit is changed in the system, and that rent is abated when a unit with a failed inspection is not corrected within the required timeframe.

The nature of the current process is complex and allows for human error. The current process consists of a daily, multi-step process by the inspection supervisor, who runs several reports to monitor inspections, as follows:

- Inspectors must enter in the results of the inspections they perform within 24 hours. The Inspection Supervisor runs the inspector activity report to ensure that the inspectors have entered in their results timely. Inspectors are responsible for entering in a failed inspection and entering the date of the next inspection.
- The Inspection Supervisor also runs a “failed and follow up report” that tracks failed inspections that do not have a re-inspection scheduled. The Inspection Supervisor goes into each account on this report and investigates why an inspection was not rescheduled.
- The HAP hold report is run weekly to show units that have failed inspections twice and thus should have a hold placed on their account.
- The inspection assignment report is run almost daily; it tells the inspection supervisor what is scheduled and unscheduled for both annual inspections and re-inspections due to failures. The Inspection Supervisor then schedules any units that are due for re-inspection.

Due to the above limitations and complexities, there are oversights that occur in the review and documentation process.

Effect: The Authority’s control environment over HQS enforcements did not ensure that re-inspections were timely performed or documented within the system or that HAP abatements occurred in a timely manner. As a result, the Authority was not in compliance with the HQS enforcement requirements as of June 30, 2023. Non-compliance with these requirements creates a risk that the Authority may provide federal funds to tenants of ineligible units.

Recommendation: We recommend the Authority review their system functionality to determine whether an electronic process for scheduling and follow-up or comprehensive reporting can be identified to improve efficiency and eliminate the potential for human error. If an electronic process or comprehensive reporting is not available, or cannot fully cover the deficiency, we recommend the Authority look into measures to streamline their current process and to eliminate non-compliance. Potential examples include adding an inspection checklist, having the inspection supervisor review and schedule upcoming inspections in advance, building room into the schedule for life-threatening re-inspections, having the inspection supervisor ensure that each scheduled inspection is timely documented in the system, etc.

Questioned costs: None.

Repeat Finding: No.

Views of responsible officials and planned corrective actions: The Authority is working with Yardi, the software company that supports the Authority's client management software, to provide standardized reports that can be used by managers to flag exceptions to requirements such as regular inspections, and re-inspections within 30 days for units that fail due to non-life-threatening conditions. There are current limitations within the software that do not allow for a fully automated work flow, which then necessitates a highly manual process and more likelihood of human error.

The Authority will also implement more internal controls at the management level; specifically with units that fail inspection. All failed inspections will be independently tracked to ensure that a re-inspection takes place within 30 days, and management will review reports of all failed inspections, at least weekly. Finally, the Inspections Supervisor will receive more training on the Authority's abatement policies, so that units that fail and are not corrected within the corrective period are abated according to the Authority's HCV Administrative Plan.

COUNTY OF FAIRFAX, VIRGINIA
STATUS OF PRIOR AUDIT FINDINGS

YEAR ENDED JUNE 30, 2023

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.