COUNTY OF ROCKINGHAM, VIRGINIA

SINGLE AUDIT AND COMPLIANCE REPORTS

YEAR ENDED JUNE 30, 2025

PBMares

ASSURANCE, TAX & ADVISORY SERVICES

COUNTY OF ROCKINGHAM, VIRGINIA

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2025

Federal Grantor/State Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Provided to Subrecipients	Total Federal Expenditures
DEPARTMENT OF AGRICULTURE:				
Direct payments:				
Cooperative Law Enforcement	10.U01	N/A	$ -	$ 3,600
Pass-through payments:				
Department of Social Services:				
SNAP Cluster:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	Not provided	-	2,511,254
Total SNAP Cluster				2,511,254
Department of Agriculture and Consumer Services				
Child and Adult Care Food Program	10.558	700270	-	857
Child Nutrition Cluster:				
National School Lunch Program - Commodity Distributions	10.555	40623	-	639,057
Summer Food Service Program for Children - Commodity Distributions	10.559	40623	-	1,833
Department of Education:				
Child Nutrition Cluster:				
School Breakfast Program	10.553	40591/40623	-	1,250,641
National School Lunch Program	10.555	402540	-	3,157,028
Summer Food Service Program for Children	10.559	603020/603030	-	74,996
Total Child Nutrition Cluster				5,123,555
Department of Education:				
Schools and Roads Cluster:				
Schools and Roads - Grants to States	10.665	438410	-	19,211
Total Schools and Roads Cluster				19,211
Total Department of Agriculture				7,658,477
DEPARTMENT OF DEFENSE:				
Direct payments:				
Payments to States in Lieu of Real Estate Taxes	12.112	N/A	-	610,518
Total Department of Defense				610,518
DEPARTMENT OF INTERIOR:				
Direct payments:				
Rent and Royalties Paid on Federal Land	15.U01	N/A	-	219
Total Department of Interior				219

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2025

Federal Grantor/State Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Provided to Subrecipients	Total Federal Expenditures
DEPARTMENT OF JUSTICE:				
Direct payments:				
Criminal and Juvenile Justice and Mental Health Collaboration Program	16.745	N/A	$ -	$ 145,879
Federal Forfeiture - Equitable Sharing Program	16.922	N/A	-	7,822
Pass-through payments:				
Department of Criminal Justice Services:				
Violence Against Women Formula Grants	16.588	24-A9349VA22	-	23,797
Crime Victim Assistance - Discretionary Grants	16.575	25-O1013VW22	-	109,242
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-23-GG-03038-MUMU	-	3,200
Total Department of Justice				289,940
DEPARTMENT OF TRANSPORTATION:				
Pass-through payments:				
Department of Motor Vehicles:				
Alcohol Open Container Requirements	20.607	BPT-2023-53202-23202, BPT-2024-54019-24019	-	44,079
Total Department of Transportation				44,079
DEPARTMENT OF THE TREASURY:				
Pass-through payments:				
Virginia CIT Coalition				
COVID-19: Coronavirus State and Local Fiscal Recovery Funds	21.027	Not provided	-	3,776
Total Department of The Treasury				3,776
DEPARTMENT OF EDUCATION:				
Pass-through payments:				
Department of Education:				
Special Education Cluster:				
Special Education - Grants to States	84.027A	402870, 430710	-	2,854,835
Special Education - Preschool Grants	84.173A	402860, 626850, 65210	-	72,501
Total Special Education Cluster				2,927,336
Adult Education - Basic Grants to States	84.002	V002A180047/STATE190002	-	336,517
Title I Grants to Local Educational Agencies	84.010	429010	-	2,330,768
Career and Technical Education - Basic Grants to States	84.048	600310, 600311, DOE866490	-	286,798
English Language Acquisition State Grants	84.365	605120	-	169,163
Supporting Effective Instruction State Grant	84.367	614800	-	348,962
Student Support and Academic Enrichment Program	84.424	600190	-	195,305
Total Department of Education				6,594,849

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2025

Federal Grantor/State Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Provided to Subrecipients	Total Federal Expenditures
DEPARTMENT OF HEALTH AND HUMAN SERVICES:				
Direct payments:				
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	N/A	$ -	$ 6,697
Pass-through payments:				
Department of Social Services:				
Guardianship Assistance	93.090	Not provided	-	17,325
Title IV-E Prevention Program	93.472	Not provided	-	44,204
MaryLee Allen Promoting Safe and Stable Families	93.556	Not provided	-	120,527
Temporary Assistance to Needy Families	93.558	Not provided	-	799,876
Refugee and Entrant Assistance - State Administered Programs	93.566	Not provided	-	315,148
Low-Income Home Energy Assistance	93.568	Not provided	-	152,297
Child Care and Development Fund Cluster:				
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	Not provided	-	129,596
Total Child Care and Development Fund Cluster				129,596
Chafee Education and Training Vouchers Program (ETV)	93.599	Not provided	-	47,687
Stephanie Tubbs Jones Child Welfare Services Program	93.645	Not provided	-	3,626
Foster Care - Title IV-E	93.658	Not provided	-	1,244,066
Adoption Assistance	93.659	Not provided	-	2,561,555
Social Services Block Grant	93.667	Not provided	-	1,298,294
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	Not provided	-	32,132
Elder Abuse Prevention Interventions Program	93.747	Not provided	-	3,162
Children's Health Insurance Program	93.767	Not provided	-	27,162
Medicaid Cluster:				
Medical Assistance Program	93.778	Not provided	-	2,908,103
Total Medicaid Cluster				2,908,103
Total Department of Health and Human Services				9,711,457
SOCIAL SECURITY ADMINISTRATION:				
Direct payments:				
Social Security Administration:				
Reward for Incarceration Notification	96.U01	N/A	-	16,400
Total Social Security Administration				16,400
DEPARTMENT OF HOMELAND SECURITY:				
Pass-through payments:				
Department of Emergency Management:				
Emergency Management Performance Grants	97.042	EMPG Local 2023	-	19,022
Total Department of Homeland Security				19,022
Total Expenditures of Federal Awards				$ 24,948,737

COUNTY OF ROCKINGHAM, VIRGINIA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2025

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the County of Rockingham, Virginia (the County) and component units of the Rockingham County School Board and the Harrisonburg-Rockingham Social Services District under programs of the federal government for the year ended June 30, 2025. 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). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

Federal Financial Assistance – The Single Audit Act Amendments of 1996 (Public Law 104-156) and Uniform Guidance define federal financial assistance as grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations or other assistance. Nonmonetary deferral assistance including food commodities is considered federal assistance and, therefore, is reported on the Schedule. Federal financial assistance does not include direct federal cash assistance to individuals.

Direct Payments – Assistance received directly from the Federal government is classified as direct payments on the Schedule.

Pass-through Payments – Assistance received in a pass-through relationship from entities other than the Federal government is classified as pass-through payments on the Schedule of Expenditures of Federal Awards.

Major Programs – Major programs for the County and its component units were determined using a risk-based approach in accordance with Uniform Guidance.

Cluster of Programs – Closely related programs that share common compliance requirements are grouped into clusters of programs. A cluster of programs is considered as one federal program for determining major programs. The following are the clusters administered by the County and its component units: SNAP, Child Nutrition, Schools and Roads, Child Care and Development Fund, Medicaid, and Special Education.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3. Indirect Cost Rate

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

Note 4. Non-Cash Assistance

In addition to amounts reported on the Schedule, the County consumed non-cash assistance in the form of food commodities. Commodities with a fair value of $640,890 at the time received were consumed during the year ended June 30, 2025. These commodities were included in the determination of federal awards expended during the year ended June 30, 2025.

PBMares
CPAs and Consultants

INDEPENDENT AUDITOR'S REPORT 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 Rockingham, Virginia

We have audited, in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and the *Specifications for Audits of Counties, Cities and Towns*, 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, the aggregate remaining fund information, and the budgetary comparisons of the General Fund and Tourism Fund of the County of Rockingham, Virginia (County), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated November 25, 2025.

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 the 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 a material misstatement of the County'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 we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of this Report

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

PBMares, LLP

Harrisonburg, Virginia
November 25, 2025

PBMares
CPAs and Consultants

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR FEDERAL PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE;
AND REPORT ON SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the County of Rockingham, Virginia's (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, 2025. 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 the County's major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

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.

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

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, the aggregate remaining fund information, and the budgetary comparison of the General Fund and Tourism Fund of the County, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated November 25, 2025, 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 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 GAAS. 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.

PBMares, LLP

Harrisonburg, Virginia
December 12, 2025

COUNTY OF ROCKINGHAM, VIRGINIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2025

Section I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

Material weaknesses identified?	____ Yes	√ No
Significant deficiencies identified?	____ Yes	√ None Reported
Noncompliance material to financial statements noted?	____ Yes	√ No

Federal Awards

Internal control over major federal programs:

Material weaknesses identified?	____ Yes	√ No
Significant deficiencies identified?	____ Yes	√ None Reported

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?	____ Yes	√ No

Identification of major federal programs:

Federal Assistance Listing Number	Name of Federal Program or Cluster
84.010	Title I Grants to Local Educational Agencies
93.558	Temporary Assistance to Needy Families
93.658	Foster Care – Title IV-E
93.659	Adoption Assistance
93.667	Social Services Block Grant
Medicaid Cluster:	
93.778	Medical Assistance Program

Dollar threshold used to distinguish between type A and type B programs	$ 750,000
Auditee qualified as low-risk auditee?	____ Yes √ No

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2025

Section II. FINANCIAL STATEMENT FINDINGS

No matters were reported.

Section III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None.

ROCKINGHAM COUNTY
FINANCE DEPARTMENT

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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Year Ended June 30, 2025

The prior year single audit disclosed no findings in the Schedule of Findings and Questioned Costs and no uncorrected or unresolved findings exist from prior audit's Summary of Schedule of Prior Audit Findings.