

COUNTY OF HENRICO, VIRGINIA

COMPLIANCE REPORTS

As of and for the Year Ended June 30, 2020

And Reports of Independent Auditor

COUNTY OF HENRICO, VIRGINIA

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COMPLIANCE REPORTS

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**Report of Independent Auditor on Internal Control over Financial Reporting and on
Compliance with 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 Henrico, Virginia

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the *Specifications for Audits of Counties, Cities, and Towns* issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Henrico, Virginia (the "County"), as of and for the year ended June 30, 2020, 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 6, 2020.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink that reads "Cheryl Behmet CP". The signature is written in a cursive style.

Richmond, Virginia
November 6, 2020

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

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

Report on Compliance for Each Major Federal Program

We have audited the County of Henrico, Virginia's (the "County") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2020. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on Internal Control over Compliance

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

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

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

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

We have audited the financial statements of the governmental activities, 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, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated November 6, 2020, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Richmond, Virginia
December 18, 2020

**Report of Independent Auditor on Compliance with
Commonwealth of Virginia’s Laws, Regulations, Contracts, and Grants**

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

We have audited, in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the *Specifications for Audits of Counties, Cities, and Towns* (the “Specifications”) issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Henrico, Virginia (the “County”), as of and for the year ended June 30, 2020, 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 6, 2020.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County’s financial statements are free of material misstatement, we performed tests of the County’s compliance with certain provisions of the Commonwealth of Virginia’s laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the 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 following is a summary of the Commonwealth of Virginia’s laws, regulations, contracts, and grants for which we performed tests of compliance:

Code of Virginia		State Agency Requirements
Budget and Appropriation Laws	Procurement	Education
Cash and Investments	Unclaimed Property	Comprehensive Service Act Funds
Conflicts of Interest	Property Taxes	Social Services
Intergovernmental Revenues	Debt Provisions	Fire Programs Aid to Localities

The results of our tests disclosed one (1) instance of noncompliance required to be reported in accordance with the Specifications as described in the accompanying schedule of findings and questioned costs as item 2020-001.

County’s Response to Finding

The County’s response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The County’s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of compliance with certain provisions of the Commonwealth of Virginia’s laws, regulations, contracts, and grants and the results of that testing, and not to provide an opinion on the County’s compliance. Accordingly, this communication is not suitable for any other purpose.



Richmond, Virginia
December 18, 2020

COUNTY OF HENRICO, VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2020

FEDERAL GRANTING AGENCY/RECIPIENT STATE AGENCY/ GRANT PROGRAM/GRANT NUMBER	FEDERAL CATALOG NUMBER	FEDERAL EXPENDITURES	AMOUNTS PASSED-THROUGH TO SUBRECIPIENTS	TOTAL FEDERAL EXPENDITURES
U.S. DEPARTMENT OF AGRICULTURE:				
PASS-THROUGH AWARDS:				
STATE DEPARTMENT OF EDUCATION:				
SCHOOL BREAKFAST PROGRAM	10.553	\$ 3,362,064	\$ -	\$ 3,362,064
NATIONAL SCHOOL LUNCH PROGRAM	10.555	8,823,463	-	8,823,463
SUBTOTAL PASS-THROUGH STATE DEPARTMENT OF EDUCATION		12,185,527	-	12,185,527
STATE DEPARTMENT OF SOCIAL SERVICES:				
STATE ADMIN MATCHING GRANT FOR THE SUPPLEMENTAL NUTRITION ASSIST PROGRAM	10.561	2,603,376	-	2,603,376
SUBTOTAL PASS-THROUGH STATE DEPARTMENT OF SOCIAL SERVICES		2,603,376	-	2,603,376
STATE DEPARTMENT OF JUVENILE JUSTICE:				
NATIONAL SCHOOL LUNCH PROGRAM	10.555	89,298	-	89,298
SUBTOTAL PASS-THROUGH STATE DEPARTMENT OF JUVENILE JUSTICE		89,298	-	89,298
NON-CASH AWARDS:				
STATE DEPARTMENT OF AGRICULTURE:				
NATIONAL SCHOOL LUNCH PROGRAM	10.555	1,598,669	-	1,598,669
SUBTOTAL NON-CASH AWARDS STATE DEPARTMENT OF AGRICULTURE		1,598,669	-	1,598,669
TOTAL NATIONAL SCHOOL LUNCH PROGRAM		10,511,430	-	10,511,430
TOTAL U.S. DEPARTMENT OF AGRICULTURE		\$ 16,476,870	\$ -	\$ 16,476,870
U.S. DEPARTMENT OF EDUCATION:				
DIRECT AWARDS:				
FEDERAL PELL GRANT PROGRAM	84.063	\$ 325,236	\$ -	\$ 325,236
TOTAL DIRECT AWARDS		325,236	-	325,236
PASS-THROUGH AWARDS:				
STATE DEPARTMENT OF EDUCATION:				
EDUCATIONAL CONSOLIDATION AND IMPROVEMENT ACT OF 1981:				
ADULT EDUCATION BASIC GRANTS TO STATES	84.002	424,865	-	424,865
TITLE I GRANTS TO LOCAL EDUCATION AGENCIES	84.010	9,753,265	-	9,753,265
TITLE I PROGRAM FOR NEGLECTED AND DELINQUENT CHILDREN	84.013	1,482	-	1,482
TOTAL EDUCATIONAL CONSOLIDATION AND IMPROVEMENT ACT OF 1981		10,179,612	-	10,179,612

See Notes to Schedule of Expenditures of Federal Awards.

COUNTY OF HENRICO, VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

YEAR ENDED JUNE 30, 2020

FEDERAL GRANTING AGENCY/RECIPIENT STATE AGENCY/ GRANT PROGRAM/GRANT NUMBER	FEDERAL CATALOG NUMBER	FEDERAL EXPENDITURES	AMOUNTS PASSED-THROUGH TO SUBRECIPIENTS	TOTAL FEDERAL EXPENDITURES
TITLE VI:				
ASSISTANCE TO STATES FOR EDUCATION OF HANDICAPPED CHILDREN:				
SPECIAL EDUCATION GRANTS TO STATES	*	84.027	\$ 10,359,739	\$ 10,359,739
SPECIAL EDUCATION PRESCHOOL-GRANT	*	84.173	247,704	247,704
TOTAL TITLE VI		10,607,443	-	10,607,443
TITLE VI-B:				
VOCATIONAL EDUCATION:				
CAREER AND TECHNICAL EDUCATION-BASIC GRANTS TO STATES	84.048	1,160,411	-	1,160,411
TOTAL VOCATIONAL EDUCATION		1,160,411	-	1,160,411
ECONOMIC STABILIZATION FUND:				
ELEMENTARY AND SECONDARY SCHOOL EMERGENCY RELIEF (ESSER) FUND	84.425	454,086	-	454,086
TOTAL CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY (CAES) ACT		454,086	-	454,086
SPECIAL PROJECTS:				
EDUCATION FOR HOMELESS CHILDREN AND YOUTH	84.196	89,422	-	89,422
ENGLISH LANGUAGE ACQUISITION GRANTS	84.365	355,046	-	355,046
IMPROVING TEACHER QUALITY STATE GRANTS	84.367	1,074,232	-	1,074,232
PRESCHOOL DEVELOPMENT GRANTS-EXPANSION GRANTS	84.419	11,668	-	11,668
STUDENT SUPPORT AND ACADEMIC ENRICHMENT PROGRAM	84.424	382,486	-	382,486
TOTAL SPECIAL PROJECTS		1,912,854	-	1,912,854
SUBTOTAL PASS-THROUGH STATE DEPARTMENT OF EDUCATION		24,314,406	-	24,314,406
TOTAL U.S. DEPARTMENT OF EDUCATION		\$ 24,639,642	\$ -	\$ 24,639,642
U.S. DEPARTMENT OF FOUNDATION ON THE ARTS AND HUMANITIES:				
DIRECT AWARDS:				
VIRGINIA COMMISSION FOR THE ARTS:				
PROMOTION OF THE HUMANITIES CHALLENGE GRANTS	45.130	\$ 4,500	\$ -	\$ 4,500
TOTAL U.S. DEPARTMENT OF FOUNDATION ON THE ARTS AND HUMANITIES		\$ 4,500	\$ -	\$ 4,500

See Notes to Schedule of Expenditures of Federal Awards.

COUNTY OF HENRICO, VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

YEAR ENDED JUNE 30, 2020

FEDERAL GRANTING AGENCY/RECIPIENT STATE AGENCY/ GRANT PROGRAM/GRANT NUMBER	FEDERAL CATALOG NUMBER	FEDERAL EXPENDITURES	AMOUNTS PASSED-THROUGH TO SUBRECIPIENTS	TOTAL FEDERAL EXPENDITURES
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:				
DIRECT AWARDS:				
ADMINISTRATION FOR CHILDREN, YOUTH & FAMILIES - HEAD START	93.600	\$ 1,104,237	\$ -	\$ 1,104,237
TOTAL DIRECT AWARDS		1,104,237	-	1,104,237
PASS- THROUGH AWARDS:				
STATE DEPARTMENT OF MENTAL HEALTH AND MENTAL RETARDATION:				
SPECIAL EDUCATION GRANTS FOR INFANTS AND FAMILIES	84.181	293,378	-	293,378
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES	93.243	203,796	-	203,796
OPIOID STATE TARGETED RESPONSE	93.788	485,100	-	485,100
BLOCK GRANTS FOR COMMUNITY MENTAL HEALTH SERVICES	93.958	814,700	-	814,700
BLOCK GRANTS FOR PREVENTION AND TREATMENT OF SUBSTANCE ABUSE	93.959	963,487	-	963,487
SUBTOTAL PASS-THROUGH STATE DEPARTMENT OF MENTAL HEALTH AND MENTAL RETARDATION		2,760,461	-	2,760,461
STATE DEPARTMENT OF SOCIAL SERVICES:				
PASS- THROUGH AWARDS:				
PROMOTING SAFE AND STABLE FAMILIES	93.556	122,465	-	122,465
TEMPORARY ASSISTANCE FOR NEEDY FAMILIES	93.558	1,871,334	-	1,871,334
REFUGEE AND ENTRANT ASSISTANCE-STATE ADMINISTERED PROGRAMS	93.566	15,290	-	15,290
LOW-INCOME HOME ENERGY ASSISTANCE	93.568	243,370	-	243,370
CHILD CARE MANDATORY AND MATCHING FUNDS OF THE CHILD CARE AND DEVELOP FUND	93.596	233,545	-	233,545
CHAFEE EDUCATION AND TRAINING VOUCHERS	93.599	8,847	-	8,847
ADOPTION AND LEGAL GUARDIANSHIP INCENTIVE PAYMENTS	93.603	4,992	-	4,992
FOSTER CARE-TITLE IV-E	93.658	1,787,795	-	1,787,795
TOTAL FOSTER CARE		1,787,795	-	1,787,795
ADOPTION ASSISTANCE	93.659	930,281	-	930,281
TOTAL ADOPTION ASSISTANCE		930,281	-	930,281
STEPHANIE TUBBS JONES CHILD WELFARE SERVICES	93.645	2,343	-	2,343
SOCIAL SERVICES BLOCK GRANT	93.667	1,239,858	-	1,239,858
CHAFEE FOSTER CARE INDEPENDENCE PROGRAM	93.674	27,644	-	27,644
CHILDREN'S HEALTH INSURANCE PROGRAM	93.767	52,066	-	52,066
MEDICAL ASSISTANCE PROGRAM	93.778	2,830,609	-	2,830,609
SUBTOTAL PASS-THROUGH STATE DEPARTMENT OF SOCIAL SERVICES		9,370,439	-	9,370,439
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES		\$ 13,235,137	\$ -	\$ 13,235,137

See Notes to Schedule of Expenditures of Federal Awards.

COUNTY OF HENRICO, VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

YEAR ENDED JUNE 30, 2020

FEDERAL GRANTING AGENCY/RECIPIENT STATE AGENCY/ GRANT PROGRAM/GRANT NUMBER	FEDERAL CATALOG NUMBER	FEDERAL EXPENDITURES	AMOUNTS PASSED-THROUGH TO SUBRECIPIENTS	TOTAL FEDERAL EXPENDITURES
DEPARTMENT OF HOMELAND SECURITY:				
PASS THROUGH AWARDS:				
STATE DEPARTMENT OF EMERGENCY SERVICES:				
EMERGENCY MANAGEMENT PERFORMANCE GRANTS	97.042	\$ 79,721	\$ -	\$ 79,721
HOMELAND SECURITY GRANT PROGRAM	97.067	170,166	-	170,166
		<u>249,887</u>	<u>-</u>	<u>249,887</u>
SUBTOTAL STATE DEPARTMENT OF EMERGENCY SERVICES				
		<u>249,887</u>	<u>-</u>	<u>249,887</u>
TOTAL DEPARTMENT OF HOMELAND SECURITY		\$ 249,887	\$ -	\$ 249,887
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:				
DIRECT AWARDS:				
COMMUNITY DEVELOPMENT BLOCK GRANTS/ENTITLEMENT GRANTS	14.218	\$ 592,376	\$ 898,772	\$ 1,491,148
EMERGENCY SOLUTIONS GRANT	14.231	10,549	236,248	246,797
HOME INVESTMENT PARTNERSHIPS PROGRAM	14.239	77,095	637,508	714,603
		<u>680,020</u>	<u>1,772,528</u>	<u>2,452,548</u>
TOTAL U.S. OF HOUSING AND URBAN DEVELOPMENT		\$ 680,020	\$ 1,772,528	\$ 2,452,548
U.S. DEPARTMENT OF JUSTICE:				
DIRECT AWARDS:				
STATE CRIMINAL ALIEN ASSISTANCE PROGRAM	16.606	\$ 6,979	\$ -	\$ 6,979
EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM	16.738	51,904	-	51,904
		<u>58,883</u>	<u>-</u>	<u>58,883</u>
TOTAL DIRECT AWARDS				
		<u>58,883</u>	<u>-</u>	<u>58,883</u>
PASS- THROUGH AWARDS:				
STATE DEPARTMENT OF CRIMINAL JUSTICE SERVICES:				
CRIME VICTIM ASSISTANCE	16.575	505,616	-	505,616
		<u>505,616</u>	<u>-</u>	<u>505,616</u>
SUBTOTAL STATE DEPARTMENT OF CRIMINAL JUSTICE SERVICES				
		<u>505,616</u>	<u>-</u>	<u>505,616</u>
TOTAL U.S. DEPARTMENT OF JUSTICE		\$ 564,499	\$ -	\$ 564,499

See Notes to Schedule of Expenditures of Federal Awards.

COUNTY OF HENRICO, VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

YEAR ENDED JUNE 30, 2020

FEDERAL GRANTING AGENCY/RECIPIENT STATE AGENCY/ GRANT PROGRAM/GRANT NUMBER	FEDERAL CATALOG NUMBER	FEDERAL EXPENDITURES	AMOUNTS PASSED-THROUGH TO SUBRECIPIENTS	TOTAL FEDERAL EXPENDITURES
U. S. DEPARTMENT OF LABOR:				
PASS- THROUGH AWARDS:				
COMMUNITY COLLEGE SYSTEM:				
WIA ADULT PROGRAM	17.258	\$ 493,776	\$ 800,690	\$ 1,294,466
TOTAL WIA ADULT PROGRAM		493,776	800,690	1,294,466
WIA YOUTH ACTIVITIES	17.259	476,768	1,123,619	1,600,387
TOTAL WIA YOUTH ACTIVITIES		476,768	1,123,619	1,600,387
WIA DISLOCATED WORKERS	17.278	320,894	739,020	1,059,914
TOTAL WIA DISLOCATED WORKERS PROGRAM		320,894	739,020	1,059,914
SUBTOTAL COMMUNITY COLLEGE SYSTEM		1,291,438	2,663,329	3,954,767
THE SKILLSOURCE GROUP, INC.:				
WORKFORCE INNOVATION FUND	17.283	-	4,600	4,600
TOTAL WORKFORCE INNOVATION FUND		-	4,600	4,600
SUBTOTAL SKILLSOURCE GROUP, INC.		-	4,600	4,600
TOTAL U.S. DEPARTMENT OF LABOR		\$ 1,291,438	\$ 2,667,929	\$ 3,959,367
U.S. DEPARTMENT OF TRANSPORTATION:				
PASS- THROUGH AWARDS:				
STATE DEPARTMENT OF MOTOR VEHICLES:				
STATE AND COMMUNITY HIGHWAY SAFETY	20.600	\$ 309,566	\$ -	\$ 309,566
STATE DEPARTMENT OF TRANSPORTATION:				
HIGHWAY PLANNING AND CONSTRUCTION	20.205	2,082,857	-	2,082,857
SUBTOTAL STATE DEPARTMENT OF TRANSPORTATION		2,082,857	-	2,082,857
STATE DEPARTMENT OF CONSERVATION AND RECREATION:				
RECREATION TRAILS PROGRAM	20.219	114	-	114
SUBTOTAL STATE DEPARTMENT OF TRANSPORTATION		114	-	114
TOTAL U.S. DEPARTMENT OF TRANSPORTATION		\$ 2,392,537	\$ -	\$ 2,392,537

See Notes to Schedule of Expenditures of Federal Awards.

COUNTY OF HENRICO, VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

YEAR ENDED JUNE 30, 2020

FEDERAL GRANTING AGENCY/RECIPIENT STATE AGENCY/ GRANT PROGRAM/GRANT NUMBER	FEDERAL CATALOG NUMBER	FEDERAL EXPENDITURES	AMOUNTS PASSED-THROUGH TO SUBRECIPIENTS	TOTAL FEDERAL EXPENDITURES
U.S. DEPARTMENT OF TREASURY:				
PASS- THROUGH AWARDS:				
STATE DEPARTMENT OF ACCOUNTS:				
CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY (CARES) ACT:				
CORONAVIRUS RELIEF FUND	*	21.019	\$ 17,004,675	\$ -
SUBTOTAL STATE DEPARTMENT OF ACCOUNTS		17,004,675	-	-
TOTAL U.S. DEPARTMENT OF TREASURY		\$ 17,004,675	\$ -	\$ 17,004,675
TOTAL FEDERAL EXPENDITURES		\$ 76,539,205	\$ 4,440,457	\$ 80,979,662

NOTES:

* DENOTES MAJOR FEDERAL PROGRAM

(A) BASIS OF ACCOUNTING-THE SUPPLEMENTARY SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE IS PREPARED ON THE MODIFIED ACCRUAL BASIS. EXPENDITURES ARE RECOGNIZED WHEN THEY BECOME A DEMAND ON CURRENT AVAILABLE FINANCIAL RESOURCES. CERTAIN FEDERAL FINANCIAL ASSISTANCE PROGRAMS ARE IN THE FORM OF NONCASH AWARDS(SEE NOTE D). FEDERAL FINANCIAL ASSISTANCE PROVIDED TO SUBRECIPIENT IS TREATED AS AN EXPENDITURE WHEN IT IS PAID TO THE SUBRECIPIENT.

(B) REPORTING ENTITY-THE COUNTY OF HENRICO, VIRGINIA, FOR PURPOSE OF THE SUPPLEMENTARY SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE INCLUDES ALL THE FUNDS OF THE PRIMARY GOVERNMENT AS DEFINED BY GAAP. THE COUNTY OF HENRICO, VIRGINIA ADMINISTERS CERTAIN FEDERAL FINANCIAL ASSISTANCE PROGRAMS THROUGH SUBRECIPIENTS. THOSE SUBRECIPIENTS ARE ALSO NOT CONSIDERED PART OF THE COUNTY OF HENRICO, VIRGINIA, REPORTING ENTITY.

(C) PASS-THROUGH AWARDS-THE COUNTY OF HENRICO, VIRGINIA, RECEIVES CERTAIN FEDERAL FINANCIAL ASSISTANCE FROM PASS-THROUGH AWARDS OF THE COMMONWEALTH OF VIRGINIA. THE AMOUNTS RECEIVED ARE SEPERATELY IDENTIFIED.

(D) NONCASH AWARDS-CERTAIN FEDERAL FINANCIAL ASSISTANCE PROGRAMS DO NOT INVOLVE CASH AWARDS TO THE COUNTY OF HENRICO, VIRGINIA. THESE PROGRAMS ARE DONATED COMMODITIES AND FOOD STAMPS AS FOLLOWS:

U. S. DEPARTMENT OF AGRICULTURE:

DONATED COMMODITIES CFDA # 10.555

VALUE OF COMMODITIES ISSUED \$4,602

VALUE OF COMMODITIES ON HAND \$1,586

DONATED COMMODITIES CFDA # 10.555

VALUE OF COMMODITIES ISSUED \$1,378,385

VALUE OF COMMODITIES ON HAND \$266,818

(E) THE COUNTY HAS NOT ELECTED TO USE THE 10% DE MINIMIS COST RATE ALLOWED UNDER THE UNIFORM GUIDANCE.

Totals by Clusters:

Child Nutrition Cluster (CFDA 10.553, 10.555)	\$	13,873,494
WIA Cluster (CFDA 17.258, 17.259, 17.278)		3,954,767
Special Education Cluster (CFDA 84.027, 84.173)	*	10,607,443

COUNTY OF HENRICO, VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2020

A. Section I – Summary of Auditor’s Results

1. The type of report issued on the basic financial statements: **Unmodified opinion**
2. Significant deficiencies in internal control disclosed by the audit of the financial statements: **None reported**
3. Material weaknesses in internal control disclosed by the audit of financial statements: **No**
4. Noncompliance, which is material to the financial statements: **No**
5. Significant deficiencies in internal control over major programs: **None reported**
6. Material weaknesses in internal control over major programs: **No**
7. The type of report issued on compliance for major programs: **Unmodified opinion**
8. Any audit findings which are required to be reported under the Uniform Guidance: **No**
9. The programs tested as major programs were:

<u>CFDA Number</u>	<u>Name of Federal Program and Cluster</u>
21.019	Coronavirus Relief Fund
10.561	Supplemental Nutrition Assistance Program (SNAP) Cluster
84.027, 84.173	Special Education Cluster (IDEA)

10. Dollar threshold used to distinguish between type A and type B programs: **\$2,429,390**
11. County of Henrico qualifies as a low-risk auditee under Section 530 of Uniform Guidance

B. Section II – Findings Relating to the Financial Statements Reported in Accordance with Government Auditing Standards

None reported.

C. Section III – Findings and Questioned Costs Relating to Federal Awards

None reported.

D. Section IV – Findings and Questioned Costs Relating to Compliance with Commonwealth of Virginia Regulations, Contracts and Grants

2020-001 – Non-material Non-compliance – Social Services Information Security Controls – Acceptable Use Policy.

Criteria: In accordance with the Virginia Department of Social Services (“VDSS”) policy, employees should electronically sign the VDSS Information Security – Policy Acknowledgement and Non-Disclosure Agreement on an annual basis as part of the required Role-Based VDSS Information Security and Privacy Awareness Training. The electronic signing/acknowledgment is in addition to the physical form signed for a new employee and renewed every five years with a “wet” signature.

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

YEAR ENDED JUNE 30, 2020

Condition: We noted eleven (11) instances out of the twenty-two (22) where employees electronically acknowledged the VDSS Information Security – Policy Acknowledge and Non-Disclosure Agreement, but no evidence could be provided that these employees renewed and signed the physical forms with a “wet” signature within the past five years, as required.

Cause: The local Department of Social Services did not follow the requirement to renew the physical forms with a wet signature every five years.

Effect: Non-compliance may result in action by the Commonwealth of Virginia.

Recommendation: The local Department of Social Services should implement a process to ensure that any physical forms approaching the five year period are renewed and resigned with a “wet” signature in accordance with prescribed requirements.

Views of Responsible Officials and Planned Corrective Action: VDSS did not advise local departments of this particular change. Upon notification through the audit process, Social Services immediately resolved the situation for the 11 instances, and implemented a process to ensure wet signatures are received within the five year period. Over 20 employees have been updated to date, and a schedule has been created to ensure all employees will complete the process on anniversary dates.

E. Section V – Status of Prior Year Findings

None reported.