

SINGLE AUDIT SCHEDULE AND NOTES

COUNTY OF HANOVER, VIRGINIA
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2008

Federal Granting Agency/Recipient State Agency/ Grant Program	Federal Catalog Number	Federal Expenditures
DEPARTMENT OF AGRICULTURE:		
Direct Payments:		
Child and Adult Care Food Program	10.558	\$ 19,060
Pass-through Payments:		
Department of Agriculture and Consumer Services:		
National School Lunch Program (commodities)	10.555	340,189
Department of Education:		
School Breakfast Program	10.553	168,002
National School Lunch Program	10.555	813,954
Department of Social Services:		
State Administrative Matching Grants for Food Stamp Program	10.561	546,806
DEPARTMENT OF DEFENSE:		
Direct Payments:		
JROTC	12.000	149,011
DEPARTMENT OF INTERIOR:		
Direct Payments:		
Payments in Lieu of Taxes (PILT)	15.226	4,171
DEPARTMENT OF JUSTICE:		
Direct Payments:		
Edward Byrne Memorial Justice Assistance Grant Program	16.738	11,312
Pass-through Payments:		
Department of Criminal Justice Services:		
Juvenile Justice and Delinquency Prevention_Allocation to States	16.540	52,083
Crime Victim Compensation	16.576	24,358
Drug Court Discretionary Grant Program	16.585	176,464
Department of Alcohol Beverage Control:		
Enforcing Underage Drinking Laws Program	16.727	7,000
DEPARTMENT OF TRANSPORTATION		
Direct Payments:		
Department of Aviation:		
Airport Improvement Program	20.106	145,073
ENVIRONMENTAL PROTECTION AGENCY		
Direct Payments:		
Congressionally Mandated Projects	66.202	618,634
DEPARTMENT OF EDUCATION:		
Pass-through Payments:		
Department of Education:		
Adult Education - Basic Grants to States	84.002	78,460
Title I Grants to Local Education Agencies	84.010	845,083
Special Education_Grants to States	84.027	3,285,038
Career and Technical Education - Basic Grants to States	84.048	164,400
Schedule Education_Preschool Grants	84.173	81,287
Special Education-Grants for Infants and Families	84.181	51,708
Safe and Drug-Free Schools and Communities_National Programs	84.184	40,478
Safe and Drug-Free Schools and Communities_State Grants	84.186	37,944
State Grants for Innovative Programs	84.298	21,050
Education Technology State Grants	84.318	14,456

COUNTY OF HANOVER, VIRGINIA
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2008

Federal Granting Agency/Recipient State Agency/ Grant Program	Federal Catalog Number	Federal Expenditures
DEPARTMENT OF EDUCATION, CONTINUED:		
Special Education - State Personnel Development	84.323	\$ 47,792
English Language Acquisition Grants	84.365	35,758
Improving Teacher Quality State Grants	84.367	401,998
DEPARTMENT OF HEALTH AND HUMAN SERVICES:		
Direct Payments:		
Substance Abuse & Mental Health Services_Projects of Regional & National Significance	93.243	1,878
Head Start	93.600	875,801
Pass-through Payments:		
Department of Social Services:		
Promoting Safe and Stable Families	93.556	73,360
Temporary Assistance for Needy Families	93.558	296,304
Refugee & Entrant Assistance_State Administered Programs	93.566	2,099
Low-Income Home Energy Assistance	93.568	5,935
Child Care and Development Block Grant	93.575	469,142
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	316,614
Chafee Education and Training Vouchers Program (ETV)	93.599	1,543
Child Welfare Services_State Grants	93.645	2,057
Foster Care_Title IV-E	93.658	345,474
Adoption Assistance	93.659	122,074
Social Services Block Grant	93.667	307,607
Chafee Foster Care Independence Program	93.674	6,752
State Children's Insurance Program	93.767	10,582
Medical Assistance Program	93.778	459,715
Department of Mental Health, Mental Retardation, and Substance Abuse Services:		
Block Grants for Community Mental Health Services	93.958	104,199
Block Grants for Prevention and Treatment of Substance Abuse	93.959	401,263
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE		
Direct Payments:		
AmeriCorps	94.006	23,205
DEPARTMENT OF HOMELAND SECURITY:		
Direct Payments:		
Staffing for Adequate Fire & Emergency Response (SAFER)	97.083	465,450
Pass-through Payments:		
Department of Emergency Management:		
Hazard Mitigation Grant	97.039	10,357
Homeland Security Grant Program	97.067	31,561
		\$ 12,514,541

COUNTY OF HANOVER, VIRGINIA

Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2008

1. GENERAL

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes all federal grant activity of the County of Hanover, Virginia (the County), and its component units. The County's reporting entity is defined in Note 1 of the County's basic financial statements. All federal financial assistance received directly from federal agencies as well as federal financial assistance passed through other government agencies is included on the Schedule.

2. BASIS OF ACCOUNTING

The Schedule is presented using the modified accrual basis of accounting for governmental funds and the accrual basis of accounting for proprietary funds, as described in Note I. C. to the County's basic financial statements. The information in this Schedule is presented in accordance with the requirements of Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in the Schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. This fiscal year, the County participated in the following federal programs in which non-cash benefits were provided through the state to eligible participants:

Food Distribution Program (CFDA Number 10.555) – The value of food commodities was calculated using the U.S. Department of Agriculture's Food and Nutrition Service commodity price lists.

Food Stamps (CFDA Number 10.551) – The Virginia Department of Social Services uses an Electronic Benefits Transfer (EBT) process for food stamp benefit distribution. Due to the State administration of the EBT process, those benefits are not included in the Schedule.

3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

GASB 33 provides that grant revenue should be recognized when all applicable eligibility requirements are met, and, under modified accrual accounting, when the resources are available. Therefore, the proceeds of grants which do not specify time requirements, and for which all other eligibility requirements have been met, are recognized as revenues in the current fiscal year. Expenditures are recognized in the fiscal year spent for the required purpose. The following reconciles revenue from the Federal government per the basic financial statements to Federal expenditures per the Schedule.

Revenue from the Federal government	\$	12,506,299
Federal awards revenue recognized:		
In prior fiscal years, spent this fiscal year		32,495
In current fiscal years, but not spent		(24,253)
Expenditures of Federal awards	\$	<u>12,514,541</u>

COUNTY OF HANOVER, VIRGINIA
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2008

4. RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

Amounts reported in the accompanying Schedule agree with amounts reported in the related federal financial reports, except that certain federal financial reports are prepared on the cash basis of accounting and the Schedule is prepared on the bases of accounting described in the preceding note 2.