



**Independent Auditors' 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 City Council
City of Manassas, 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 discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Manassas, Virginia, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City of Manassas, Virginia's basic financial statements, and have issued our report thereon dated November 24, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Manassas, Virginia'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 City of Manassas, Virginia's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Manassas, Virginia'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 City of Manassas, Virginia'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Robinson, Farmer, Cox Associates

Fredericksburg, Virginia

November 24, 2021



**Independent Auditors' Report on Compliance for Each Major Program and on
Internal Control over Compliance Required by the Uniform Guidance**

To the Honorable Members of the City Council
City of Manassas, Virginia

Report on Compliance for Each Major Federal Program

We have audited the City of Manassas, Virginia's 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 City of Manassas, Virginia's major federal programs for the year ended June 30, 2021. City of Manassas, Virginia's major federal programs are identified in the summary of auditors' 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.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Manassas, Virginia'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 City of Manassas, Virginia'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 City of Manassas, Virginia's compliance.

Opinion on Each Major Federal Program

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

Report on Internal Control over Compliance

Management of the City of Manassas, Virginia 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 City of Manassas, Virginia'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 City of Manassas, Virginia'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.

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.

Robinson, Farmer, Cox Associates
Fredericksburg, Virginia
November 24, 2021

CITY OF MANASSAS, VIRGINIA

Schedule of Expenditures of Federal Awards - Primary Government and Discretely Presented Component Unit
 Year Ended June 30, 2021

Federal Grantor/ Pass-through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
Primary Government:			
Department of the Treasury:			
Pass-through Payments:			
Virginia Department of Accounts:			
COVID-19 - Coronavirus Relief Fund (CRF)	21.019	SLT0022	3,914,942
Virginia Department of Education:			
COVID-19 - Coronavirus Relief Fund (CRF)	21.019	SLT0218	1,095,845
Total 21.019			<u>\$ 5,010,787</u>
Total Department of the Treasury			<u>\$ 5,010,787</u>
Department of Housing and Urban Development:			
Pass-through Payments:			
Virginia Housing Development Authority:			
Section 8 Project-Based Cluster:			
Section 8 Housing Assistance Payments Program	14.195	14195-165-10	<u>\$ 224,982</u>
Total Section 8 Project-Based Cluster			<u>\$ 224,982</u>
Total Department of Housing and Urban Development			<u>\$ 224,982</u>
Department of Justice:			
Direct Payments:			
Bulletproof Vest Partnership Program	16.607	N/A	\$ 8,033
Public Safety Partnership and Community Policing Grants	16.710	N/A	28,918
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	<u>4,740</u>
Total Department of Justice			<u>\$ 41,691</u>
Department of Transportation:			
Direct Payments: Federal Aviation Administration			
Airport Improvement Program	20.106	CF-0030-45/CF-0030-46	\$ 5,203,896
Pass-through Payments:			
Virginia Department of Motor Vehicles:			
Highway Safety Cluster:			
State and Community Highway Safety	20.600	FSC-21-51135/ FSC-20-50079 FAL-20-50083	12,843
Total Highway Safety Cluster			<u>\$ 12,843</u>

CITY OF MANASSAS, VIRGINIA

Schedule of Expenditures of Federal Awards - Primary Government and Discretely Presented Component Unit
 Year Ended June 30, 2021 (Continued)

Federal Grantor/ Pass-through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
Primary Government: (Continued)			
Department of Transportation: (Continued)			
Virginia Department of Transportation:			
Highway Planning and Construction Cluster:			
Highway Planning and Construction	20.205	UPC-109642/UPC-109293	\$ <u>361,913</u>
Total Highway Planning and Construction Cluster			\$ <u>361,913</u>
Total Department of Transportation			\$ <u>5,578,652</u>
Department of Homeland Security:			
Pass-through Payments:			
Department of Emergency Management:			
Homeland Security Grant Program	97.067	UASI596-01	\$ 136,032
COVID-19 -Emergency Management Performance Grants	97.042	Not Available	<u>40,868</u>
Total Department of Homeland Security			\$ <u>176,900</u>
Department of Health and Human Services:			
Direct Payments:			
COVID-19 - Provider Relief Fund	93.498	N/A	\$ 21,210
Pass-through Payments:			
Virginia Department of Education:			
Temporary Assistance for Needy Families	93.558	2101VATANF	\$ 101,389
Virginia Department of Social Services:			
Temporary Assistance for Needy Families	93.558	93558-765-10	\$ <u>230,029</u>
Total 93.558			\$ <u>331,418</u>
CCDF Cluster:			
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	93596-765-10	<u>48,321</u>
Total CCDF Cluster			\$ <u>48,321</u>
Medicaid Cluster:			
Medical Assistance Program	93.778	93778-765-10	\$ <u>501,363</u>
Total Medicaid Cluster			\$ <u>501,363</u>
Mary Lee Allen Promoting Safe and Stable Families Program	93.556	93556-765-10	16,507
Refugee and Entrant Assistance State/Replacement Designee Administered Programs	93.566	93566-765-10	7,926
Low-Income Home Energy Assistance	93.568	93568-765-10	30,356
Stephanie Tubbs Jones Child Welfare Services Program	93.645	93645-765-10	218
Foster Care - Title IV-E	93.658	93658-765-10	219,672
Adoption Assistance	93.659	93659-765-10	223,231
Social Services Block Grant	93.667	93667-765-10	182,271
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	93674-765-10	8,852
Children's Health Insurance Program	93.767	93767-765-10	<u>6,334</u>
Total Department of Health and Human Services			\$ <u>1,597,679</u>

CITY OF MANASSAS, VIRGINIA

Schedule of Expenditures of Federal Awards - Primary Government and Discretely Presented Component Unit
Year Ended June 30, 2021 (Continued)

Federal Grantor/ Pass-through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
Primary Government: (continued)			
Department of Agriculture:			
Pass-through Payments:			
Virginia Department of Social Services:			
SNAP Cluster:			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	10561-765-10	\$ 672,467
Total SNAP Cluster			<u>\$ 672,467</u>
Virginia Department of Agriculture:			
Child Nutrition Cluster:			
National School Lunch Program - Food Distribution Service	10.555	00-571	\$ 249,505
Virginia Department of Education:			
COVID-19 - National School Lunch Program	10.555	10555-301-10	1,582
Total 10.555			<u>\$ 251,087</u>
COVID-19 - School Breakfast Program	10.553	10553-301-10	\$ 994
Summer Food Service Program for Children	10.559	10559-301-10	\$ 685,630
COVID-19 Summer Food Service Program for Children	10.559	10559-301-10	<u>209,479</u>
Total 10.559			<u>\$ 895,109</u>
Total Child Nutrition Cluster			<u>\$ 1,147,190</u>
Total Department of Agriculture			<u>\$ 1,819,657</u>
Department of Education:			
Pass-through Payments:			
Virginia Department of Education:			
Title I Grants to Local Educational Agencies	84.010	84010-197-10	\$ 1,336,600
Special Education Cluster (IDEA):			
Special Education - Grants to States	84.027	84027-197-10	\$ 1,716,058
Special Education - Preschool Grants	84.173	84173-197-10	34,145
Total Special Education Cluster (IDEA)			<u>\$ 1,750,203</u>
COVID-19 Education Stabilization Fund - Elementary and Secondary Emergency Relief (ESSER) Fund	84.425D	S425D200008	3,127,372
English Language Acquisition State Grants	84.365	84365-197-10	270,055
Student Support and Academic Enrichment Program	84.424	S424A190048	108,306
Career and Technical Education - Basic Grants to States	84.048	84048-197-10	128,072
Supporting Effective Instruction State Grants	84.367	84367-197-10	<u>338,665</u>
Total Department of Education			<u>\$ 7,059,273</u>
Total Expenditures of Federal Awards			<u>\$ 21,509,621</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards.

CITY OF MANASSAS, VIRGINIA

Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2021

Note 1 - Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Manassas, Virginia under programs of the federal government for the year ended June 30, 2021. 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 City of Manassas, Virginia, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City of Manassas, Virginia.

Note 2 - Summary of Significant Accounting Policies

(1) Expenditures reported on the Schedule are reported on the 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.

(2) Pass-through entity identifying numbers are presented where available.

(3) The City did not elect to use the 10% de minimus indirect cost rate.

(4) The City did not pass any federal awards through to sub-recipients during the year ended June 30, 2021.

Note 3 - Loan Balances

The City has no loans or loan guarantees which are subject to reporting requirements for the current year.

Note 4 - Relationship to Financial Statements

Listed below is a reconciliation of federal revenue and the Schedule of Expenditures of Federal Awards:

Federal revenue	\$ 21,583,600
Less:	
Federal funds which are not subject to single audit (rental of building for post office, tower rentals at the airport, and interest subsidy)	(95,189)
Provider Relief Funds - see Note 5 below	<u>21,210</u>
Total Federal Expenditures per the Schedule of Expenditures of Federal Awards	<u>\$ 21,509,621</u>

Note 5 - Provider Relief Funds

For fiscal years ended (FYE) on or before June 29, 2021, no Provider Relief Fund (PRF) expenditures (including lost revenue) should have been reported on the SEFA. Due to guidance available when the FYE 2020 report was issued, the entity reported \$21,210 of PRF expenditures on the FYE 2020 SEFA with no significant impact on the SEFA. Based on current guidance from the Department of Health and Human Services (HHS), PRF expenditures (including lost revenue) are to be reported on the SEFA based upon PRF reports submitted through the Health Resources and Services Administration (HRSA) reporting portal. Therefore, the amount of PRF expenditures included on the FYE June 30, 2021 SEFA is based upon the PRF reporting portal guidelines for Period 1, as specified by HHS.

CITY OF MANASSAS, VIRGINIA

Schedule of Findings and Questioned Costs
Year Ended June 30, 2021

Section I - Summary of Auditors' Results

Financial Statements

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

Federal Awards

Internal control over major programs:	
Material weaknesses identified?	No
Significant deficiencies identified?	None reported
Type of auditors' report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)?	No

Identification of major programs:

CFDA #	Name of Federal Program or Cluster
20.106	Airport Improvement Program
84.425D	COVID-19 Education Stabilization Fund - Elementary and Secondary Emergency Relief (ESSER) Fund
21.019	COVID-19 - Coronavirus Relief Fund (CRF)

Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
Auditee qualified as low-risk auditee?	Yes

Section II - Financial Statement Findings

There are no financial statement findings to report.

Section III - Federal Award Findings and Questioned Costs

There are no federal award findings and questioned costs to report.

CITY OF MANASSAS, VIRGINIA

Summary Schedule of Prior Audit Findings
Year Ended June 30, 2021

There were no prior year audit findings.