

CITY OF PORTSMOUTH, VIRGINIA

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2010

(1) General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all Federal awards of the City of Portsmouth, Virginia (the City). The City's reporting entity is defined in note 1 to the City's financial statements. All federal awards received directly from federal agencies as well as Federal awards passed through other government agencies are included in the schedule. The City reports federal grants for the School Board in its Schedule of Expenditures of Federal Awards because the City is the legal grantee of these funds.

(2) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in note 1 to the City's financial statements.

(3) Relationship to Financial Statements

Federal awards revenues are reported in the City's financial statements as follows:

Intergovernmental revenue:

<u>City:</u>			
Governmental Fund			
General Fund		\$	111,592
Special Revenue Funds:			
Virginia Public Assistance			9,749,423
Mental Health Services			1,604,877
Donations			96,125
Grants			1,920,958
Stimulus			3,522,129
Capital Projects Funds -			
Community Development			3,740,852
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Total City			20,745,956
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<u>Component Unit - School Board:</u>			
Operating			6,388,706
Grants			17,772,712
Cafeteria			4,569,426
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Total component unit - School Board			28,730,844
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Total federal expenditures from Intergovernmental Revenue			49,476,800
Add: Donations Fund expenditures in excess of revenues			223,224
Add: General Fund Fema expenditures in excess of revenue			426,670
Add: CDBG Expenditures in excess of revenues			517,716
Add: Grant Expenditures in excess of revenues			59,697
Add: Stimulus in Excess of Revenue			1,042,089
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Total federal expenditures per Schedule of Expenditures of Federal Awards			51,746,196

(4) Subrecipients

Federal Granting Agency/Grant Program	Amount
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Department of Education -	
Department of Health and Human Services -	
Child Care and Development Fund	1,188,973
Department of Housing and Urban Development:	
Community Development Block Grant	3,176,858
HOME Investment Partnerships Program	776,378
Shelter Plus Care	377,683
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Total federal funds passed through to subrecipients	\$ 5,519,892