

DEKALB COUNTY, GEORGIA

SINGLE AUDIT REPORTS

**FOR THE YEAR ENDED
DECEMBER 31, 2019**

DEKALB COUNTY, GEORGIA
SINGLE AUDIT REPORTS
FOR THE YEAR ENDED DECEMBER 31, 2019

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**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**

**The Board of Commissioners of DeKalb County
Decatur, Georgia**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, 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 **DeKalb County, Georgia** (the "County") as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated July 30, 2020. Our report includes a reference to other auditors who audited the financial statements of the DeKalb County Board of Health and the DeKalb County General Employees' Pension Trust Fund, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

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") to determine 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 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 and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2019-001 and 2019-002 that we consider to be material weaknesses.

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 determination of financial statement amounts. 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*.

The County's Responses to the Findings

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

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 result 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.

Mauldin & Jenkins, LLC

Atlanta, Georgia
July 30, 2020



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

**The Board of Commissioners of DeKalb County
Decatur, Georgia**

Report on Compliance for Each Major Federal Program

We have audited DeKalb County, Georgia'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 December 31, 2019. 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.

The County's basic financial statements include the operations of the DeKalb County Board of Health, which expended \$9,844,637 in federal awards which are not included in the County's schedule of expenditures of federal awards for the year ended December 31, 2019. Our audit, described below, did not include the operations of the DeKalb County Board of Health because the component unit engaged other auditors to perform an audit in accordance with the Uniform Guidance.

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 December 31, 2019.

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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. 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.

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 DeKalb County, Georgia as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated July 30, 2020 which contained unmodified opinions on those financial statements. Our report includes a reference to other auditors. 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.

Mauldin & Jenkins, LLC

Atlanta, Georgia
July 30, 2020

DEKALB COUNTY, GEORGIA
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2019

Grantor/program title	Federal CFDA No	State pass-through or Grant No	Sub-recipient Expenditures	Total Expenditures
U.S. Department of Agriculture				
Food and Nutrition Service				
Pass-Through Office of School Readiness				
Child Nutrition Cluster				
National School Lunch Program:				
2019 Summer Food Program (602165)	10.559	FY 2019	\$ -	\$ 496,470
Total Child Nutrition Cluster			<u>-</u>	<u>496,470</u>
Total U.S. Department of Agriculture			<u>-</u>	<u>496,470</u>
U.S. Department of Housing and Urban Development				
Office of Community Planning and Development				
Community Development Block Grants (CDBG) - Entitlement Grants Cluster:				
CDBG 2013 (601459)	14.218	B-13-UC-13-0001	-	198,732
CDBG 2014 (601562)	14.218	B-14-UC-13-0001	-	2,384
CDBG 2015 PI (601634)	14.218	B-14-UC-13-0001	-	735
CDBG 2015 (601676)	14.218	B-15-UC-13-0001	-	77,533
CDBG 2016 PI (601738)	14.218	B-14-UC-13-0001	-	42,841
CDBG 2016 (601835)	14.218	B-16-UC-13-0001	117,545	119,263
CDBG 2017 PI (601873)	14.218	B-17-UC-13-0001	45,609	503,668
CDBG 2018 PI (602017)	14.218	B-17-UC-13-0001	110,696	158,325
CDBG 2018 (602089)	14.218	B-18-UC-13-0001	2,799,405	3,908,848
CDBG 2019 PI (602137)	14.218	B-17-UC-13-0001	-	53,985
CDBG 2019 (602231)	14.218	B-19-UC-13-0001	690,294	1,704,353
NSP3-PI-17 (601945)	14.218	B-08-UN-13-0003	17,421	17,421
NSP1-PI-2012 (601288)	14.218	B-08-UN-13-0003	-	2,737
NSP-3 (601299)	14.218	B-11-UN-13-0003	1,089	913
NSP3 PI-2016 (601781)	14.218	B-08-UN-13-0003	-	80,363
NSP PI-2018 (602052)	14.218	B-08-UN-13-0003	250,068	250,068
NEIGHBORHOOD STABILIZATION PROGRAM 1 (600984)	14.218	B-08-UC-13-0003	15,635	15,635
Total Community Development Block Grant (CDBG) - Entitlement Grants Cluster			<u>4,047,762</u>	<u>7,137,806</u>
Emergency Solutions Grant Program:				
ESGP 2017 (602001)	14.231	E-17-UC-13-0009	-	36,940
ESGP 2018 (602116)	14.231	E-18-UC-13-0009	300,702	332,026
			<u>300,702</u>	<u>368,966</u>
Home Investment Partnerships Program:				
Home 2013 (601507)	14.239	M-13-UC-13-0208	42,242	42,242
Home 2014 (601563)	14.239	M-14-UC-13-0208	-	1,488
Home 2015 PI (601641)	14.239	M-10-UC-13-0208	-	545
Home 2016 PI (601739)	14.239	M-10-UC-13-0208	70,470	70,470
Home 2015 (601856)	14.239	M-15-UC-13-0208	271,058	271,059
Home 2016 (601911)	14.239	M-16-UC-13-0208	79,367	121,954
Home 2017 (601943)	14.239	M-17-UC-13-0208	290,723	454,030
Home 2017 PI (601874)	14.239	M-17-UC-13-0208	13,094	30,778
Home 2018 PI (602016)	14.239	M-18-UC-13-0208	249,758	249,758
Home 2018 (602120)	14.239	M-18-UC-13-0208	122,450	351,756
Home 2019 PI (602136)	14.239	M-19-UC-13-0208	38,752	38,752
			<u>1,177,913</u>	<u>1,632,832</u>
Continuum of Care Program:				
COC HMIS RENEWAL-2 (602015)	14.267	GA0231L4B081604	-	14,300
COC-COORDINATOR ENTRY (602082)	14.267	GA0325L4B081702	56,756	56,756
COC-GA-508-PLANNING (602085)	14.267	GA0325L4B081700	-	73,814
CoC HMIS-DCA-1604 (602110)	14.267	GA0231L4B081604	74,876	89,536
COC-COORDINATION ENTRY (602214)	14.267	GA0325L4B081803	36,412	36,412
CoC HMIS-DCA (602256)	14.267	GA0231L4B081806	-	3,566
			<u>168,043</u>	<u>274,383</u>
Total U.S. Department of Housing and Urban Development			<u>5,694,421</u>	<u>9,413,987</u>

(Continued)

DEKALB COUNTY, GEORGIA
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2019

Grantor/program title	Federal CFDA No	State pass-through or Grant No	Sub-recipient Expenditures	Total Expenditures
U.S. Department of Justice (DOJ)				
Office of Juvenile Justice and Delinquency Prevention				
Pass-Through Criminal Justice Coordinating Council				
Juvenile Accountability Block Grants:				
2017-DC-BX-0061 (601976)	16.585	2017-DC-BX-0061	-	110,781
			-	110,781
Violence Against Women Office				
Pass-Through Judicial Council of Georgia - Administrative Office of the Courts				
Violence Against Women Act Court Training and Improvement Grants:				
CJCC MMHCP FY18-19 (602075)	16.013	J19-8-063	-	36,577
CJCC MMHCP FY19-20 (602220)	16.013	J20-8-063	-	39,643
			-	76,220
Justice Systems Response to Families:				
14 - '15 DOJ: VAW - Justice for Families Program (601617)	16.021	2014-FJ-AX-0037	-	6,341
VAW (601966)	16.021	2017-FJ-AX-0006	-	228,158
			-	234,499
Violence Against Women Formula Grants:				
STOP VAWA 2019 (602159)	16.588	W18-8-060	-	40,266
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program:				
Violence Against Women (601853)	16.590	2016-WE-AX-0006	-	178,518
VAW 2019 Continuation Grant (602255)	16.590	2016-WE-AX-0006	-	33,427
			-	211,945
Office for Victims of Crime				
Crime Victim Assistance:				
SAKI (SEXUAL ASSAULT INITIATIVE) (602026)	16.575	2017-AK-BX-005	-	262,187
VOCA-COMP.ADVOCATE-18-19 (602093)	16.575	C17-8-170	-	64,487
VOCA -PAC 18-19 (602099)	16.575	C17-8-171	-	554,671
VOCA-SOL-18-19 (602101)	16.575	2017-WF-AX-0043	-	185,573
VAWA -DA-2019 (602143)	16.575	W18-8-013	-	50,786
SAKI-VOCA 18-19 (602145)	16.575	C17-8-171	-	23,120
VOCA-CJCC-19-20 (602229)	16.575	C18-8-264	-	168,916
SAKI-VOCA 2019-2020 (602233)	16.575	C18-8-264	-	2,034
VOCA COMP-ADV. 19-20 (602234)	16.575	C18-8-263	-	20,323
			-	1,332,097
Georgia Department of Justice				
Pass thru Office on Violence Against Women:				
Consolidated Youth Program (602141)	16.608	2018-CY-AX-0008	-	66,736
Statistical Data Collections & Statistical Studies				
IMP-NCS-X-PHASE V-17-19 (601993)	16.734	2017-FU-CX-K045	-	64,040
U.S. Department of Justice				
Department of Justice (Sheriff Department):				
SCAPP Restricted (600982)	16.606	115-0404-0-1-754	-	78,759
Justice Assistance Grant (JAG) Program Cluster:				
U.S. Department of Justice (JAG) #21 (601845)	16.738	2016-DJ-BX-0391	-	110,447
U.S. Department of Justice (JAG) #22 2017-2020 (601987)	16.738	2017-DJ-BX-0331	-	44,519
US Department of Justice (JAG) #23 '18-2021 (602138)	16.738	2018-DJ-BX-0389	-	108,338
Total Justice Assistance Grant (JAG) Cluster			-	263,303
Office of Community Oriented Policing Services				
Public Safety Partnership and Community Policing Grants (Recovery):				
FY '14 COPS - CHRP (601607)	16.710	2014ULWX0002	-	2,144

(Continued)

DEKALB COUNTY, GEORGIA
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2019

Grantor/program title	Federal CFDA No	State pass-through or Grant No	Sub-recipient Expenditures	Total Expenditures
Criminal Division				
Equitable Sharing Program:				
ECTF '198 SECRET SERVICE (602134)	16.922	ECTF- 11212013	-	3,996
Law Enforcement Confiscated Assets Program:				
'16 Police - Justice Equity Share (601776)	16.922	ORI-GA0440200	-	315,149
Sheriff (601777)	16.922	ORI-GA0440000	-	15,068
DA-Fed - Justice Equity Share (601785)	16.922	ORI-GA0440000	-	50,549
			-	384,761
Total U.S. Department of Justice			-	2,865,550
U.S. Department of Labor (USDOL)				
Employment Training Administration				
WIOA Cluster				
Pass-Through Georgia Department of Labor (GADOL)/GOWD				
WIA/WIOA Adult Program:				
WIOA PY17 Adult Program (601960)	17.258	11-17-17-03-005	20,474	6,945
WIOA FY18 Adult Program (601972)	17.258	11-17-18-03-005	413,480	260,473
WIOA PY18 Adult Fund (602078)	17.258	11-18-18-03-005	98,420	172,071
WIOA FY19 Adult Fund (602127)	17.258	11-18-19-03-005	292,391	1,085,156
WIOA FY18 DSLW as Adult (602139)	17.258	36-17-18-03-005	189,174	186,722
WIOA PY19 Adult Program (602216)	17.258	11-19-19-03-005	3,026	123,662
WIOA FY20 Adult Program (602265)	17.258	11-19-20-03-005	-	123,599
			-	1,016,965
			-	1,958,627
WIA/WIOA Youth Activities:				
WIOA PY17 Youth Program (601962)	17.259	15-17-17-03-005	225,943	355,560
WIOA PY18 Youth Program (602077)	17.259	15-18-18-03-005	514,988	1,604,627
WIOA PY19 Youth Program (602208)	17.259	15-19-19-03-005	123,559	675,397
WIOA PY17 Youth Program - AFR (602215)	17.259	AFR-15-17-17-03-005	-	20,250
			-	864,490
			-	2,655,834
WIA/WIOA Dislocated Worker Formula Grants:				
WIOA PY17 DSLW Program (601961)	17.278	31-17-17-03-005	2,810	780
WIOA FY18 Dislocated Worker Program (601973)	17.278	31-17-18-03-005	228,214	214,146
WIOA FY18 RAPID RESPONSE (601974)	17.278	44-17-18-03-005	-	23,930
WIOA PY18 DSLW Fund (602079)	17.278	31-18-18-03-005	140,379	282,588
WIOA FY19 DSLW (602128)	17.278	31-19-19-03-005	84,382	494,101
FY19 DSLW as Adult (602187)	17.278	36-18-19-03-005	160,449	326,658
WIOA PY19 DSLW Program (602217)	17.278	31-19-19-03-005	3,156	121,727
FY20 WIOA DSLW Program (602261)	17.278	31-19-20-03-005	-	201,536
FY18 DLW Supp (602185)	17.278	DW-17-18-03-005	65,502	108,000
			-	684,891
			-	1,773,468
Total U.S. Department of Labor/GOWD - WIOA Cluster			2,566,346	6,387,929
Juvenile Court - Educational Program				
US DOL YouthBuild (602142)	17.274	YB-32976-18-60-A-13	-	250,357.00
Total U.S. Department of Labor (U.S. D.O.L.)			2,566,346	6,638,286
U.S. Department of Transportation (U.S. D.O.T.)				
Federal Aviation Administration (FAA)				
Pass-Through Georgia Department of Transportation				
Airport Improvement Program:				
FY '15-16 FAA/GDOT EMAS (601660)	20.106	AP017-9030-48(089)	-	693,994
DOT APO18-9033-089-PID-T006584 (602060)	20.106	AP018-9033-48-089	-	1,180,792
			-	1,874,786

(Continued)

DEKALB COUNTY, GEORGIA
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2019

Grantor/program title	Federal CFDA No	State pass-through or Grant No	Sub-recipient Expenditures	Total Expenditures
Federal Highway Administration (FHWA)				
Pass-Through Georgia Department of Transportation				
Highway Planning and Construction Cluster:				
GDOT TE 2012 (601317)	20.205	0010637	-	95,800
GDOT FHWA (601339)	20.205	0009027	-	14,369
GDOT -TAP-STN MTN BYCYL& PED (601513)	20.205	006899/007621	-	799,035
GDOT POOLE ST TO ROCKBRDG RD (601655)		000689/0007621	-	589,137
GDOT ROW Traffic Upgrade (601831)		2669	-	31,330
GDOT TAP Funding (601832)		PI 0015061 0015063-0015065	-	87,575
GDOT Bike and Ped (601833)		PI 0015066	-	12,425
GDOT SIDEWALKS FOR GLENWOOD/CANDLER-COLUMBIA (601891)		E30SA1701019	-	1,319,453
GDOT LITHONIA IND.BLVD -I20 TO WOODROW RD (601936)		PI 0006889-D30SA1701745	-	1,189,461
GDOT SDWLKS @ FLTSHLS/HNDRSN & SALE (602161)	20.205	2019-4138	-	626,586
GDOT Tucker Streetscape (602232)	20.205	0012617 & 0010633	-	135,051
Recreational Trails Programs:				
GDOT SOUTH RIVER PHASE 5 (602011)	20.219	CSTEE-CSTEE-0009-00-029	-	76,520
Total Highway Planning and Construction Cluster			-	4,976,742
Federal Transit Administration				
Transit Services Programs Cluster				
MARTA New Freedom Program (601374)	20.521	GA-57-X002-04	-	25,367
MARTA-TAPED-2013 (601662)	20.521	GA-57-X015-00	-	62,055
Total Transit Services Programs Cluster			-	87,422
National Highway Traffic Safety Administration (NHTSA)				
Pass-Through Governor's Office of Highway Safety:				
Highway Safety Cluster				
FY'19' GOHS/HEAT (602114)	20.600	GA-2019-402PT-063-C2	-	30,883
Total Highway Safety Cluster			-	30,883
Total U.S. Department of Transportation (U.S. D.O.T.)				
			-	6,969,833
U.S. Department of Treasury				
Law Enforcement Confiscated Fund (DeKalb County)				
Police - Treasury Equity Share (601775)	21.016	ORI-GA0440200	-	19,756
Total U.S. Department of Treasury			-	19,756
U.S. Department of Health and Human Services (HHS)				
Substance Abuse and Mental Health Administration				
Block Grants for Prevention and Treatment of Substance Abuse:				
FY19 Dept. of Behavioral Health & Development Disabilities (602083)	93.959	44100-263-0262019026	-	80,795
FY20 Dept of Behavioral Health & Development Disabilities (602218)	93.959	44100-263-0262020027	-	152,434
			-	233,229
Administration for Community Living				
Pass-through State of Georgia Department of Human Services (GDHS):				
Pass-through Atlanta Regional Commission (ARC):				
Aging Cluster				
Special Programs for the Aging_ Title III, Part B_ Grants for Supportive Services and Senior Centers:				
Atlanta Regional Commission (ARC) Title 111B 2019-2020 (602169)	93.044	ARC (GRANT REIMB) HCD	-	187,852
Special Programs for the Aging_ Title III, Part C_ Nutrition Services:				
Atlanta Regional Comm.ARC-Title 111B 2018-2019 (602035)	93.045	AG1303	-	148,578
Atlanta Regional Comm.ARC-Title 111 C FED 18-19 (602038)	93.045	AG1906.1	-	405,574
Atlanta Regional Commission ARC-TITLE 111 E-FED 2018 (602041)	93.045	AG1303	-	73,176
Atlanta Regional Commission ARC NSIP-FED- 2018 (602044)	93.045	AG1906.1	-	110,315
Atlanta Regional Commission ARC-TITLE 111 C-FED-19-20 (602171)	93.045	AG2005	-	729,175
Total Aging Cluster			-	1,654,669
Atlanta Regional Commission ARC-SSBG-FED-8 (602050)	93.052	AG1906.1	-	45,251
Atlanta Regional Commission ARC TITLE 111 E-FED 19-20 (602175)	93.052	AG2005	-	47,493
			-	92,743

(Continued)

DEKALB COUNTY, GEORGIA
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2019

Grantor/program title	Federal CFDA No	State pass-through or Grant No	Sub-recipient Expenditures	Total Expenditures
Administration for Children and Families				
Pass-Through Georgia Department of Human Services (GDHS):				
Child Support Enforcement:				
FY 19 UIFSA Child Support (602053)	93.563	42700-401-0000071176	-	473,406
FY20 Child Support DA Office (602191)	93.563	42700-401-0000086733	-	829,340
			-	1,302,745
Health Resources and Services Administration				
Pass-Through Georgia Governor's Office for Children and Families:				
Maternal, Infant, and Early Childhood Home Visiting Cluster:				
Affordable Care Act (ACA) Maternal, Infant and Early Childhood Home Visiting Program:				
MIECHV 2018-2019 (602084)	93.505	40500-042-19182543	-	471,926
MIECHV 2019-2020 (602225)	93.505	40500-042-20182543	-	157,171
Total Maternal, Infant, and Early Childhood Home Visiting Cluster			-	629,096
Total U.S. Department of Health & Human Services			-	3,912,483
Executive Office of the President:				
Pass-Through Office of National Drug Control Policy:				
High Intensity Drug Trafficking Areas Program:				
YEAR '18' HIDTA (602073)	95.001	G16GA0002A	-	276,156
HIDTA 2019-2020 (602202)	95.001	G19GA0002A	-	12,474
Total Executive Office Of The President			-	288,630
U.S. Department of Homeland Security:				
Pass-Through Georgia Emergency Management Agency (GEMA):				
Emergency Management Performance Grants:				
Performance Partnership Award (PPA) 18-19 (602124)	97.042	OEM18-046	-	50,000
			-	50,000
Assistance to Firefighter Grants:				
FEMA FY16 SAFER (601975)	97.044	EMW 2016-FH-00556	-	1,756,831
FY17 Assistance Firefighters (602091)	97.044	EMW 2017-FO-06548	-	153,279
			-	1,910,110
Homeland Security Grant Program:				
GEMA:HS SHO17-0060-17-18 (601990)	97.067	EMW-2015-SS-00065-S01	-	42,888
GEMA FY18 SHO18-007 (602117)	97.067	EMW-2018-SS-0067-S01-SHO18-007	-	24,457
GEMA-Homeland Security 18-19 (602126)	97.067	SHO18-072	-	5,963
ESGP 2018 (602166)	97.067	EMW-2018-SS-00067-S01	-	72,024
			-	145,332
Total U.S. Department of Homeland Security/FEMA/GEMA			-	2,105,442
TOTAL FEDERAL EXPENDITURES			\$ 8,260,767	\$ 32,710,437

See accompanying notes to the schedule of expenditures of federal awards.

DEKALB COUNTY, GEORGIA

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2019

(1) Summary of Significant Accounting Policies

Basis of Presentation and Accounting

The basic financial statements of DeKalb County, Georgia (the "County"), as of and for the year ended December 31, 2019, include the operations of the DeKalb County Board of Health. The accompanying schedule of expenditures of federal awards does not include federal financial assistance received directly by the DeKalb County Board of Health, because this component unit engaged other auditors to perform an audit in accordance with the Uniform Guidance. Accordingly, the accompanying schedule of expenditures of federal awards presents the federal financial assistance programs administered by the County, and does not reflect the federal financial assistance programs administered by the DeKalb County Board of Health.

The accompanying schedule of expenditures of federal awards is presented using the modified accrual basis of accounting. Under the modified accrual basis of accounting, expenditures are recognized when the related liability is incurred.

In instances where the grant agreement requires the County to match grant awards with County funds, such matching funds are excluded from the accompanying schedule of expenditures of federal awards. Grant programs that did not have 2019 transactions have not been presented herein. The majority of these programs have completed their program activities but may not have been formally closed out. Grant revenues and expenditures incurred prior to 2019 under these grants remain subject to audit by either the grantor agency or its representatives within the limitations of the Uniform Guidance.

Federal grant programs that are administered through State agencies (pass-through awards) have been included in the accompanying schedule of expenditures of federal awards. These programs are operated according to federal regulations promulgated by the originating federal agency providing the funding.

The County does not utilize the 10% de minimis indirect cost rate.

(2) Loans

The County uses funds available under the Community Development Block Grant and HOME Investment Grant programs to provide low-interest loans to eligible persons. Principal payments received are used to make additional loans as part of the revolving loan fund. Disbursements of such loans are included as expenditures in the accompanying schedule of expenditures of federal awards in the year of disbursement. The balances are not included in the accompanying schedule as there are no continuing compliance requirements related to the loans.

DEKALB COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2019

(1) Summary of Auditor's Results

- (a) The type of report issued on the financial statements: **Unmodified opinion**
- (b) Internal control over financial reporting:
 - Material weaknesses identified: **Yes**
 - Significant deficiencies identified: **None reported**
- (c) Noncompliance material to the financial statements noted: **No**
- (d) Internal control over major programs:
 - Material weaknesses identified: **No**
 - Significant deficiencies identified, not considered to be material weaknesses: **None reported**
- (e) The type of report issued on compliance for major programs: **Unmodified**
- (f) Any audit findings which are required to be reported in accordance with 2 CFR 200.516(a): **No**
- (g) Major Programs:
 - Community Development Block Grant, CFDA #14.218**
 - Crime Victim Assistance Grant, CFDA #16.575**
 - Airport Improvement Grant, CFDA #20.106**
 - WIOA Cluster, CFDA#17.258, #17.259, and #17.278**
- (h) Dollar threshold to distinguish between Type A and Type B programs: **\$981,313**
- (i) Audit qualified as a low-risk auditee under the Uniform Guidance: **No**

DEKALB COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2019

(2) Findings Relating to the Financial Statements Reported in Accordance with *Government Auditing Standards*

Finding 2019-001 – Year-end Financial Close and Reporting Controls

Criteria: Internal controls should be in place to ensure that financial statements of the County are properly presented in accordance with accounting principles generally accepted in the United States of America.

Condition: Certain internal controls at year-end were not in place to ensure revenues and the related accounts receivables and capital assets are properly reported within the financial statements.

Context/cause: During our audit for the year ended December 31, 2019, we noted the following issues:

- The County did not accrue for December 2019 tax collections that were held by the Tax Commissioner as of year-end. This caused multiple funds and governmental activities to be understated in cash and revenues as of December 31, 2019. The magnitude of the corrections of these errors in each fund are as follows:
 - The General Fund cash and tax revenues were understated by \$2,435,968;
 - The Street Lights Fund cash and tax revenues were understated by \$19,942;
 - The Speed Humps Fund cash and tax revenues were understated by \$1,147;
 - The Fire Fund cash and tax revenues were understated by \$124,023;
 - The Special Tax District – Designated Fund cash and tax revenues were understated by \$83,209;
 - The Hospital Fund cash and tax revenues were understated by \$7,606;
 - The Special Tax District – Police Services Fund cash and tax revenues were understated by \$167,849;
 - The General Obligation Bonds Fund cash and tax revenues were understated by \$13,494,
 - The Special Tax District – General Obligation Bonds Fund cash and tax revenues were understated by \$25,351;
 - The Sanitation Fund cash and tax revenues were understated by \$170,539; and
 - The Stormwater Fund cash and tax revenues were understated by \$60,298.

- The County did not properly calculate its accounts receivables from the sub-ledgers to the general ledger. As well, the County did not properly allow for uncollectable accounts in its calculations. This caused revenues to be overstated by \$16,022,479, receivables to be understated by \$2,127,368, and the allowance to be understated by \$13,895,111.

- During the year, the County entered into a new financed purchase agreement for new radios which is reported in the Sanitation Fund. The County correctly recorded the financed purchase, but did not add the radios to its capital asset listing. This caused capital assets in the Sanitation Fund to be misstated by \$1,083,706.

DEKALB COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2019

- During our testing of cash, we noted one (1) cash account in the Capital Improvement Projects Fund was not properly reconciled to the general ledger. An adjustment in the amount of \$62,230 was required to properly reconcile the bank statement to the general ledger.
- During our testing of leasehold payables at year-end, we noted the County had not accrued an invoice in the amount of \$402,686 which was included on its subsidiary ledger. An entry in the amount of \$402,686 was required to properly report leasehold payables in the Watershed Fund as of year end.
- During our testing of retainage payables and long-term debt, we noted the County had not accrued retainage in relation to the new GEFA loan. An entry in the amount of \$231,651 was required to properly record retainage payable and a receivable from GEFA at year end.
- During our testing of Sanitation Commercial receivables, we noted the County had an error on the subsidiary ledger summary resulting in the summary not agreeing with system reports. An entry in the amount of \$270,000 was required to properly report accounts receivable, the allowance and revenue for the fiscal year ended December 31, 2019.

Effects or possible effects: The errors discussed above created the need for adjustments to cash, revenues, receivables, capital assets, and expenses/expenditures in multiple funds affecting both governmental activities and business-type activities. Total adjustments of \$20,215,610 were noted.

Recommendation: We recommend the County carefully review its year-end accruals related to revenues, receivables and capital assets during its year-end close procedures.

Auditee's Response: The County will implement new control processes and strengthen its reconciliation processes surrounding these areas. The County will also improve communication between the various departments to ensure that accountability in the appropriate areas is achieved.

DEKALB COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2019

Finding 2019-002 – Prior Period Adjustments

Criteria: Internal controls should be in place to ensure that financial statements of the County are properly presented in accordance with accounting principles generally accepted in the United States of America.

Condition: Certain internal controls at year-end were not sufficient to detect material misstatements in the County's financial statements for the year ended December 31, 2018, which represents the beginning balances for the fiscal year 2019 financial statements.

Context/cause: During our audit for the year ended December 31, 2019, the County did not properly record revenue and the related receivable and allowance as it relates to unbilled revenues in the Watershed Fund as of December 31, 2018. An adjustment was required to properly state revenue and beginning net position in the Watershed Fund, and beginning net position of business-type activities as of December 31, 2019.

Effects or possible effects: Adjustments totaling \$21,302,860 were needed to correct beginning net position and current year revenues for the Watershed Fund and business-type activities as of year-end.

Recommendation: We recommend the County carefully review its accruals and revenues during its year-end close procedures.

Auditee's response: We concur. The adjustment was made as the result of an incorrect method used to calculate the unbilled water consumption report wherein all the water meter routes were not reflected in the annual usage amount. We have worked with the software company to correct the parameters used in the report to include the data needed for the corrected annual calculation.

(3) Federal Award Findings and Questioned Costs

None reported.

DEKALB COUNTY, GEORGIA
STATUS OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2019

Finding 2018-001 – Prior Period Adjustments

Criteria: Internal controls should be in place to ensure that financial statements of the County are properly presented in accordance with accounting principles generally accepted in the United States of America.

Condition: Internal controls were not sufficient to detect material misstatements in the County's financial statements for the year ended December 31, 2017, which represents the beginning balances for the fiscal year 2018 financial statements.

Status: See finding 2019-002

Finding 2018-002 – Annual Vendor Monitoring

Program: CFDA No. 17.258, 17.259, and 17.278

CFDA Program Title: Workforce Investment Opportunity Act Program (WIOA)

Criteria: As stated in 2 CFR 200.331, recipients must conduct regular oversight and monitoring of its subrecipients and contractors (vendors) in order to ensure that the sub-award is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the sub-award, and that subrecipient performance goals are achieved.

Condition/Context: During our review of nine (9) vendors out of sixty (60) approved WIOA vendors for the 2018 year, we noted one (1) of nine (9) vendors reviewed lacked a 2018 monitoring review on file. The selected vendor was reviewed later in April 2019.

Status: This was resolved in 2019.



DeKalb County, Georgia
1300 Commerce Drive, Decatur, Georgia 30030
(404) 371-2741 (404) 371-2750 FAX

MANAGEMENT'S CORRECTIVE ACTION PLAN FOR THE YEAR ENDED DECEMBER 31, 2019

Finding 2019-001 – Year-end Financial Close and Reporting Controls

Name of the Contact Person Responsible for the Corrective Action Plan: Dianne McNabb, Chief Financial Officer

Corrective Action Plan:

- The Controller's Division will coordinate with the Treasury Division to discuss/determine if the contract/lease will result in a capital asset and record timely. This process will ensure assets are captured and will provide adequate information for Finance Department to make the correct decision to capitalize or expense cost.
- The Controller's Division will implement a new control process to include a periodic reconciliation of the Tax Commissioners Office revenue posted in G/L vs received at the bank, throughout the fiscal year as well as at fiscal year-end to ensure balances are properly and timely recorded in accordance with generally accepted accounting principles. In addition, the County will institute additional layers of review.
- The Controller's Division will collaborate with the Watershed Department (UCO) annually to discuss the collectability allowance to determine if there should be an adjustment due to economic conditions/trends. This process will ensure the allowance is adjusted as needed and captured in the financials.

Anticipated Completion Date: December 31, 2020



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(404) 371-2741 (404) 371-2750 FAX

MANAGEMENT'S CORRECTIVE ACTION PLAN FOR THE YEAR ENDED DECEMBER 31, 2019

Finding 2019-002– Prior Period Adjustments

Name of the Contact Person Responsible for the Corrective Action Plan: Dianne McNabb, Chief Financial Officer

Corrective Action Plan:

The Controller's Division will coordinate with the Department of Watershed Management- Finance Division, UCO Billing Department, and the current utilities software company, C-PAK, to ensure the reports are accurate going forward. It was determined an incorrect method was used to calculate the unbilled water consumption report wherein the water meter routes did not reflect an annual usage amount. We will work with C-PAK to correct the parameters in the report, used as a source document, to include the data needed for the corrected annual calculation. Further, we will work with the future utilities software vendor, Enquesta, to ensure the correct processes and methodology used to capture balances are included as a part of our new utilities software implementation.

Anticipated Completion Date: December 31, 2020