

DEKALB COUNTY, GEORGIA

SINGLE AUDIT REPORTS

**FOR THE YEAR ENDED
DECEMBER 31, 2018**

DEKALB COUNTY, GEORGIA
SINGLE AUDIT REPORTS
FOR THE YEAR ENDED DECEMBER 31, 2018

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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, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 27, 2019. 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. Our report includes a reference to the change in accounting principle resulting from the implementation of Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, as of January 1, 2018.

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 a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2018-001 that we consider to be a material weakness.

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 Response to the 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 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
June 27, 2019



**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, 2018. 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 \$10,755,993 in federal awards which are not included in the County's schedule of expenditures of federal awards for the year ended December 31, 2018. 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, 2018.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2018-002. Our opinion on each major federal program is not modified with respect to this matter.

The County's response to the noncompliance 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 compliance and, accordingly, we express no opinion on the response.

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, we did identify a certain deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2018-002 that we consider to be a significant deficiency.

DeKalb County, Georgia's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. DeKalb County, Georgia's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated June 27, 2019 which contained unmodified opinions on those financial statements. Our report includes a reference to other auditors and the implementation of a new accounting standard related to other postemployment benefits. 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
June 27, 2019

DEKALB COUNTY, GEORGIA
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2018

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:				
2018 Summer Food Program (602034)	10.559	FY 2018	\$ -	\$ 461,733
Total Child Nutrition Cluster			-	461,733
Total U.S. Department of Agriculture			-	461,733
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	-	1,191
CDBG 2014 (601562)	14.218	B-14-UC-13-0001	51,352	55,163
CDBG 2015 (601676)	14.218	B-15-UC-13-0001	104,743	104,743
CDBG 2016 (601835)	14.218	B-16-UC-13-0001	314,384	314,384
CDBG 2017 (602000)	14.218	B-17-UC-13-0001	3,451,940	3,952,518
CDBG 2018 (602089)	14.218	B-18-UC-13-0001	-	528,549
CDBG 2017 PI (601873)	14.218	B-17-UC-13-0001	66,831	1,230,056
CDBG 2014 PI (601567)	14.218	B-13-UC-13-0001	-	250
CDBG 2016 PI (601738)	14.218	B-14-UC-13-0001	-	42,653
NSP1-PI-2015 (601661)	14.218	B-08-UC-13-0003	21,107	21,107
NSP3 PI-2016 (601781)	14.218	B-08-UN-13-0003	-	72,510
Total Community Development Block Grant (CDBG) - Entitlement Grants Cluster			4,010,357	6,323,124
Emergency Solutions Grant Program:				
ESGP 2016 (601884)	14.231	E-16-UC-13-0009	12,196	16,497
ESGP 2017 (602001)	14.231	E-17-UC-13-0009	350,534	389,743
			362,730	406,240
Home Investment Partnerships Program:				
Home 2011 (601262)	14.239	M-11-UC-13-0208	-	1,357
Home 2012-PI (601292)	14.239	M-12-UC-13-0208	92,825	101,466
Home 2013-PI (601411)	14.239	M-10-UC-13-0208	52,998	52,998
Home 2014-PI (601521)	14.239	M-10-UC-13-0208	-	112,664
Home 2014 (601563)	14.239	M-14-UC-13-0208	-	-
Home 2015 PI (601641)	14.239	M-10-UC-13-0208	1,228,491	1,236,213
Home 2016 PI (601739)	14.239	M-10-UC-13-0208	220,250	220,250
Home 2015 (601856)	14.239	M-15-UC-13-0208	-	-
Home 2017 PI (601874)	14.239	M-17-UC-13-0208	149,632	150,373
Home 2016 (601911)	14.239	M-16-UC-13-0208	114,486	114,486
Home 2017 (601973)	14.239	M-17-UC-13-0208	34,839	34,839
Home 2018 PI (602016)	14.239	M-18-UC-13-0208	-	13,931
			1,893,521	2,038,577
Continuum of Care Program:				
COC-SNAP-2016 (601906)	14.267	GA0347LB081600	-	136,112
COC-SNAP-SS-16-01 (601952)	14.267	GA0325L4B081601	72,170	72,170
COC-COORDINATOR ENTRY (602082)	14.267	GA0325L4B081702	33,304	41,628
COC-HMIS RENEWAL-DCA-2 (602015)	14.267	GA0231L4B081604	53,211	94,404
COC-HMIS-DCA-B081604 (602110)	14.267	GA0231L4B081604	-	7,330
			158,685	351,644
Total U.S. Department of Housing and Urban Development			6,425,293	9,119,585

(Continued)

DEKALB COUNTY, GEORGIA
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2018

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)	16.523	2017-DC-BX-0061	-	75,763
			-	<u>75,763</u>
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-18-Mental Health Court (601954)	16.013	J18-8-062	-	46,230
CJCC-MMHCP FY18-19 (602075)	16.013	J19-8-063	-	16,580
			-	<u>62,810</u>
Justice Systems Response to Families:				
14 - '15 DOJ: VAW - Justice for Families Program (601617)	16.021	2014-FJ-AX-0037	-	916
VAW (601966)	16.021	2017-FJ-AX-0006	-	214,556
			-	<u>215,472</u>
Supervised Visitation, Safe Havens for Children:				
OVW-End Abuse Later in Life (601596)	16.527	2014-EW-AX-K008	-	<u>109,175</u>
Violence Against Women Formula Grants:				
VAWA 2018 (602020)	16.588	W17-8-023	-	50,786
STOP VAWA 2018 (602029)	16.588	W17-8-024	-	55,258
			-	<u>106,044</u>
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program:				
Violence Against Women (601853)	16.590	2016-WE-AX-0006	-	<u>192,159</u>
Office for Victims of Crime				
Crime Victim Assistance:				
Victim of Crime-VOCA-2017-2018 (601980)	16.575	C16-8-207 Q3 SG SG'S VOCA	-	162,699
VOCA 2017-2018 (601983)	16.575	C16-8-207	-	508,262
VOCA 2017-2018 COMP ADVOCATE (601986)	16.575	C115-8-374	-	47,882
SAKI (SEXUAL ASSAULT KIT INITIATIVE) (602026)	16.575	2017-AK-BX-005	-	193,453
SAKI ENHANCEMENT-2018 (602056)	16.575	X18-8-070	-	15,000
			-	<u>927,296</u>
Crime Victim Assistance/Discretionary Grant:				
Solicitor's NAVAA - 2016 (601754)	16.582	2013-VF-GX-K005	-	<u>3,900</u>
Statistical Data Collections & Statistical Studies				
IMP-NCS-X-PHASE V-17-19 (601993)	16.734	2017-FU-CX-K045	-	<u>228,851</u>
Bureau of Justice Assistance				
Protecting Inmates and Safeguarding Communities Discretionary Grant Program:				
'15 DOJ - PROJECT SAFEGUARD (601712)	16.735	2015-RP-BX-0003	-	<u>148,439</u>
Justice Assistance Grant (JAG) Program Cluster:				
U.S. Department of Justice (JAG) #21 (601845)	16.738	2016-DJ-BX-0391	-	5,485
U.S. Department of Justice (JAG) #22 2017-2020 (601987)	16.738	2017-DJ-BX-0331	-	122,518
Total Justice Assistance Grant (JAG) Cluster			-	<u>128,003</u>
Office of Community Oriented Policing Services				
Public Safety Partnership and Community Policing Grants (Recovery):				
FY '13 COPS - CHRP (601526)	16.710	2013ULWX0008	-	178,208
FY '14 COPS - CHRP (601607)	16.710	2014ULWX0002	-	297,485
			-	<u>475,693</u>
Criminal Division				
Equitable Sharing Program:				
ECTF '18 SECRET SERVICE (602002)	16.922	ECTF- 11032015	-	4,000
Law Enforcement Confiscated Assets Program:				
'16 Police - Justice Equity Share (601776)	16.922	ORI-GA0440200	-	167,470
Sheriff (601777)	16.922	ORI-GA0440000	-	185,997
DA-Fed - Justice Equity Share (601785)	16.922	ORI-GA0440000	-	7,311
			-	<u>364,778</u>
Total U.S. Department of Justice			-	<u>3,038,383</u>

(Continued)

DEKALB COUNTY, GEORGIA
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2018

Grantor/program title	Federal CFDA No	State pass-through or Grant No	Sub-recipient Expenditures	Total Expenditures
U.S. Department of Labor (USDOL)				
Employment Training Administration				
WIOA Cluster				
Pass-Through Georgia Department of Labor (GADOL)/GOWD				
WIA/WIOA Adult Program:				
WIOA PY16 Adult Program (601828)	17.258	11-16-16-03-005	-	69,655
WIOA FY17 Adult Prog (601860)	17.258	11-16-17-03-005	-	19,115
WIOA Adult Funds FY17 (601946)	17.258	36-16-17-03-005	16,317	566,233
WIOA PY17 Adult Program (601960)	17.258	11-17-17-03-005	7,252	214,338
WIOA FY18 Adult Program (601972)	17.258	11-17-18-03-005	96,687	1,253,682
WIOA PY18 Adult Fund (602078)	17.258	11-18-18-03-005	-	70,168
WIOA FY18 DSLW as Adult (602139)	17.258	36-17-18-03-005	29,745	63,278
GDOL-SNAP Grant FY17 (601982)	17.258	11-17-17-03-0005	-	43,934
			150,001	2,300,403
WIA/WIOA Youth Activities:				
Go Build GA - Youth PY15 (601787)	17.259	15-15-15-03-005	-	30,632
PY16 WIOA Youth (601792)	17.259	15-16-16-03-005	244,277	599,373
WIOA PY17 Youth Program (601962)	17.259	15-17-17-03-005	245,170	1,356,382
WIOA PY18 Youth Services (602077)	17.259	15-18-18-03-005	5,174	7,833
			494,621	1,994,220
WIA/WIOA Dislocated Worker Formula Grants:				
WIA DSLW FY16 Program (601829)	17.278	31-16-16-03-005	-	24,861
FY17 WIOA Rapid Response (601859)	17.278	44-16-17-03-005	-	27,625
WIOA FY17 DSLW Program (601861)	17.278	31-16-17-03-005	5,725	310,192
WIOA PY17 DSLW Program (601961)	17.278	31-17-17-03-005	-	-
WIOA FY18 Dislocated Worker Program (601973)	17.278	31-17-18-03-005	183,797	930,924
WIOA FY18 RAPID RESPONSE (601974)	17.278	44-17-18-03-005	4,319	37,810
			193,841	1,331,412
Total U.S. Department of Labor/GOWD - WIOA Cluster			838,463	5,626,035
Total U.S. Department of Labor (U.S. D.O.L.)			838,463	5,626,035
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)	-	4,193,092
FAA/GDOT EMAS Blocks (601863)	20.106	O15-9024-47-089 PID T005359	-	424,840
DOT APO18-9033-089-PID-T006584	20.106	018-9033-49(089) PID-T006584	-	123,489
			-	4,741,421
Federal Highway Administration (FHWA)				
Pass-Through Georgia Department of Transportation				
Highway Planning and Construction Cluster:				
GDOT TEF- NORTHLAKE STRTSCP (601155)	20.205	CSTEE-0009-00(031)	-	6,588
GDOT TE 2012 (601317)	20.205	0010637	-	399,211
GDOT TUCKER PEDESTRIAN II (601476)	20.205	0012617	-	3,048
GDOT -TAP-STN MTN BYCYL& PED (601513)	20.205	006899/007621	-	633,189
GDOT POOLE ST TO ROCKBRDG RD (601655)	20.205	000689/0007621	-	459,218
GDOT Lawrenceville Hwy Pedestrian and Bicycle Study (601839)	20.205	PI 0015067	-	112,000
GDOT ROW @ ROCKBRIDGEM ALLGOOD TO ROWLAND RD (601842)	20.205	PI 0012613	-	150,171
GDOT Key Rd & Constitution Rd Bridge Improvement (601889)	20.205	0012613	-	599,931
GDOT SIDEWALKS FOR GLENWOOD FROM CANDLER TO COLUMBIA (601889)	20.205	E30SA1701019	-	1,076,499
GDOT LITHONIA INDUSTRIAL BLVD -I20 TO WOODROW RD (601936)	20.205	PI 0006889-D30SA1701745	-	2,699,707
Recreational Trails Programs:				
GDOT SOUTH RIVER PHASE 5 (602011)	20.219	CSTEE-CSTEE-0009-00-029	-	105,400
Total Highway Planning and Construction Cluster			-	6,244,962

(Continued)

DEKALB COUNTY, GEORGIA
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2018

Grantor/program title	Federal CFDA No	State pass-through or Grant No	Sub-recipient Expenditures	Total Expenditures
Federal Transit Administration				
Transit Services Programs Cluster				
MARTA New Freedom Program (601374)	20.521	GA-57-X002-04	-	46,070
MARTA-TAPED-2013 (601662)	20.521	GA-57-X015-00	-	80
Total Transit Services Programs Cluster			-	46,150
National Highway Traffic Safety Administration (NHTSA)				
Pass-Through Governor's Office of Highway Safety:				
Highway Safety Cluster				
FY'18' GOHS/HEAT (601968)	20.600	GA-2017-402PT-023-C9	-	20,868
Total Highway Safety Cluster			-	20,868
Pipeline and Hazardous Materials Safety Administration				
Pass-Through Georgia Emergency Management Agency (GEMA)				
Interagency Hazardous Materials Public Sector Training and Planning Grants:				
GEMA - FY '16 LEPC HMEP (601756)	20.703	SHM16-012	-	1,053
			-	1,053
Total U.S. Department of Transportation (U.S. D.O.T.)				
			-	11,054,454
U.S. Department of Treasury				
Law Enforcement Confiscated Fund (DeKalb County)				
Police - Treasury Equity Share (601775)	21.016	ORI-GA0440200	-	46,970
Total U.S. Department of Treasury			-	46,970
U.S. Department of Health and Human Services (HHS)				
Substance Abuse and Mental Health Administration				
Block Grants for Prevention and Treatment of Substance Abuse:				
'15 - '16 Dept of Behavioral Health & Development Disabilities (601707)	93.959	441-93-1633XXX	-	4,403
DBHDD 2016-2017 (601854)	93.959	441-93-1733049	-	167,450
FY19 DBHDD (602083)	93.959	441100-263-0262019026	-	80,661
			-	252,514
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 2017-2018 (601920)	93.044	AG1303	-	217,138
Atlanta Regional Commission Title 111B 2018-2019 (602035)	93.044	AG1303	-	219,421
Special Programs for the Aging_ Title III, Part C_ Nutrition Services:				
Atlanta Regional Comm.ARC-Title 111 C 17-18 (601923)	93.045	AG1303	-	350,118
Atlanta Regional Comm. Title 111C-FED-18-19 (602038)	93.045	AG1303	-	407,427
Nutrition Services Incentive Program:				
Atlanta Regional Commission ARC NSIP 2017-18 (601927)	93.053	AG1503	-	43,010
Atlanta Regional Commission ARC SSBG 17-18 (601932)	93.053	AG1303	-	25,581
Total Aging Cluster			-	1,262,695
Atlanta Regional Commission-ARC Title 111E 17-18 (601925)	93.052	AG1303	-	19,995
			-	19,995
Administration for Children and Families				
Enhance Safety of Children Affected By Substance Abuse:				
DOHH/GSU - DRG CT (601397)	93.087	90CU0062-01	-	97
Pass-Through Georgia Department of Human Services (GDHS):				
Child Support Enforcement:				
FY 18 UIFSA Child Support Fed (601933) - (July - December 2017)	93.563	42700-401-0000059864	-	605,584
FY 19 UIFSA Child Support Fed (602053) - (January-June 2018)	93.563	42700-401-0000059864	-	810,468
			-	1,416,052

(Continued)

DEKALB COUNTY, GEORGIA
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2018

Grantor/program title	Federal CFDA No	State pass-through or Grant No	Sub-recipient Expenditures	Total Expenditures
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-2017-2018 (601991)	93.505	CC11-01-003	-	515,057
MIECHV-2018-2019 (602084)	93.505	CC11-01-003	-	122,796
Total Maternal, Infant, and Early Childhood Home Visiting Cluster			-	637,853
Total U.S. Department of Health & Human Services			-	3,589,206
Executive Office of the President:				
Pass-Through Office of National Drug Control Policy:				
High Intensity Drug Trafficking Areas Program:				
HIDTA 2017 (601944)	95.001	G16GA0002A	-	276,156
Total Executive Office Of The President			-	276,156
U.S. Department of Homeland Security:				
Pass-Through Georgia Emergency Management Agency (GEMA):				
Emergency Management Performance Grants:				
GEMA Homeland Security EMPG-2017-18 (601970)	97.042	EMA-2016-EP-00001S01	-	73,971
			-	73,971
Assistance to Firefighter Grants:				
FEMA FY16 SAFER (601975)	97.044	EMW 2016-FH-00556	-	1,336,641
Pre-Disaster Mitigation:				
FMA-PJ-04-GA-2014-003 (601703)	97.047	FMA-PJ-04-GA-2014-003	-	6,300
Homeland Security Grant Program:				
GEMA Homeland Security FY17 SHO17-017 (601988)	97.067	EMW-2017-SS-0015-S01-SHO17-017	-	24,985
GA. HOMELAND SEC. - SHO17-052 (601995)	97.067	EMW-2015-SS-00065-S01	-	4,599
			-	29,584
Total U.S. Department of Homeland Security/FEMA/GEMA			-	1,446,496
TOTAL FEDERAL EXPENDITURES			\$ 7,263,756	\$ 34,659,018

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, 2018

(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, 2018, 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 Single Audit Act. 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 2018 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 2018 under these grants remain subject to audit by either the grantor agency or its representatives within the limitations of the Single Audit Act.

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, 2018

(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: **Yes**
- (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): **Yes**
- (g) Major Programs:
 - Child Support Grant, CFDA #93.563**
 - FEMA SAFER Grant, CFDA #97.044**
 - HHS Aging Cluster, CFDA #93.044, #93.045, and #93.053**
 - WIOA Cluster, CFDA#17.258, #17.259, and #17.278**
 - Highway Planning and Construction Cluster, CFDA #20.205 and #20.219**
- (h) Dollar threshold to distinguish between Type A and Type B programs: **\$1,039,771**
- (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, 2018

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

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.

Context/cause: During our audit for the year ended December 31, 2018, the following misstatements were noted to be errors in the prior year Comprehensive Annual Financial Report and caused the need to restate financial statement net position, assets, liabilities, and related income statement accounts as of and for the year ended December 31, 2018 and December 31, 2017. The nature and magnitude of the corrections for these errors are as follows:

- The County did not properly record revenue and a receivable as it relates to franchise fees in the Special Tax District – Unincorporated Fund as of December 31, 2017. An adjustment totaling \$1,379,273 was required to properly state revenue, beginning fund balance, and beginning net position of governmental activities as of December 31, 2018.
- The County did not properly record the closure and postclosure costs as it relates to the landfill in the Sanitation Fund. Adjustments totaling \$2,189,527 were required to properly record the liability for the Sanitation Fund and business-type activities as of December 31, 2018 including a prior period restatement of beginning net position in the amount of \$1,061,170 and a current year adjustment of \$1,128,357 due to the current year liability and expenses being understated.

Effects or possible effects: The errors discussed above created the need for adjustment of beginning net position, assets, expenses, and liabilities for the Special Tax District – Unincorporated Fund, the Sanitation Fund, governmental activities, and business-type activities. Total adjustments of \$3,568,800 were noted, including adjustments due to errors in the prior period of \$2,440,443 and adjustments to the current year of \$1,128,357.

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

Auditee's Response: We concur with the finding. 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 area is achieved. The Business License department is taking steps to strengthen its internal controls with special emphasis on year

DEKALB COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2018

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

Finding 2018-001 – Prior Period Adjustments (Continued)

Auditee's Response (continued): end deposits to determine proper period recognition. The Sanitation department will be required to provide a revised Landfill Engineering Report memo that reflects the proper filled MSW Landfill capacity percentage as well as the current fiscal year end to ensure proper period recognition. This will ensure postclosure liabilities are properly reported within the financial statements.

(3) Federal Award Findings and Questioned Costs

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.

Effects or Possible Effects: The County did not perform a timely review of a WIOA vendor during the year under audit (2018). Therefore, the County is not in compliance with conducting a regular monitoring review for an approved vendor.

Questioned Costs: None.

Cause: Due to turnover within the Workforce Department of the County, the County did not perform a timely review of a WIOA vendor during the current year. The last onsite review done by the County for this WIOA vendor was done in 2017 until the review performed in April 2019.

Recommendation: We recommend the County strengthen internal controls and implement procedures to ensure all annual monitoring reviews are completed and complete documentation is retained for each approved WIA vendor file. There is a recap prepared annually by the County on planned vendor monitoring dates. It is important for the County to ensure all documentation is maintained in each vendor file.

DEKALB COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2018

(3) Federal Award Findings and Questioned Costs (Continued)

Finding 2018-002 – Annual Vendor Monitoring (Continued)

Auditee's Response: The Work Source Department management agreed with the finding at the May 22, 2019 closing meeting. As of March 2019, WorkSource DeKalb (WSD) now has a functioning Performance and Contract Unit that consist of three (3) fulltime personnel:

1. Employment and Training Sr. Analyst – Contracts;
2. Employment and Training Analyst – Contracts; and
3. Performance and Contracts Supervisor.

The role of this unit is to manage all WSD contracts and/or agreements through its life cycle. In addition, this unit performs annual monitoring site visits for all training providers, during the months of April and May, per our current policy. Due to the recent discovery that took place during our single audit, procedures have been put in place to ensure that all contracts are properly managed. Please see outline below:

- All contracts and/or agreements have been assigned and split between the two Analysts. This new process will allow accountability for each contract to be monitored more closely to better ensure that monitoring site visits are conducted within the contract period;
- All contracts and/or agreements will be compared to the Oracle financial management system for vendor/supplier payments for WIOA participant activity, to ensure at a minimum at least one site monitoring visit is conducted within that contract period;
- All contracts and/or agreements that are renewed will continue to be monitored for scheduled and unscheduled annual site visits by the Performance and Contract Supervisor; and
- All new contracts will be scheduled for a monitoring site visit within the first 3 months and/or within the same year of execution.

DEKALB COUNTY, GEORGIA
STATUS OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2018

Finding 2017-001 – Procurement

Program: CFDA No. 16.922

CFDA Program Title: Law Enforcement Confiscated Assets (Confiscated Assets)

Criteria: In compliance with the guidance set forth in the cooperative agreements and with 2 CFR Part 180.200 - .225, all recipients are required, during the procurement process, to ensure vendors of covered transactions are not cited as suspended or debarred or otherwise excluded from participation in federally funded contracts. This can be accomplished by checking the status of the recipient on www.sam.gov the General Services Administration website, collecting a certification from the entity, or adding a clause or condition to the contract with the vendor.

Condition: During our testing of the Confiscated Assets program, it was discovered that the County did not verify whether three (3) contractors were noted as excluded on the federal government's suspension and debarred lists and did not include the appropriate language in the contracts with those vendors.

Status: This was resolved in 2018.



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MANAGEMENT'S CORRECTIVE ACTION PLAN FOR THE YEAR ENDED DECEMBER 31, 2018

Finding 2018-001 – Prior Period Adjustments

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

Corrective Action Plan:

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 area is achieved. The Business License department is taking steps to strengthen its internal controls with special emphasis on year end deposits to determine proper period recognition. The Sanitation department will be required to provide a revised Landfill Engineering Report memo that reflects the proper filled MSW Landfill capacity percentage as well as the current fiscal year end to ensure proper period recognition. This will ensure postclosure liabilities are properly reported within the financial statements.

Anticipated Completion Date: The County will begin implementation of the Correction Action Plan in July 2019.

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)

Name of the Contact Person Responsible for the Corrective Action Plan: Theresa Austin-Gibbons, Worksource Director.

Corrective Action Plan:

As of March 2019, WorkSource DeKalb (WSD) now has a functioning Performance and Contract Unit that consist of three fulltime personnel:

1. Employment and Training Sr. Analyst — Contracts;
2. Employment and Training Analyst—Contracts; and



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MANAGEMENT'S CORRECTIVE ACTION PLAN FOR THE YEAR ENDED DECEMBER 31, 2018

3. Performance and Contracts Supervisor.

The role of this unit is to manage all WSD contracts and/or agreements through its life cycle. In addition, this unit performs annual monitoring site visits for all training providers, during the months of April and May, per our current policy. Due to the recent discovery that took place during our single audit, procedures have been put in place to ensure that all contracts are properly managed. Please see outline below:

- All contracts and/or agreements have been assigned and split between the two Analysts. This new process will allow accountability for each contract to be monitored more closely to better ensure that monitoring site visits are conducted within the contract period.
- All contracts and/or agreements will be compared to the Oracle financial management system for vendor/supplier payments for WIOA participant activity, to ensure at a minimum at least one site monitoring visit is conducted within that contract period.
- All contracts and/or agreements that are renewed will continue to be monitored for scheduled and unscheduled annual site visits by the Performance and Contract Supervisor.
- All new contracts will be scheduled for a monitoring site within the first 3 months and/or within the same year of execution.

Anticipated Completion Date: The County will begin implementation of the Correction Action Plan in March 2019.