

DEKALB COUNTY, GEORGIA

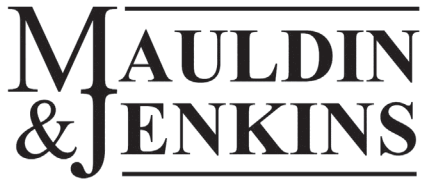
SINGLE AUDIT REPORTS

**FOR THE YEAR ENDED
DECEMBER 31, 2017**

DEKALB COUNTY, GEORGIA
SINGLE AUDIT REPORTS
FOR THE YEAR ENDED DECEMBER 31, 2017

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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, 2017, 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 26, 2018. 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. 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 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*.

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 26, 2018



**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, 2017. 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 received \$11,846,046 in federal awards which are not included in the County's schedule of expenditures of federal awards for the year ended December 31, 2017. 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 other major federal programs for the year ended December 31, 2017.

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 identify a deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2017-001 that we consider to be a material weakness.

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, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated June 26, 2018 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
June 26, 2018

DEKALB COUNTY, GEORGIA
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2017

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:				
2017 Summer Food Program (601915)	10.559	FY 2017	\$ -	\$ 581,062
Total Child Nutrition Cluster			<u>-</u>	<u>581,062</u>
Total U.S. Department of Agriculture			<u>-</u>	<u>581,062</u>
U.S. Department of Housing and Urban Development				
Office of Community Planning and Development				
Community Development Block Grants (CDBG) - Entitlement Grants Cluster:				
CDBG 2010 (601128)	14.218	B-10-UC-13-0001	-	9,504
CDBG 2011 (601241)	14.218	B-11-UC-13-0001	-	24,685
CDBG-108 LOAN (601244)	14.218	B-08-UC-13-0001	-	1,214,588
CDBG 2013 (601459)	14.218	B-13-UC-13-0001	25,110	48,598
CDBG 2015 (601676)	14.218	B-15-UC-13-0001	83,741	928,910
CDBG 2016 (601835)	14.218	B-16-UC-13-0001	523,421	3,218,303
CDBG 2017 (602000)	14.218	B-17-UC-13-0001	-	22,800
CDBG 2017 PI (601873)	14.218	B-17-UC-13-0001	-	153,963
CDBG 2014 PI (601567)	14.218	B-13-UC-13-0001	-	6,956
CDBG 2015 PI (601634)	14.218	B-14-UC-13-0001	-	12,033
CDBG 2016 PI (601738)	14.218	B-14-UC-13-0001	63,217	170,530
NSP1-PI-2012 (601288)	14.218	B-08-UC-13-0003	-	23,810
NSP3 PI-2016 (601781)	14.218	B-08-UN-13-0003	-	300,062
Total Community Development Block Grant (CDBG) - Entitlement Grants Cluster			<u>695,489</u>	<u>6,134,742</u>
Emergency Solutions Grant Program:				
ESGP 2014 (601564)	14.231	E-14-UC-13-0009	-	12,556
ESGP 2015 (601727)	14.231	E-15-UC-13-0009	98,614	151,215
ESGP 2016 (601884)	14.231	E-16-UC-13-0009	298,546	410,577
			<u>397,160</u>	<u>574,348</u>
Home Investment Partnerships Program:				
Home 2009 (601010)	14.239	M-09-UC-13-0208	-	289,737
Home 2011 (601262)	14.239	M-11-UC-13-0208	163,213	163,213
Home 2012-PI (601292)	14.239	M-12-UC-13-0208	-	5,100
Home 2014 (601563)	14.239	M-14-UC-13-0208	565,664	642,503
Home 2014-PI (601521)	14.239	M-10-UC-13-0208	-	70,310
Home 2015 PI (601641)	14.239	M-10-UC-13-0208	647,781	816,306
Home 20015 (601856)	14.239	M-15-UC-13-0208	646,778	767,243
Home 2016 (601911)	14.239	M-16-UC-13-0208	653,743	653,743
			<u>2,677,179</u>	<u>3,408,155</u>
Continuum of Care Program:				
COC HMIS-DCA Renewal (601885)	14.267	GA0231L4B081503	-	79,149
COC-SNAP-2015 (601886)	14.267	GA0312L4B081500	-	114,605
COC-SNAP-SS-15-01 (601902)	14.267	GA0325L4B081500	41,736	41,736
COC-SNAP-SS-16-01 (601952)	14.267	GA0325L4B081601	19,382	26,851
			<u>61,118</u>	<u>262,341</u>
Total U.S. Department of Housing and Urban Development			<u>3,830,946</u>	<u>10,379,586</u>

DEKALB COUNTY, GEORGIA
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2017

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:				
Juvenile Court REBOUND Drug CT Program A-17 (601795)	16.523	A17-8-027	-	19,834
Juvenile Court Journey Mental Health Program (601796)	16.523	A17-8-033	-	23,122
FY17 Juvenile Justice Incentive Program (601814)	16.523	Y17-8-008	-	393,026
2017-DC-BX-0061 (601976)	16.523	2017-DC-BX-0061	-	18,580
			-	454,562
Violence Against Women Office				
Pass-Through Judicial Council of Georgia - Administrative Office of the Courts				
Violence Against Women Act Court Training and Improvement Grants:				
FY14 Justice For Families (601788)	16.013	2014-FJ-AX-0032	-	47,799
CJCC-18-Mental Health Court (601954)	16.013	J18-8-062	-	2,885
			-	50,684
Justice Systems Response to Families:				
14 - '15 DOJ: VAW - Justice for Families Program (601617)	16.021	2014-FJ-AX-0037	-	4,402
VAW (601966)	16.021	2017-FJ-AX-0006	-	53,821
			-	58,223
Supervised Visitation, Safe Havens for Children:				
OVW-End Abuse Later in Life (601596)	16.527	2014-EW-AX-K008	-	119,610
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program:				
Volence Against Women (601853)	16.590	2016-WE-AX-0006	-	190,645
National Institute of Justice				
National Institute of Justice Research, Evaluation, and Development Project Grants:				
Develop Improved Means Coll. Digital Evidence (601903)	16.560	2016-MU-K004	-	105,490
Office for Victims of Crime				
Crime Victim Assistance:				
VOCA 2015-2016 (601724)	16.575		-	25,724
VOCA 2016-2017 (601850)	16.575	C13-8-048	-	137,094
STOP VAWA 2017 (601869)	16.575	W16-8-033	-	57,604
VOCA '16-17 Prosecuting Attorneys Council of GA (601876)	16.575	C16-8-001	-	398,128
VAWA -2017- Prosecution (601877)	16.575	W16-8-032	-	50,786
Victim of Crime-VOCA-2017-2018 (601980)	16.575	C14-8-109-C16-8-001	-	31,302
VOCA 17-18 PAC (601983)	16.575	C16-8-207	-	53,466
			-	754,104
Bureau of Justice Assistance				
Justice Assistance Grant (JAG) Program Cluster:				
U.S. Department of Justice (JAG) #19 (601586)	16.738	2014-DJ-BX-0489	-	89,034
U.S. Department of Justice (JAG) #20 (601710)	16.738	2015-DJ-BX-0959	-	41,653
U.S. Department of Justice (JAG) #21 (601845)	16.738	2016-DJ-BX-0391	-	188,661
Total Justice Assistance Grant (JAG) Cluster			-	319,348
Edward Byrne Memorial Competitive Grant Program FY'15 T.I.P.S. (601750)	16.751	2015-DG-BX-K002	-	67,452
Office of Community Oriented Policing Services				
Public Safety Partnership and Community Policing Grants (Recovery):				
FY '13 COPS - CHRP (601526)	16.710	2013ULWX0008	-	280,631
FY '14 COPS - CHRP (601607)	16.710	2014ULWX0002	-	406,508
			-	687,139
Criminal Division				
Equitable Sharing Program:				
'17 ECTF - SECRET SERVICE (601888)	16.922	ECTF- 11032015	-	5,934
Law Enforcement Confiscated Assets Program:				
'16 Police - Justice Equity Share (601776)	16.922	ORI-GA0440200	-	1,889,033
Sheriff (601777)	16.922	ORI-GA0440000	-	73,009
DA-Fed - Justice Equity Share (601785)	16.922	ORI-GA0440000	-	985
			-	1,968,961
Total U.S. Department of Justice			-	4,776,218

DEKALB COUNTY, GEORGIA
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2017

Grantor/program title	Federal CFDA No	State pass through or Grant No	Sub-recipient Expenditures	Total Expenditures
U.S. Department of Treasury				
Law Enforcement Confiscated Fund (DeKalb County)				
Police - Treasury Equity Share (601775)	21.000	ORI-GA0440200	-	462,926
Total U.S. Department of Treasury			-	462,926
U.S. Department of Labor (USDOL)				
Employment Training Administration				
WIOA Cluster				
Pass-Through Georgia Department of Labor (GADOL)/GOWD				
WIA/WIOA Adult Program:				
WIA FY15 Adult Program (601716)	17.258	11-15-16-03-005	-	53,285
WIOA PY16 Adult Program (601828)	17.258	11-16-16-03-005	-	18,676
WIOA FY17 Adult Prog (601860)	17.258	11-16-17-03-005	13,437	1,640,098
WIOA Adult Funds FY17 (601946)	17.258	36-16-17-03-005	8,333	296,876
WIOA PY17 Adult Program (601960)	17.258	11-17-17-03-005	-	3,539
WIOA FY18 Adult Program (601972)	17.258	11-17-18-03-005	23,021	156
GDOL Snap Adult Grant (601846)	17.258	11-15-16-03-005	-	20,443
GDOL-SNAP Grant FY17 (601982)	17.258	11-17-17-03-005	-	14,296
			44,791	2,047,369
WIA/WIOA Youth Activities:				
PY15 WIA Youth Program (601683)	17.259	15-15-15-03-005	19,131	66,616
Go Build GA - Youth PY15 (601787)	17.259	15-15-15-03-005	-	19,273
PY16 WIOA Youth (601792)	17.259	15-16-16-03-005	125,262	1,348,161
			144,393	1,434,050
WIA/WIOA Dislocated Worker Formula Grants:				
WIA PY 15 Dislocated Worker Program (601693)	17.278	31-15-15-03-005	-	3,130
WIA PY15 Rapid Response (601700)	17.278	44-15-15-03-005	-	701
WIA DSLW FY16 Program (601717)	17.278	31-15-16-03-005	-	99,742
WIA PY16 Rapid Response (601729)	17.278	44-15-16-03-005	-	39,968
WIA DSLW FY16 Program (601829)	17.278	31-16-16-03-005	54,382	291,446
FY17 WIOA Rapid Response (601859)	17.278	44-16-17-03-005	-	40,302
WIOA FY17 DSLW Program (601861)	17.278	31-16-17-03-005	95,949	542,749
WIOA FY15 DSLW-Branding - Prog (601862)	17.278	WSG-14-15-03-005	-	45,090
WIOA PY17 DSLW Program (601961)	17.278	31-17-17-03-005	-	294,392
WIOA FY18 Dislocated Worker Program (601973)	17.278	31-17-18-03-005	35,381	169,397
WIOA FY18 RAPID RESPONSE (601974)	17.278	44-17-18-03-005	521	521
			186,233	1,527,438
Total U.S. Department of Labor/GOWD - WIOA Cluster			375,417	5,008,857
Juvenile Court - Educational Program:				
Reentry Employment Opportunities (601457)	17.270	PE-24511-13-60-A-13	-	145,313
Total U.S. Department of Labor (U.S. D.O.L.)			375,417	5,154,170
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)	-	1,411,838
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)	-	424,524
GDOT TE 2012 (601317)	20.205	0010637	-	4,989
GDOT LAND ACQUISITION LOTS 167-170, 183-186 (601377)	20.205	0002415	-	540,000
GDOT TUCKER PEDESTRIAN II (601476)	20.205	0012617	-	356,543
GDOT ROW FLAT SHOALS, HENDERSON (601514)	20.205	0008268	-	98,640
GDOT POOLE ST TO ROCKBRDG RD (601655)	20.205	000689/0007621	-	303,302
GDOT SO. FORK PEACHTREE CREEK TRAIL PHASE 4 (601713)	20.205	0007632	-	934,158
GDOT NLAKE STSCPE (601749)	20.205	CSTEE-0009-00(031)	-	284,579
GDOT ROW @ ROCKBRIDGEM ALLGOOD TO ROWLAND RD (60184)	20.205	PI 0012613	-	71,716
GDOT Key Rd & Constitution Rd Bridge Improvement (601889)	20.205	0012613	-	728,068
Total Highway Planning and Construction Cluster			-	3,746,519

DEKALB COUNTY, GEORGIA
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2017

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	-	39,925
Total Transit Services Programs Cluster			-	39,925
National Highway Traffic Safety Administration (NHTSA)				
Pass -Through Governor's Office of Highway Safety:				
Highway Safety Cluster				
FY 17 GOHS/H.E.A.T. (601866)	20.600	GA-2016-44-00348	-	46,575
FY'18' GOHS/HEAT (601968)	20.600	GA-2017-402PT-023-C9	-	8,163
Total Highway Safety Cluster			-	54,738
Pipeline and Hazardous Materials Safety Administration				
Pass Through Georgia Emergency Management Agency (GEMA)				
Interagency Hazardous Materials Public Sector Training and Planning Grants:				
Ga. Emergency Management Agency(GEMA) FY'17 LEPC (601872)	20.703	SHM16-012	-	1,359
2017 Hazardous Materials Emergency Preparedness (601893)	20.703	SHM17-008	-	4,000
2017 HEMP MATCH LEPC (601894)	20.703	MATCH-SHM17-008	-	800
			-	6,159
Total U.S. Department of Transportation (U.S. D.O.T.)			-	5,259,179
U.S. Environmental Protection Agency				
Office of Solid Waste and Emergency Response				
Brownfields Assessment and Cleanup Cooperative Agreements:				
Brownfield Cleanup Agreement (601518)	66.818	9548312	-	125,249
Total U.S. Environmental Protection Agency			-	125,249
U.S. Department of Health and Human Services (HHS)				
Substance Abuse and Mental Health Administration				
Substance Abuse and Mental Health Services-Projects of Regional and National Significance:				
U.S. DHHS Substance Abuse (601598)	93.243	1H79TI025472-01	-	242,361
Block Grants for Prevention and Treatment of Substance Abuse:				
'14 GA Dept. of Behavioral Health & Development Disabilities (601594)	93.959	441-93-1533ABP	-	44,014
'15 - '16 Dept of Behavioral Health & Development Disabilities (601707)	93.959	441-93-1633XXX	-	193,051
DBHDD 2016-2017 (601854)	93.959	441-93-1733049	-	29,918
			-	266,983
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:				
ARC Grants for Supportive Services & Senior Centers (601797)	93.044	AG1303	-	111,554
Atlanta Regional Commission (ARC)Title 111B 2017-2018 (601920)	93.044	AG1303	-	120,872
Special Programs for the Aging_Title III, Part C_Nutrition Services:				
ARC Nutrition Services (601798)	93.045	AG1303	-	208,802
Atlanta Regional Comm.ARC-Title 111 C 17-18 (601923)	93.045	AG1303	-	230,710
Nutrition Services Incentive Program:				
ARC Nutrition Services Incentive Program (601800)	93.053	AG1503	-	109,612
Atlanta Regional Commission ARC NSIP 2017-18 (601927)	93.053	AG1303	-	29,536
Total Aging Cluster			-	811,086
ARC National Family Caregiver Support, Title III, Part E (601799)	93.052	AG1303	-	58,248
Atlanta Regional Commission-ARC Title 111E 17-18 (601925)	93.052	AG1303	-	21,977
			-	80,225
Administration for Children and Families				
Enhance Safety of Children Affected By Substance Abuse:				
DOHH/GSU - DRG CT (601397)	93.087	90CU0062-01	-	151,451
Pass-Through Georgia Department of Human Services (GDHS):				
Child Support Enforcement:				
FY 17 UIFSA Child Support Fed (601811) (January - June 2017)	93.563	42700-401-0000049832	-	515,945
FY 18 UIFSA Child Support Fed (601933) - (July - December 2017)	93.563	42700-401-0000059864	-	678,009
			-	1,193,954

DEKALB COUNTY, GEORGIA
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2017

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- 2016-2017 (601855)	93.505	CC11-01-003	-	446,870
MIECHV-2017-2018 (601991)	93.505	CC11-01-003	-	54,446
Total Maternal, Infant, and Early Childhood Home Visiting Cluster			-	501,316
Total U.S. Department of Health & Human Services			-	3,247,376
Executive Office of the President:				
Pass-Through Office of National Drug Control Policy:				
High Intensity Drug Trafficking Areas Program:				
HIDTA 2015 (601639)	95.001	G15GA0002A	-	14
HIDTA 2016 (601789)	95.001	G16GA0002A	-	234,343
Total Executive Office Of The President			-	234,357
U.S. Department of Homeland Security:				
Pass-Through Georgia Emergency Management Agency (GEMA):				
Emergency Management Performance Grants:				
GEMA-Homeland Security Performance (601881)	97.042	EMA-2016-EP-00001S01	-	103,033
GEMA Homeland Security EMPG-2017-18 (601970)	97.042	EMA-2016-EP-00001S01	-	3,455
			-	106,488
Pre-Disaster Mitigation:				
FMA-PJ-04-GA-2014-003 (601703)	97.047	FMA-PJ-04-GA-2014-003	-	815,462
FMA-PF-GA-2013-002 (601704)	97.047	FMA-PJ-04-GA-2013-002	-	73,416
			-	888,878
Homeland Security Grant Program:				
GEMA: '15 HS WS# SHO15-018 (601737)	97.067	EMW-2015-SS-00065-S01	-	20,000
Ga.Emergency Mgmt."16 HS WS# SHO16-006 (601868)	97.067	EMW-2016-SS-0007-S01	-	24,963
			-	44,963
Total U.S. Department of Homeland Security/FEMA/GEMA			-	1,040,329
TOTAL FEDERAL EXPENDITURES			\$ 4,206,363	\$ 31,260,452

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, 2017

(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, 2017, 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 2017 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 2017 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, 2017

(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: **None reported**
 - Significant deficiencies identified: **None reported**
- (c) Noncompliance material to the financial statements noted: **None reported**
- (d) Internal control over major programs:
 - Material weaknesses identified: **Yes**
 - Significant deficiencies identified, not considered to be material weaknesses: **No**
- (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:
 - HOME Investment Partnership, CFDA #14.239**
 - Equitable Sharing Program, CFDA #16.922**
 - WIOA Cluster, CFDA#17.258, #17.259, and #17.278**
 - Highway Planning and Construction Cluster, CFDA #20.205**
- (h) Dollar threshold to distinguish between Type A and Type B programs: **\$937,814**
- (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, 2017

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

None reported.

DEKALB COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2017

(3) Federal Award Findings and Questioned Costs

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.

Effects or possible effects: The County could unintentionally enter into a noncompliant contract and be forced to reimburse the Federal government for all expenditures made with the debarred or suspended contractor. Based on a review of the EPLS, none of the contractors in this case were included as suspended or debarred.

Questioned Costs: None.

Cause: The County did not obtain suspension and debarment certifications from the contractors and did not obtain price/rate quotes from an adequate number of sources.

Context: Of the three (3) contractors used with Confiscated Assets funds, all of which were reviewed as part of our audit, none were noted as having the proper suspension and debarment certification in their contracts.

Recommendation: We recommend the County follow procedures to properly include all suspension and debarment clauses in the contracts involving grant or cooperative agreement funds.

Auditee's Response: The County agrees with the recommendation above. The Purchasing Department and Contracting Department has established a formal process to ensure that all grant related information is included in the contracts in the future.

DEKALB COUNTY, GEORGIA
STATUS OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2017

Finding 2016-001 – Governmental Budgets Compliance

Condition: State law requires local governments to adopt annual appropriated budgets for the general fund, each special revenue fund, and each debt service fund. We noted, during our audit, the County did not adopt approved budgets for the Law Library and Alternative Dispute Resolution Special Revenue Funds. Additionally, we noted actual expenditures for the year exceeded the budgeted amount by \$1,083,000 in the GO Bonds Special Tax District Debt Service Fund.

Status: This finding was resolved in fiscal year 2017.

Finding 2016-002 – Accounting for Receivables and Related Revenues, and Deferred Inflows of Resources

Condition: Internal controls were not sufficient to prevent misstatements in reporting of the County's receivable, deferred inflows of resources and revenue balances within several County funds.

Status: This finding was resolved in fiscal year 2017.

Finding 2016-003 – Timely Preparation and Review of Cash Bank Reconciliations and Accurate Reporting of Cash Balances in Appropriate Funds

Condition: Several of the County's bank accounts, mainly the general concentration account and the Watershed concentration account, were, at times during the year, several months behind in being properly reconciled. Reconciling items were not being investigated timely and items would stay on the reconciliation for months. The County went through a time consuming and detailed analysis of the process by which entries are recorded to cash in the general ledger as well as investigations of various non-routine transactions in an effort to appropriately reflect all reconciling items. Year-end bank reconciliations were not provided until June 2017 along with entries adjusting cash balances throughout many funds by approximately \$29,985,000.

Status: This finding was resolved in fiscal year 2017.

Finding 2016-004 – Capital Assets

Condition: Internal controls were not sufficient as several capital asset balances were not correctly reported by the County.

Status: This finding was resolved in fiscal year 2017.

DEKALB COUNTY, GEORGIA
STATUS OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2017

Finding 2016-005 – Year-end Financial Close and Reporting Controls

Condition: Internal controls were not in place to ensure accounts payable and related accrued liabilities and other closing entries are properly reported within the financial statements. Generally accepted accounting principles require financial statements to be prepared either under the full accrual basis of accounting (for proprietary funds) or under the modified accrual basis of accounting (for governmental funds). Under the full accrual basis of accounting, all liabilities and related expenses are reported when incurred, regardless of the timing of related cash flows. Under the modified accrual basis of accounting, liabilities, and related expenditures, are reported as incurred if expected to be paid from current, available resources (i.e. long-term liabilities are not accrued in the governmental funds). As part of our testing, we noted several invoices were accrued more than once or were accrued when services had not yet been provided as of year-end (and thus accounts payable had to be reduced), while others were improperly excluded from the County's accounts payable at year end, as the applicable goods or services had been provided (and accounts payable had to be increased). Internal controls were not sufficient to prevent misstatements in reporting financial information to the County's actuaries in relation to the County's other postemployee benefit plan. The actuaries provide significant estimates for the reporting and disclosure of liabilities in the County's financial statements related to the other postemployment benefits. For the actuaries to provide accurate estimates for such reporting and to provide good advice to the County with regard to funding these liabilities, it is important that the data provided to the actuaries be accurate.

Status: This finding was resolved in fiscal year 2017.



DeKalb County, Georgia
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MANAGEMENT'S CORRECTIVE ACTION PLAN FOR THE YEAR ENDED DECEMBER 31, 2017

Finding 2017-001 – Procurement

Program: CFDA No. 16.922

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

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

Corrective Action Plan: For any purchases utilizing federal funds for any portion of the purchase:

- 1) User departments will indicate in the procurement request that federal funds are being used for any portion of the purchase and provide the federal grant CPA (contract) number in the notes section of the requisition submitted to Purchasing and Contracting (P&C) for processing.
- 2) Prior to proceeding with the procurement, P&C staff must verify through the General Services Administration www.sam.gov website that each responsive bidder is not cited as suspended or debarred or otherwise excluded from participation in federally funded contracts. This can also be accomplished by collecting a certification from the entity or adding a clause or condition to the contract with the vendor.
- 3) The verification date and vendor's number shall be documented on the solicitation checklist.
- 4) P&C staff must print and include verification documentation from the www.sam.gov website in the procurement file and provide a copy to the user department as well as the Projects and Grants (P&G) Division of the Department of Finance (DOF).
- 5) P&C Procurement Manager must review the information for accuracy and provide P&C operations team with a quarterly report of federally funded procurements.
- 6) P&C operations team working with DOF P&G will provide quarterly reporting for purposes of the annual single audit.

Anticipated Completion Date: The County will begin implementation of the Correction Action Plan in July 2018 as well as the remediation of applicable purchases made during the first and second quarters of the year.