

**DEKALB COUNTY, GEORGIA**

**SINGLE AUDIT REPORTS**

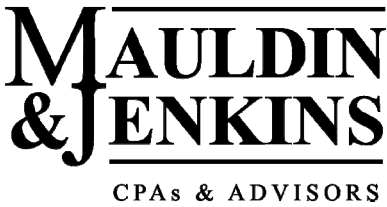
**FOR THE YEAR ENDED  
DECEMBER 31, 2022**

**DEKALB COUNTY, GEORGIA**  
**SINGLE AUDIT REPORTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

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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**

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**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, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated August 23, 2023. 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 changes in accounting principle resulting from the implementation of Governmental Accounting Standards Board Statement No. 87, *Leases*.

**Report on 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") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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 were not identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2022-001 and 2022-002 that we consider to be material weaknesses.

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## **Report on 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2022-003.

## **The County's Responses to the Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the County's responses to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

## **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  
August 23, 2023



**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**

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

**Report on Compliance for Each Major Federal Program**

***Qualified and Unmodified Opinions***

We have audited DeKalb County, Georgia's (the "County") compliance with the types of compliance requirements identified as subject to audit 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, 2022. 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 \$14,424,120 in federal awards which are not included in the County's schedule of expenditures of federal awards for the year ended December 31, 2022. 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.

***Qualified Opinion on Coronavirus State and Local Fiscal Recovery Funds Program – Assistance Listing #21.027***

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the County's Coronavirus State & Local Fiscal Recovery Funds Program – Assistance Listing #21.027 for the year ended December 31, 2022.

***Unmodified Opinion on Each of the Other Major Federal Programs***

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended December 31, 2022.

***Basis for Qualified and Unmodified Opinions***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

*Matter Giving Rise to Qualified Opinion on the Coronavirus State & Local Fiscal Recovery Funds Program (Assistance Listing #21.027)*

As described in the accompanying schedule of findings and questioned costs, the County did not comply with requirements regarding the Coronavirus State & Local Fiscal Recovery Funds Program (Assistance Listing #21.027) as described in finding number 2022-004 for Subrecipient Monitoring.

Compliance with such requirements is necessary, in our opinion, for the County to comply with the requirements applicable to that program.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the County's federal programs.

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

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In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

***Other Matters***

The results of our auditing procedures disclosed other instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2022-005, and 2022-006. Our opinion on each major federal program is not modified with respect to these matters.

*Government Auditing Standards* requires the auditor to perform limited procedures on the County's response to the noncompliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

**Report on Internal Control over Compliance**

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

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*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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2022-004 and 2022-005 to be material weaknesses.

*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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-006 to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

*Government Auditing Standards* requires the auditor to perform limited procedures on the County's responses to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

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.



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**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, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated August 23, 2023 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  
August 23, 2023

**DEKALB COUNTY, GEORGIA**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended December 31, 2022**

Grantor/Program Title	Federal Assistance Listing Number	State pass through or Grant No	Sub-recipient Amount	Total Expenditures
<b>U.S. Department of Agriculture</b>				
Pass-Through Georgia Department of Education National School Lunch Program: Summer Food Service Program for Children	10.559	FY 2022	\$ -	\$ 210,315
<b>Total U.S. Department of Agriculture</b>			-	210,315
<b>U.S. Department of Housing and Urban Development</b>				
Community Development Block Grants/Entitlement Grants Cluster:				
CDBG 2013 PI	14.218	B-13-UC-13-0001	-	125
CDBG 2019 PI	14.218	B-18-UC-13-0001	-	1,403
CDBG 2014 PI	14.218	B-13-UC-13-0001	-	368
CDBG 2017 PI	14.218	B-17-UC-13-0001	-	81,442
CDBG 2018	14.218	B-18-UC-13-0001	-	80,906
CDBG 2019	14.218	B-19-UC-13-0001	-	106,531
CDBG 2020 PI	14.218	B-19-UC-13-0001	-	8,148
NSP PI-2020	14.218	B-08-UN-13-0003	-	121,578
CDBG 2021 PI	14.218	B-19-UC-13-0001	-	250,562
CDBG 2020	14.218	B-20-UC-13-0001	-	31,492
NSP PI-2021	14.218	B-08-UN-13-0003	-	59,265
NSP3-PI 2021	14.218	B-11-UN-13-0003	-	206,826
CDBG 2021	14.218	B-21-UC-13-0001	280,051	2,208,935
COVID-19 - CDBG-CV	14.218	B-20-UW-13-0001	1,177,507	1,618,847
CDBG-108-2018 LOAN	14.218	B-18-UC-13-0001	-	3,124,109
Total Community Development Block Grant Cluster			1,457,558	7,900,537
Emergency Solutions Grant Program:				
COVID-19 - ESG-CV	14.231	E-20-UW-13-0001	1,149,798	3,232,438
ESGP 2020	14.231	E-20-UC-13-0001	252,380	325,099
ESGP 2021	14.231	E-21-UC-13-0001	35,629	64,318
			1,437,807	3,621,855
Home Investment Partnerships Program:				
Home 2018	14.239	M-18-UC-13-0208	36,700	36,700
Home-2020	14.239	M-20-UC-13-0208	-	88,156
Home-ARP	14.239	M-21-UP-13-0208	-	53,393
			36,700	178,249
Continuum of Care Program:				
COC-COORDINATOR ENTRY 081904	14.267	GA0325L4B081904	14,686	16,330
COC HMIS-DCA-081907	14.267	GA0231L4B081907	13,863	13,863
COC-COORDINATED ENTRY 082005	14.267	GA0325L4B082005	138,905	138,905
COC HMIS-DCA-082008	14.267	GA231L4B082008	76,727	102,660
COC PLANNING B082000	14.267	GA0413L4B082000	-	170,521
COC PLANNING B082100	14.267	GA0433L4B082100	-	27,738
COVID-19 - DCA ESG-CARES ACT	14.267	CONTRACT-21C474, 21C471	255,296	815,001
			499,477	1,285,018
<b>Total U.S. Department of Housing and Urban Development</b>			3,431,542	12,985,659
<b>U.S. Department of Justice</b>				
<b>Office of Juvenile Justice and Delinquency Prevention</b>				
Pass-Through Criminal Justice Coordinating Council				
Juvenile Accountability Block Grants:				
FY17 OJJDP JUVENILE DRUG TREAT	16.585	2017-DC-BX-0061	-	63,739
<b>Violence Against Women Office</b>				
Pass-Through Judicial Council of Georgia - Administrative Office of the Courts				
Violence Against Women Act Court Training and Improvement Grants:				
FY21-22 CJCC MMHC	16.013	J22-8-063	-	36,735
FY22-23 CJCC MMHC	16.013	J23-8-063	-	39,126
			-	75,861
Justice Systems Response to Families:				
VAW FY 2020 Continuation	16.021	2017-FJ-AX-0006-contd	-	123,970
<b>Violence Against Women Formula Grants:</b>				
FY22 CJCC-VAWA	16.588	W21-8-034	-	50,000
<b>Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program:</b>				
VAW 2019 Continuation Grant	16.590	2016-WE-AX-0006-contd	-	174,069

(Continued)

Grantor/Program Title	Federal Assistance Listing Number	State pass through or Grant No	Sub-recipient Amount	Total Expenditures
<b>Crime Victim Assistance:</b>				
FY21 CJCC-VOCA	16.575	C21-8-001	-	93,767
VOCA-SAKI-ADVOCATE-20-21	16.575	2019-V2-GX-0019/C19-8-103	-	3,865
FY21-23 CJCC SAKI	16.575	S20-8-002	-	263,558
VOCA-SAKI-ADVOCATE FY21-22	16.575	C21-8-001	-	19,744
VOCA COMP-ADV 2021-2022	16.575	B50-8-128	-	64,755
VOCA CJCC 2021-2022	16.575	C21-8-001	-	533,831
VAWA-DA-2022	16.575	W21-8-033	-	90,221
VOCA-SAKI ADV-FY22-23	16.575	NA	-	3,301
VOCA CJCC 2022-2023	16.575	NA	-	183,636
VOCA COMP-ADV 2022-2023	16.575	NA	-	25,024
				<u>1,281,702</u>
<b>Dept of Justice (Police and Mental Health Collaboration)</b>				
Justice & Mental Health Collab	16.745	2018-MO-BX-0042	-	63,438
<b>Bureau of Justice Assistance</b>				
Edward Byrne Memorial Justice Assistance Grant Program:				
JAG#24 '19-2022	16.738	2019-DJ-BX-0510	-	61,827
JAG#25 '2020-2023	16.738	2020-DJ-BX-0344	-	63,098
2021 JAG #26	16.738	2021 JAG #26	-	65,326
JAG 23 '18-2021 ACCUM INTEREST	16.738	INTEREST	-	532
JAG# 24' 19-2022 ACCUM INTEREST	16.738	INTEREST	-	1,414
Total Edward Byrne Memorial Justice Assistance Grant Program			-	<u>192,197</u>
<b>Office of Community Oriented Policing Services</b>				
Public Safety Partnership and Community Policing Grants (Recovery):				
COPS SCH.VIOLENCE PREVENTION	16.710	2018SVWX0059	-	9,511
<b>Criminal Division</b>				
Equitable Sharing Program:				
ECTF-HOMELAND SEC.2022	16.922	ECTF- 11212013	-	3,000
16 POLICE - JUSTICE EQTY SHAR	16.922	ORI-GA0440200	-	217,158
16 DA - JUSTICE EQTY SHAR	16.922	ORI-GA0440200	-	865
				<u>221,023</u>
CoronaVirus Emergency Supplemental				
CESF COVID-19	16.034	2020-VD-BX-1667	-	302,513
FY22 CJCC LEO TRAINING	16.607	K76-8-013	-	210,442
FY22-LAW ENF.TRAIN-LET	16.734	2017-FU-CX-K045	-	25,000
COSSAP/NARCAN 21-22	16.838	N50-8-015	-	31,920
FY21 OJJD P REDUCE RISK	16.540	15PJDP-21-GG-03258-TITL	-	68,077
				<u>637,952</u>
<b>Total U.S. Department of Justice</b>			-	<u>2,893,462</u>
<b>U.S. Department of Treasury</b>				
Law Enforcement Confiscated Fund (DeKalb County)				
FY 2016 CONFIS-DA FEDERAL	21.016	ORI-GA0440200	-	3,900
16 POLICE - TREA EQTY SHAR	21.016	ORI-GA0440200	-	19,411
				<u>23,311</u>
CoronaVirus Aid, Relief & Economic Security Act (CARES ACT)				
COVID-19 - GA PUBLIC SAFETY INCENTIVE	21.019	COVID-19	-	2,014,718
COVID-19 - ARPA-II	21.027	ARP-II	-	6,177,674
COVID-19 - ARP-SLT	21.027	ARP COVID-19	2,886,224	25,430,019
			<u>2,886,224</u>	<u>31,607,693</u>
COVID-19 - EMERGENCY RENTAL ASSISTANCE	21.023	EMERGENCY RENTAL ASSISTANCE	-	411,414
COVID-19 - EMERGENCY RENTAL ASSISTANCE II	21.023	EMERGENCY RENTAL ASSISTANCE	509,179	509,179
COVID-19 - ERA 2.2	21.023	EMERGENCY RENTAL ASSISTANCE2.2	300,000	300,450
COVID-19 - ERA1_ReAllocation 2022	21.023	EMERGENCY RENTAL ASSISTANCE2.2	21,119,520	21,119,520
COVID-19 - ERA 1.2 REALLOCATION	21.023	EMERGENCY RENTAL ASSISTANCE	10,099,840	10,099,840
COVID-19 - ERA 1.3 REALLOCATION	21.023	EMERGENCY RENTAL ASSISTANCE	-	84,957
			<u>32,028,539</u>	<u>32,525,360</u>
<b>Total U.S. Department of Treasury</b>			<u>34,914,763</u>	<u>66,171,082</u>
<b>U.S. Department of Labor</b>				
<b>Employment Training Administration</b>				
Pass-Through Georgia Department of Labor				
WIA/WIOA Adult Program:				
WIOA PY 20 AP	17.258	11-20-20-03-005	-	31,126
WIOA FY 21 AP	17.258	11-20-21-03-005	6,471	259,499
WIOA PY 21 AP	17.258	11-21-21-03-006	6,858	174,627
WIOA FY 22 AP	17.258	11-21-22-03-005	22,365	752,159
WIOA PY 22 AP	17.258	11-22-22-03-005	-	102,879
WIA/WIOA Youth Activities:				
WIOA PY20 YP	17.259	15-20-20-03-005	-	74,703
WIOA PY21 YP	17.259	15-20-20-03-005	43,833	960,723
WIOA PY22 YP	17.259	15-22-22-03-005	-	1,382

(Continued)

Grantor/Program Title	Federal Assistance Listing Number	State pass through or Grant No	Sub-recipient Amount	Total Expenditures
WIOA PY20 DSLW PROGRAM	17.278	31-20-20-03-005	-	84,546
WIOA FY21 DSLW PROGRAM	17.278	31-20-21-03-005	29,310	420,060
WIOA-PY21 DSLW	17.278	31-21-21-03-005	11,954	280,377
WIOA-FY22 DSLW	17.278	31-21-21-03-005	17,045	589,962
WIOA PY22 DSLW PROGRAM	17.278	31-22-22-03-005	-	2,632
FY22 TRF-DSLW	17.278	36-21-22-03-005	-	52,092
Total Workforce Innovation and Opportunity Act Cluster			137,836	3,786,767
Juvenile Court - Educational Program:				
US DOL YOUTHBUILD	17.274	YB-32976-18-60-A-13	-	146,697
FY21 US DOL YOUTHBUILD	17.274	YB-36485-21-60-A-13	-	213,642
			-	360,339
WIOA National Dislocated Worker Grants / WIA National Emergency Grants				
WIOA FY20 DSLW -NEG	17.277	31-19-20-03-005	-	251,132
WIOA PY19 DSLW - COVID2 - NEG	17.277	31-19-20-03-005	-	66,348
			-	317,480
<b>Total U.S. Department of Labor</b>			<b>137,836</b>	<b>4,464,586</b>
<b>U.S. Department of Transportation</b>				
<b>Federal Highway Administration</b>				
Pass Through Georgia Department of Transportation				
Highway Planning and Construction Cluster				
GDOT Rockbridge	20.205	PI 0008121	-	20,267
GDOT TUCKER PEDESTRAIN II	20.205	0012617	-	88,938
GDOT ROW Traffic Upgrade	20.205	0002669	-	104,913
ARC TRANSPORTATION	20.205	COUNTY - CIP GENERAL FUND	-	463,753
Total Highway Planning and Construction Cluster			-	677,871
<b>National Highway Traffic Safety Administration</b>				
Pass -Through Governor's Office of Highway Safety:				
Highway Safety Cluster				
GOHS-DUI-HEAT-21-22	20.600	GA-2021-F.A.S.T.402 PT-061	-	10,628
FFY 2022 GOHS	20.600	GA-2022-F.A.S.T 405h FHX-119	-	18,154
Total Highway Safety Cluster			-	28,782
<b>Federal Aviation Administration</b>				
Pass Through Georgia Department of Transportation				
Airport-CRRSSA	20.106	CRRASSA	-	57,000
COVID-19 - FAA COVID BLOCK GRANT	20.106	SF-424 ARPA	-	148,000
FAA/GDOT RUNWAY MITIGATION	20.106	T007108	-	572,502
Total Airport Improvement Program			-	777,502
<b>Total U.S. Department of Transportation</b>			<b>-</b>	<b>1,484,155</b>
<b>U.S. Department of Health and Human Services</b>				
<b>Substance Abuse and Mental Health Administration</b>				
Block Grants for Prevention and Treatment of Substance Abuse:				
FY21-22 DBHDD	93.959	K50-8-003	-	99,247
FY22-23 CJCC - DBHDD	93.959	K51-8-003	-	60,098
			-	159,345
<b>Administration for Community Living</b>				
Pass-through State of Georgia Department of Human Services				
Pass-through Atlanta Regional Commission - Aging Cluster:				
Special Programs for the Aging_ Title III, Part B_ Grants for Supportive Services and Senior Centers				
TITLE III B 2021	93.044	AG2106	89,250	-
ARC TITLE III C1	93.044	AG2106	10,184	479,048
ARC TITLE III E	93.044	AG2106	-	11,250
COVID-19 - CARES MEALS & TRANSPORTATION	93.044	AG2106	72,547	444,560
ARC TITLE III B 22-23	93.044	AG2106	42,420	210,083
ARC TITLE III C 22-23	93.044	AG2106	128,613	480,665
ARC TITLE III E 22-23	93.044	AG2106	49,044	70,144
Total Aging Cluster			392,058	1,695,750
ARC SSBG 2021	93.052	AG2106	-	16,522
ARC NSIP SSBG 2021	93.053	AG2106	16,718	16,718
ARC NSIP-ACL 22-23	93.053	AG2106	-	2,018
			16,718	18,736
Total Passed through Atlanta Regional Commission			408,776	1,731,008
<b>Administration for Children and Families</b>				
Pass-Through Georgia Department of Human Services				
Child Support Enforcement:				
FY22-23 DHS CHILD SUPPORT	93.563	42700-401-0000101889	-	486,064
FY21-22 DHS CHILD SUPPORT	93.563	42700-401-0000101889	-	543,811
			-	1,029,875

(Continued)

Grantor/Program Title	Federal Assistance Listing Number	State pass through or Grant No	Sub-recipient Amount	Total Expenditures
<b>Health Resources and Services Administration</b>				
Pass-Through Georgia Governor's Office for Children and Families:				
Affordable Care Act Maternal, Infant and Early Childhood				
Home Visiting Program:				
MIECHV 2021-22	93.505	40500-042-20182543	-	72,005
MIECHV 2022-2023	93.505	40500-042-20182543	-	141,862
MIECHV FY21	93.505	40500-042-21182543	-	208
MIECHV FY22	93.505	40500-042-21182543	-	521,707
			-	735,782
<b>Total U.S. Department of Health &amp; Human Services</b>			408,776	3,656,010
<b>Executive Office of the President:</b>				
Pass-Through Office of National Drug Control Policy:				
High Intensity Drug Trafficking Areas Program:				
HIDTAFY-22	95.001	G21GA0002A	-	12,666
FY2021-HIDTA	95.001	G21GA0002A	-	165,101
<b>Total Executive Office Of The President</b>			-	177,767
<b>U.S. Department of Homeland Security:</b>				
Pass-Through Federal Emergency Management Agency				
Assistance to Firefighter Grant				
FY20 ASST FIREFIGHTER	97.044	EMW-2020-FG-14015	-	331,829
FEMA-SAFER	97.044	EMW 2016-FH-00556	-	142,125
FY18 ASSISTANCE FIREFIGHTERS	97.044	EMW 2018-FO-05678	-	98
FY19 ASSISTANCE TO FIREFIGHTER	97.044	EMW 2019-FG-07679	-	809,642
FY20 HSGP	97.044	EMW-2020-SS-00089	-	22,563
FY20 HSGP	97.044	EMW-2020-SS-00089	-	10,675
			-	1,316,932
Pass-Through Federal Emergency Management Agency				
Assistance to Firefighter Grant				
FEMA FY19 SAFER	97.083	EMW 2019-FF-00813	-	1,760,564
Homeland Security Grant Program:				
HOMELAND SEC-GEMA-20-22	97.067	EMW-2020-SS-00089	-	36,258
GEMA-FY-22-H/S-EOD	97.067	EMW-2021-SS-00080	-	2,168
FY20 Homeland Sec.EOD	97.067	EMW-2020-SS-00089	-	11,500
			-	49,926
Pass-Through Georgia Emergency Management Agency				
EMERGENCY.MGT.PERF21				
GEMA- HMGP-2020	97.042	OEM18-046	-	50,000
	97.042	HMGP-4400-0018	-	34,448
			-	84,448
<b>Total U.S. Department of Homeland Security</b>			-	3,211,870
<b>U.S. Environmental Protection Agency:</b>				
Water & Sewer Renewal & Extension Fund				
WIFIA Loan	66.958	N18146GA	-	9,681,587
WIFIA LOAN #2	66.958	N18146GA	-	2,297,541
			-	11,979,128
Pass-Through Georgia Environmental Finance Authority				
Clean Water State Revolving Fund Cluster				
GEFA Water Loan	66.458	CW2020026	-	10,249,103
Drinking Water State Revolving Fund Cluster				
GEFA Water Loan	66.468	DW2020036	-	13,486,707
<b>Total U.S. Environmental Protection Agency</b>			-	35,714,938
<b>TOTAL FEDERAL EXPENDITURES</b>			\$ 38,892,917	\$ 130,969,844

# DEKALB COUNTY, GEORGIA

## NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2022

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### (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, 2022, 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 2022 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 2022 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, 2022

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### (1) Summary of Auditor's Results

- (a) The type of report issued on whether the financial statements were prepared in accordance with U.S. generally accepted accounting principles: **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: **Yes**
- (d) Internal control over major programs:  
Material weaknesses identified: **Yes**  
Significant deficiencies identified, not considered to be material weaknesses: **Yes**
- (e) The type of report issued on compliance for major programs: **Qualified opinion on the Coronavirus State and Local Fiscal Recovery Funds Program – Assistance Listing #21.027; Unmodified opinion on the other major federal programs**
- (f) Any audit findings which are required to be reported in accordance with 2 CFR 200.516(a): **Yes**
- (g) Major Programs:  
**Community Development Block Grants Program, Federal Assistance Listing #14.218**  
**COVID-19 – Emergency Solutions Grant Program, Federal Assistance Listing #14.231**  
**Workforce Innovation and Opportunity Act Cluster Program, Federal Assistance Listing #17.258/17.259/17.278**  
**COVID–19 – Coronavirus State & Local Fiscal Recovery Funds Program, Federal Assistance Listing #21.027**  
**Airport Improvement Program, Federal Assistance Listing #20.106**  
**COVID-19 - Emergency Rental Assistance Program, Federal Assistance Listing #21.023**
- (h) Dollar threshold to distinguish between Type A and Type B programs: **\$3 million**
- (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, 2022

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

**Finding 2022-001 – Prior Period Restatements**

**Criteria:** Internal controls should be in place to ensure that all intergovernmental receivables and capital asset amounts reported within the Watershed System Fund are accurate and 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, 2021, which rolls forward to the beginning balances for the fiscal year 2022 financial statements.

**Context/cause:** During testing of intergovernmental balances, it was noted that an amount receivable from the Georgia Environmental Finance Authority and the corresponding intergovernmental revenue had been recorded twice as of December 31, 2021. In addition, at the start of the audit, capital asset schedules indicated that 2021 construction in progress capital outlay costs were erroneously recorded as expenses. These errors necessitated adjustments to opening net position in the Watershed System Fund.

**Effects or possible effects:** The total restatement of December 31, 2021 ending balances is as follows (in thousands):

	<b>Watershed System Fund</b>	<b>Business-Type Activities</b>
Beginning net position, as previously reported	\$ 902,391	\$ 1,320,659
Restatement to properly record construction-in-progress	4,549	4,549
Correction of an error related to erroneous grant revenues reported in the prior year	(10,467)	(10,467)
Beginning net position, as restated	\$ 896,473	\$ 1,314,741

**Recommendation:** We recommend the County carefully review its capital asset policies and procedures and carefully maintain the capital asset listing and depreciation on a regular basis to ensure no assets are left off or improperly recorded, and review its procedures for recording intergovernmental receivables to ensure proper cutoff at year end.

**Auditee Response:** We concur. The County is currently undergoing the implementation of the Oracle FMIS system to its iCloud system. This will allow for the full integration of the Fixed Asset module with the General Ledger module and consequently will eliminate the copious use of manual spreadsheets. The integration will result in automated depreciation calculations and report generation, allowing accurate and rigorous monthly reviews of the construction in progress listing. Additionally, a capital asset accountant position was created to strengthen internal controls and financial reporting.



# DEKALB COUNTY, GEORGIA

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2022

---

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

**Finding 2022-002 – Accounting for Intergovernmental Revenues, Deferred Inflows of Resources and Related Revenues**

**Criteria:** Internal controls should be in place to ensure that intergovernmental revenues, unearned revenues and deferred inflows of resources properly reflect the activity of the fiscal year in accordance with generally accepted accounting principles.

**Condition:** Internal controls were not sufficient to prevent material misstatements of the County's intergovernmental receivables, revenues, deferred inflows of resources (unavailable revenues), and unearned revenues for the fiscal year ended December 31, 2022.

**Context/cause:** During our testing of intergovernmental revenues and receivables, we noted that activity involving multiple grant awards was not properly reflected in the accounting records of the County. It was also noted that for many large grant award programs, requests for reimbursement of 2022 expenditures were not submitted for over five months after year end. This is a problem that has been noted in the past and is due to unapplied cash receipts not being reconciled and recorded as revenue in the County's general ledger in a timely manner. This is also the result of the highly decentralized nature of the financial responsibilities surrounding the various intergovernmental awards. There are many individuals and departments involved in the submission and recording of the intergovernmental activity and it has historically been difficult for the Projects and Grants Department to accurately summarize the activity related to the intergovernmental awards.

**Effects or possible effects:** As a result of the conditions above, the following misstatements were noted for the fiscal year ended December 31, 2022 in the following funds:

- American Rescue Plan Fund (major governmental fund) – Cash was understated by approximately \$108,535,000, intergovernmental receivables were overstated by approximately \$4,647,000, unearned revenue was understated by approximately \$102,290,000, and revenues were understated by approximately \$1,597,000. Cumulative adjustments totaling approximately \$217,069,000 were required to correct these misstatements.
- Grant-In Aid Fund (major governmental fund) – Cash was overstated by approximately \$128,254,000, intergovernmental receivables were overstated by approximately \$822,000, deferred inflows of resources were overstated by approximately \$127,363,000, and revenues were overstated by approximately \$1,714,000. Cumulative adjustments totaling approximately \$258,153,000 were required to correct these misstatements.
- Justice Assistance Grant Fund (nonmajor governmental fund) – Cash was understated by approximately \$515,000, unearned revenue was understated by approximately \$384,000, and revenues were overstated by approximately \$131,000. Cumulative adjustments totaling approximately \$1,030,000 were required to correct these misstatements.

# DEKALB COUNTY, GEORGIA

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2022

---

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

**Finding 2022-002 – Accounting for Intergovernmental Revenues, Deferred Inflows of Resources and Related Revenues (Continued)**

- Grant – COVID19 Fund (nonmajor governmental fund) – Cash was understated by approximately \$18,626,000, intergovernmental receivables were overstated by approximately \$666,000, unearned revenue was understated by approximately \$28,805,000, and revenues were overstated by approximately \$10,845,000. Cumulative adjustments totaling approximately \$58,942,000 were required to correct these misstatements.
- Capital Improvement Projects Fund (nonmajor governmental fund) – Cash was understated by approximately \$321,000, intergovernmental receivables were overstated by approximately \$184,000, deferred inflows of resources were overstated by approximately \$184,000, and revenues were overstated by approximately \$609,000. Cumulative adjustments totaling approximately \$1,298,000 were required to correct these misstatements.
- HUD Section 108 Fund (nonmajor governmental fund) – Cash was understated by approximately \$319,000, intergovernmental receivables were overstated by approximately \$319,000, deferred inflows of resources were overstated by approximately \$315,000, and revenues were understated by approximately \$315,000. Cumulative adjustments totaling approximately \$1,268,000 were required to correct these misstatements.

Additionally, the accounting errors related to grants can result in the delayed cash receipts and certain grant award programs are at risk of expiring before reimbursement can be obtained, preventing collection of amounts owed to the County by various grantors.

**Recommendation:** We recommend the County centralize its processing of grant awards and task one team of individuals with the submission of all grant documentation to the various awarding agencies and recordkeeping for the grant awards. We recommend the County reconcile its grant revenues and expenditures monthly, to ensure that receivables are recorded for reimbursable grants and advances of funds received are correctly deferred in a timely manner. We also recommend the County implement a procedure to review its schedule of expenditures of federal awards to ensure that all intergovernmental expenditures incurred during the fiscal year are properly recorded.

**Auditee's response:** We concur. The Grants Division will collaborate with the Treasury and the Controller Division to ensure the deferred/unapplied entries are reconciled monthly and plan training sessions with all grants-receiving departments. The division will also continue to recommend that each department has a grant accountant to collaborate and communicate with the Grants staff before submitting all drawdown requests and reporting requirements budget permitting for 2023.

# DEKALB COUNTY, GEORGIA

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2022

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

**Finding 2022-003 – Governmental Fund Budgets**

**Criteria:** State of Georgia law (OCGA 36-81-3) states:

- a) Each unit of local government shall adopt and operate under an annual balanced budget for the general fund, each special revenue fund, and each debt service fund in use by the local government. The annual balanced budget shall be adopted by ordinance or resolution and administered in accordance with this article; and
- b) a budget ordinance or resolution is balanced when the sum of estimated revenues and appropriated fund balances is equal to appropriations.

**Condition:** State law requires local governments to adopt annual appropriated balanced budgets for all governmental funds. Management did not adopt a balanced budget for the Grant-in-Aid Fund, as presented in the County's December 31, 2022 Annual Comprehensive Financial Report.

**Context/cause:** The County was not adopting and operating under a balanced budget as follows:

- The County's final Grant-in-Aid Fund was set to utilize fund balance of approximately \$3,717,000 to fund current period expenditures. However, the Grant-in-Aid Fund carried a fund balance deficit of (\$483,000) as of December 31, 2021.

**Effects:** The County failed to operate under a balanced budget, which has resulted in a compliance violation with State law.

**Recommendation:** We recommend the County timely adopt and operate under balanced budgets for all governmental funds.

**Auditee's response:** We concur. The Operating and Capital Budget Divisions and the Grants Division will monitor and ensure expenditures do not exceed revenues at the end of the 2nd quarter to address any expenditure overage variances to prepare for the Mid-year Budget. The Controller's Division will work with both Divisions to gauge the compliance progress.

# DEKALB COUNTY, GEORGIA

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2022

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

**U.S. Department of Treasury**

**Program Name: Coronavirus State and Local Fiscal Recovery Fund Program**

**Assistance Listing Number: 21.027**

#### **Finding: 2022-004 – Subrecipient Monitoring**

**Criteria:** Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) requires that pass-through entities clearly identify to each subrecipient significant Federal subaward information, including identifying award numbers, subaward period dates and budget dates, Federal Assistance Listings number and Title, and appropriate terms and conditions concerning closeout of the subaward. Typically this requirement is satisfied by utilizing a subrecipient contract, reflecting all necessary information, and requiring execution showing acknowledgement of the terms by both parties.

**Condition:** Internal controls should be in place to ensure the County is in compliance with all requirements of the federal award program. In place of utilizing a subrecipient contract, the County opted to attach a document of program information to its standard purchase order provided to each subrecipient engaged for the program. This document did not contain all of the information required by CFR §200.332 to be clearly communicated to all subrecipients.

**Context/cause:** The County did not have adequate internal controls to ensure compliance with subrecipient monitoring requirements. Testing was performed over each requirement for the County. Out of a total population of sixty (60) subrecipients, six (6) were selected for testing. For three (3) of the six (6) sampled subrecipients, the County did not clearly communicate all required subaward information. Examples of this omitted information include the date of the federal award, the subrecipient's Unique Entity Identifier (UEI) or DUNS number, program title and assistance listing numbers, and federal award project description.

**Effect:** Noncompliance at the subrecipient level may occur due to the subrecipient being unaware of all requirements.

**Questioned Costs:** None.

**Recommendation:** We recommend the County enhances internal controls to ensure compliance with subrecipient monitoring requirements.

**Auditee's Response:** We concur. The County will add the required information to our documentation from the Federal Uniform Guidance compliance requirements when using subrecipients moving forward.

# DEKALB COUNTY, GEORGIA

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2022

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

**U.S. Department of Treasury**  
**Program Name: Emergency Rental Assistance Program**  
**Assistance Listing Number: 21.023**

#### **Finding: 2022-005 – Reporting**

**Criteria:** Internal controls should be in place to ensure that reporting requirements are met as specified in the guidance provided by the Treasury. Treasury guidance specified that the County was required to submit monthly reports, including data regarding households assisted and expenditures made, due the 15th of the month following the end of the month being reported. Also required were quarterly reports that included sections of data detailing amounts of expenditures as well as demographics of the population assisted. The Uniform Guidance requires any recipients of federal awards to comply with the reporting requirements indicated by the grantor agency.

**Condition:** During our testing of reporting requirements, we noted the County did not complete and submit two (2) of the twelve (12) required monthly reports. Additionally, it was noted that inaccurate data regarding the County's population was included on three (3) of the eight (8) quarterly reports. For the first quarter's report, no population was reported; on the second report, six (6) million unique households were reported as having initial Emergency Rental Assistance Program assistance; and in the third quarter, over five (5) million unique households were reported as receiving initial assistance. The population of DeKalb County is less than one million people.

**Context/cause:** The County did not have adequate internal controls to ensure compliance with reporting requirements. Testing was performed over each requirement for the County. All reports for the program were tested. No monthly reports were submitted for the ERA1 subaward for the months of January 2022 or February 2022, and three (3) quarterly reports for the ERA1 subaward included significant inaccurate data.

**Effect:** Two (2) required monthly reports were not submitted and three (3) quarterly reports included inaccurate data due to inadequate controls over compliance with reporting requirements.

**Questioned Costs:** None.

**Recommendation:** We recommend the County enhances internal controls to ensure accuracy and compliance with reporting requirements.

**Auditee's Response:** We concur. ERA 1 was closed out in December 2021 and we submitted that report on January 28, 2022; however, we did not submit the January 2022 and February 2022 reports because we believed that we had closed out the grant. We understand now that we should have submitted reports reporting all zeros. The three (3) quarterly reports with inaccurate information were corrected in the final closeout report in April 2023.

# DEKALB COUNTY, GEORGIA

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2022

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

**U.S. Department of Housing and Urban Development**  
**Program Name: Emergency Solutions Grant Program**  
**Assistance Listing Number: 14.231**

#### **Finding: 2022-006 – Special Tests – Obligation, Expenditure and Payment Requirements**

**Criteria:** Emergency Solutions Grant (ESG) program guidance stipulates that within 180 days after the date that HUD signs the grant agreement (or a grant amendment for reallocation of funds) the recipient must obligate all of the grant amount, except the amount for its administrative costs.

**Condition:** Internal controls should be in place to ensure the County is in compliance with all requirements of the federal award program. Due to numerous conditions stemming from the COVID-19 pandemic, including staffing, limited agency capacity, and agencies prioritizing the utilization of other funding sources, the County's Community Development department, in charge of utilizing the ESG funding, was unable to completely obligate the 2021 ESG award by the deadline of February 7, 2022, instead ultimately locating agencies and subrecipients to utilize the entire award in August 2022. The County however did comply with the Expenditure and Payment Requirement, having met the deadline to expend the entire award within twenty-four (24) months.

**Context/cause:** The County did not have adequate internal controls to ensure compliance with the requirement to obligate the 2021 ESG award within 180 days of HUD signing. Obligation of this entire award was not achieved until August 2022, approximately 360 days after HUD signing.

**Effect:** The 2021 ESG award was not obligated within the required 180-day window.

**Questioned Costs:** None.

**Recommendation:** We recommend the County enhances internal controls to ensure compliance with all ESG program special test requirements.

**Auditee's Response:** We concur. The Community Development Department has implemented internal controls to ensure that HUD Emergency Solutions Grant (ESG) program funds are obligated for all grant amounts, except the amount for its administrative costs, within 180 days of the date that HUD signs the grant agreement (or grant amendment for the reallocation of funds).

# DEKALB COUNTY, GEORGIA

## STATUS OF PRIOR YEAR FINDINGS FOR THE YEAR ENDED DECEMBER 31, 2022

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### **Finding 2021-001 – Improper Maintenance of Construction in Progress – Governmental Activities**

**Criteria:** Internal controls should be in place to ensure that all capital asset amounts reported within financial statements of the County are accurate and properly presented in accordance with accounting principles generally accepted in the United States of America.

**Condition:** Internal controls were not sufficient to ensure construction in progress was properly reported by the County within the financial statements.

**Status:** Partially resolved. See finding 2022-001.

### **Finding 2021-002 – Accounting for Intergovernmental Receivables, Deferred Inflows of Resources and Related Revenues**

**Criteria:** Internal controls should be in place to ensure that intergovernmental revenues, unearned revenues and deferred revenues properly reflect the activity of the fiscal year in accordance with generally accepted accounting principles.

**Condition:** Internal controls were not sufficient to prevent material misstatements of the County's intergovernmental receivables, revenues, deferred inflows of resources (unavailable revenues), and unearned revenues for the fiscal year ended December 31, 2022.

**Status:** See finding 2022-002.

### **Finding 2021-003 – Governmental Fund Budgets**

**Criteria:** State of Georgia law (OCGA 36-81-3) states:

- a) Each unit of local government shall adopt and operate under an annual balanced budget for the general fund, each special revenue fund, and each debt service fund in use by the local government. The annual balanced budget shall be adopted by ordinance or resolution and administered in accordance with this article; and
- b) a budget ordinance or resolution is balanced when the sum of estimated revenues and appropriated fund balances is equal to appropriations.

**Condition:** State law requires local governments to adopt annual appropriated balanced budgets for all governmental funds. Management did not adopt a balanced budget for the Grant-In-Aid Fund.

**Status:** See finding 2022-003.

# DEKALB COUNTY, GEORGIA

## STATUS OF PRIOR YEAR FINDINGS FOR THE YEAR ENDED DECEMBER 31, 2022

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### **Finding 2021-004 – Prior Period Adjustments**

**Criteria:** Internal controls should be in place to ensure that all capital asset amounts reported within financial statements of the County are accurate and 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 rolls forward to the beginning balances for the fiscal year 2021 financial statements.

**Status:** See finding 2022-001.

### **Finding 2021-005 – Federal Award Finding – Coronavirus State and Local Fiscal Recovery Funds Program – Subrecipient Monitoring**

**Criteria:** Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) requires that pass-through entities evaluate each subrecipient's risk of noncompliance for purposes of determining the appropriate subrecipient monitoring related to the subaward and that they monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, complies with the terms and conditions of the subaward, and achieves performance goals, including reviewing financial and programmatic (performance and special reports) required by the pass-through entity.

**Condition:** Internal controls should be in place to ensure the County is in compliance with all requirements of the federal award program. Internal controls were not sufficient to detect the failure of the majority of program subrecipients to provide performance and special reports to the County.

**Status:** See finding 2022-004.





DeKalb County, Georgia  
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## MANAGEMENT'S CORRECTIVE ACTION PLAN FOR THE YEAR ENDED DECEMBER 31, 2022

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### **Finding 2022-001 – Prior Period Restatements**

***Name of the Contact Person Responsible for the Corrective Action Plan:*** Andria “Lisa” Williams, Finance - Controller Division and Tamara Ellison, Finance - Controller Division.

***Corrective Action Plan:*** The Controller’s Division will implement a less manual process by collaborating with the Capital Budget Division for Department requisitioner contacts for accurate project descriptions and sample invoices to ensure CIP projects are properly expensed/capitalized.

***Anticipated Completion Date:*** December 31, 2023.

### **Finding 2022-002 – Accounting for Intergovernmental Revenues, Deferred Inflows of Resources, and Related Revenues**

***Name of the Contact Person Responsible for the Corrective Action Plan:*** Deborah Sherman, Division Director – Finance – Grants Division.

***Corrective Action Plan:*** The Grants Division will coordinate training with the user departments to ensure an understanding and compliance with proper grant accounting.

***Anticipated Completion Date:*** December 31, 2023.

### **Finding 2022-003 – Governmental Fund Budgets**

***Name of the Contact Person Responsible for the Corrective Action Plan:*** Dianne McNabb, Chief Financial Officer – Finance Division and T.J. Siegler Budget Director – Operating Division.

***Corrective Action Plan:*** The Controller’s Division will collaborate with the Operating and Capital Budget Divisions and the Grants Division to ensure a balanced budget is loaded to Oracle once adopted or approved by the Board of Commissioners. The Controller’s Division will also collaborate with the Operating and Capital Budget Divisions and the Grants Division by creating a governmental funds budget to report assess and address discrepancies monthly to ensure the expenditures do not exceed revenues.

***Anticipated Completion Date:*** December 31, 2023.



DeKalb County, Georgia  
1300 Commerce Drive, Decatur, Georgia 30030  
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## MANAGEMENT'S CORRECTIVE ACTION PLAN FOR THE YEAR ENDED DECEMBER 31, 2022

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### **Finding 2022-004 – Subrecipient Monitoring**

***Name of the Contact Person Responsible for the Corrective Action Plan:*** Deborah Sherman,  
Division Director – Finance – Grants Division.

***Corrective Action Plan:*** The Grants Division will work closely with the sub-recipients to communicate the grant requirements and review their supporting documentation to ensure the required documentation is listed/provided.

***Anticipated Completion Date:*** December 31, 2023.

### **Finding 2022-005 – Reporting**

***Name of the Contact Person Responsible for the Corrective Action Plan:*** Deborah Sherman,  
Division Director – Finance – Grants Division.

***Corrective Action Plan:*** The Grants Division will ensure future grant reports are filed timely.

***Anticipated Completion Date:*** December 31, 2023.

### **Finding 2022-006 – Special Tests – Obligation, Expenditure and Payment Requirements**

***Name of the Contact Person Responsible for the Corrective Action Plan:*** Allen Mitchell  
(Community Development) and Deborah Sherman, Division Director – Finance – Grants Division.

***Corrective Action Plan:*** The Community Development Department has implemented internal controls to ensure that HUD Emergency Solutions Grant (ESG) program funds are obligated for all grant amounts, except the amount for its administrative costs, within 180 days of the date that HUD signs the grant agreement (or grant amendment for the reallocation of funds).

***Anticipated Completion Date:*** December 31, 2023.