

FULTON COUNTY, GEORGIA



SINGLE AUDIT REPORT

Fiscal Year Ended December 31, 2023

(PREPARED UNDER AUDITOR'S REPORT THEREON)

FULTON COUNTY, GEORGIA

Single Audit

(With Independent Auditor's Report Thereon)

December 31, 2023

FULTON COUNTY, GEORGIA

SINGLE AUDIT

DECEMBER 31, 2023

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Fulton County, Georgia – Employer Identification Number (EIN): 58-6001729

**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***

**To the Board of Commissioners
Fulton County, 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 unit, each major fund the general fund and American Rescue fund budget to actual comparisons, and the aggregate remaining fund information of Fulton County, Georgia (the "County"), as of and for the year ended December 31, 2023, 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 28, 2024. Our report includes a reference to other auditors who audited the financial statements of the Fulton-Dekalb Hospital Authority and the Fulton County Board of Health, as described in our report on the County's basic 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.

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. Given these limitations, during our audit we did not identify any deficiencies in internal controls that we consider to be material weaknesses.

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 determination of financial statement. 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 results 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.



Atlanta, Georgia
June 28, 2024

**Independent Auditor’s Report on Compliance for Each Major Federal Program;
Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal
Awards Required by the Uniform Guidance**

To the Board of Commissioners
Fulton County, Georgia:

Report on Compliance for Each Major Federal Program

Qualified and Unmodified Opinions

We have audited Fulton 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, 2023. 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 Fulton County Board of Health, which expended approximately \$17,007,197 in federal awards which is not included in the accompanying schedule of expenditures of federal awards for the year ended December 31, 2023. Our audit, described below, did not include the operations of the Fulton County Board of Health because they engaged other auditors to perform an audit in accordance with 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).

Qualified Opinion on National Sexual Assault Kit Initiative (SAKI), Coronavirus State and Local Fiscal Recovery Funds (SLFRF), and Special Programs For The Aging (SPA)

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 *National Sexual Assault Kit Initiative (SAKI), Coronavirus State and Local Fiscal Recovery Funds program (SLFRF), and Special Programs For The Aging (SPA)* for the year ended December 31, 2023.

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, 2023.

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 (*Government Auditing*

Standards); 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.

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 qualified and unmodified opinions 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.

Matters Giving Rise to Qualified Opinion on National Sexual Assault Kit Initiative (SAKI) and Special Programs For The Aging (SPA)

As described in the accompanying schedule of findings and questioned costs, the County did not comply with requirements regarding *National Sexual Assault Kit Initiative (SAKI) as described in finding numbers 2023-001 for Activities Allowed or Unallowed/ Allowable Costs Principles and 2023-002 for Subrecipient Monitoring; and Ending the Special Programs For The Aging (SPA) as described in finding number 2023-003 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.

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 item 2023-004. Our opinion on each major federal program is not modified with respect to this matter.

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

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.

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 2023-001 through 2023-003 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 2023-004 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 response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other 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 the County as of and for the year ended December 31, 2023, and have issued our report thereon dated June 28, 2024 which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. 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 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 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 financial statements or to the 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 financial statements as a whole.



Atlanta, Georgia
September 27, 2024

FULTON COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF
FEDERAL, STATE AND OTHER LOCAL GRANT AWARDS
YEAR ENDED DECEMBER 31, 2023

<u>Grantor/Program Title (Identifying Number)</u>	<u>Assistance Listing Number</u>	<u>Pass-through or Grant Number</u>	<u>Passed through to Subrecipients</u>	<u>Expenditures</u>
U.S. Department of Housing and Urban Development				
CDBG Cluster Programs:				
Community Development Block Grant	14.218	B 16 UC13-0003	-	1
Community Development Block Grant	14.218	B 18 UC13-0003	-	9
Community Development Block Grant	14.218	B 19 UC13-0003	-	20,079
Community Development Block Grant	14.218	B 20 UC13-0003	59,694	61,973
Community Development Block Grant	14.218	B 21 UC13-0003	281,348	342,828
Community Development Block Grant	14.218	B 22 UC13-0003	1,197,325	1,219,665
Community Development Block Grant	14.218	B 23 UC13-0003	-	16,161
Community Development Block Grant	14.218	CDBG-CV	-	19,439
Community Development Block Grant	14.218	CDBG-CV	-	175,167
Total ALN 14.218			<u>1,538,367</u>	<u>1,855,322</u>
Emergency Shelter Cluster Programs:				
Emergency Solutions 2020	14.231	E-20-UC-13-0003	26,660	41,679
Emergency Solutions 2021	14.231	E-21-UC-13-0003	305,235	317,157
Emergency Solutions COVID1	14.231	E-20-UW-13-0003	47,096	64,718
Emergency Solutions COVID2	14.231	E-21-UW-13-0003	351,319	377,444
Emergency Solutions COVID3	14.231	E-22-UW-13-0003	159,513	159,513
Passed through Georgia Department of Community Affairs				
Rapid Rehousing Grant	14.231	J23-8-137	64,802	64,802
Total ALN 14.231			<u>954,625</u>	<u>1,025,313</u>
HOME Cluster Programs:				
HOME 20	14.239	M-20-UC-13-0211	-	90,400
HOME 21	14.239	M-21-UC-13-0211	-	45,566
HOME 20	14.239	M-22-UC-13-0211	-	336
ARPA Supplemental Funding	14.239	M-21-UP-13-0211	53,466	53,466
Total ALN 14.239			<u>53,466</u>	<u>189,768</u>
Continuum of Care Cluster Programs:				
Continuum of Care Coordinated Intake Grant FY 21/22	14.267	GA0302L4B022105	-	3,702
Continuum of Care Coordinated Intake Grant FY 22/23	14.267	GA0302L4B022106	352,713	417,679
Continuum of Care Coordinated Intake Grant FY 23/24	14.267	GA0302L4B022107	30,731	59,474
Continuum of Care Planning Grant FY 2020	14.267	GA0354L4B022000	-	6,742
Continuum of Care Planning Grant FY 2021	14.267	GA0389L4B021900	27,693	104,911
Total ALN 14.267			<u>411,137</u>	<u>592,508</u>
Total U.S. Department of Housing and Urban Development			<u>2,957,596</u>	<u>3,662,911</u>
U.S. Department of Justice				
STOP Violence Against Women (VAWA) FY22	16.013	W21-8-058	-	5,704
STOP Violence Against Women (VAWA) FY22	16.013	W21-8-058	-	23,000
STOP Violence Against Women (VAWA) FY23	16.013	C21-8-009-01	-	80,776
STOP Violence Against Women (VAWA) FY24	16.013	W22-8-042	-	11,596
Violence Against Women (VAWA)	16.013	W20-8-006	9,216	204,292
Total ALN 16.013			<u>9,216</u>	<u>325,368</u>
BJA FY24 Emmett Till Cold Case Investigations and Prosecution Program	16.031	15PBJA-22-GG-01764-EMME	-	44,178
Total ALN 16.031			<u>-</u>	<u>44,178</u>
Matthew Shepard and James Byrd Jr. Hate Crimes Program	16.040	2022-	-	76,592
Total ALN 16.040			<u>-</u>	<u>76,592</u>

FULTON COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF
FEDERAL, STATE AND OTHER LOCAL GRANT AWARDS
YEAR ENDED DECEMBER 31, 2023

<u>Grantor/Program Title (Identifying Number)</u>	<u>Assistance Listing Number</u>	<u>Pass-through or Grant Number</u>	<u>Passed through to Subrecipients</u>	<u>Expenditures</u>
Veterans Court	16.043	J23-8-096	6,982	106,950
Veterans Court	16.043	J24-8-096	2,000	109,069
			<u>8,982</u>	<u>216,019</u>
Community Violence Intervention	16.123	15PBJA-22-GG-04732-CVIP	56,545	124,604
Gang Prevention Program	16.123	2020-YX-BX-0009	89,100	121,616
Total ALN 16.123			<u>145,645</u>	<u>246,220</u>
Passed through the Georgia Department of Criminal Justice Coordination Council:				
Victim Witness Assistance	16.575	C22-8-103	-	371,114
Victim Witness Assistance	16.575	C23-8-103	-	77,281
Comp Advocate - VOCA	16.575	C22-8-076	-	97,285
Total ALN 16.575			<u>-</u>	<u>545,680</u>
State Criminal Alien Assistance Program	16.606	15PBJA-20-RR-00134-SCAA	-	4,229
State Criminal Alien Assistance Program	16.606	15PBJA-23-RR-05616-SCAA	20,785	28,485
Total ALN 16.606			<u>20,785</u>	<u>32,714</u>
FCSO PREA Implementation	16.735	15PBJA-21-GG-02777-PREA	-	35,044
Total ALN 16.735			<u>-</u>	<u>35,044</u>
JAG - Family Based Alternative Sentencing	16.738	15PJDP-22-GG-03980-FAMI	-	31,816
Total ALN 16.738			<u>-</u>	<u>31,816</u>
DNA Backlog Reduction Program	16.741	15PBJA-21-GG-04369-DNAX	23,199	112,414
Total ALN 16.741			<u>23,199</u>	<u>112,414</u>
Stepping Up Engagement Team - Justice and Mental Health Collaboration Program (JMHP)	16.745	2018-MO-BX-0041	8,085	8,085
Total ALN 16.745			<u>8,085</u>	<u>8,085</u>
Passed through the Georgia Coalition Against Domestic Violence:				
Capital Case Litigation Initiative	16.746	15PBJA-22-GG-03909-WRNG	-	43,447
Passed through the Georgia Innocence Project				
Capital Case Litigation Initiative	16.746	20SA-1	-	34,559
Total ALN 16.746			<u>-</u>	<u>78,006</u>
BJA Second Chance Act FY19	16.812	BJA-2019-15183	26,271	115,654
DOJ Co-Occurring Grant	16.812	2019-RW-BX-0001	162,375	288,008
Total ALN 16.812			<u>188,646</u>	<u>403,662</u>
Post Conviction DNA	16.820	2021-DY-BX-0013	6,000	90,514
Post Conviction DNA	16.820	2023-DY-BX-0013	-	79,527
Total ALN 16.820			<u>6,000</u>	<u>170,041</u>
Smart Prosecution - Innovative Prosecution Solutions	16.825	2020-YX-BX-0009	8,704	8,704
Total ALN 16.825			<u>8,704</u>	<u>8,704</u>
National Sexual Assault Kit Initiative (SAKI)	16.833	2020-AK-BX-0005	258	630,503
National Sexual Assault Kit Initiative (SAKI)	16.833	2021-AK-BX-0005	-	233,060
Total ALN 16.833			<u>258</u>	<u>863,563</u>

FULTON COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF
FEDERAL, STATE AND OTHER LOCAL GRANT AWARDS
YEAR ENDED DECEMBER 31, 2023

<u>Grantor/Program Title (Identifying Number)</u>	<u>Assistance Listing Number</u>	<u>Pass-through or Grant Number</u>	<u>Passed through to Subrecipients</u>	<u>Expenditures</u>
Policy Alternative & Diversion	16.838	2020-AR-BX-0078	275,777	275,777
Total ALN 16.838			<u>275,777</u>	<u>275,777</u>
Equitable Sharing Program - Sheriff	16.922	GA0600000	-	161,772
Equitable Sharing Program - Police	16.922	GA0601300	-	21,238
Total ALN 16.833			<u>-</u>	<u>183,010</u>
Total U.S. Department of Justice			<u>689,297</u>	<u>3,656,893</u>
U.S. Department of Labor				
Passed through the State of Georgia Department of Labor and Georgia WIOA Cluster Programs:				
Workforce Innovation and Opportunity Act-Adult PY 2021	17.258	11-21-21-03-006	27	106
Workforce Innovation and Opportunity Act-Adult FY 2022	17.258	11-21-22-03-006	59,419	73,281
Workforce Innovation and Opportunity Act-Adult PY 2022	17.258	11-22-22-03-006	23,666	6,645
Workforce Innovation and Opportunity Act-Adult FY 2023	17.258	11-22-23-03-006	3,276	464,686
Workforce Innovation and Opportunity Act-Adult PY 2023	17.258	11-23-23-03-006	-	48,417
Workforce Innovation and Opportunity Act-Adult FY 2024	17.258	11-23-24-03-006	-	126,775
Total ALN 17.258			<u>86,388</u>	<u>719,910</u>
Workforce Innovation and Opportunity Act-Youth PY 2022	17.259	15-21-21-03-006	-	142,125
Workforce Innovation and Opportunity Act-Youth PY 2022	17.259	15-22-22-03-006	321,833	469,767
Workforce Innovation and Opportunity Act-Youth PY 2023	17.259	15-23-23-03-006	54,613	155,720
Total ALN 17.259			<u>376,446</u>	<u>767,612</u>
Workforce Innovation and Opportunity Act-Dislocated Worker QUEST	17.277	QST-22-23-03-006	-	142
Total ALN 17.277			<u>-</u>	<u>142</u>
Workforce Innovation and Opportunity Act-Dislocated Worker	17.278	36-21-22-03-006	744,347	753,193
Workforce Innovation and Opportunity Act-Dislocated Worker	17.278	31-22-23-03-006	309,729	309,729
Workforce Innovation and Opportunity Act-Dislocated Worker PY	17.278	AFR11A-19-20-03-006	152,466	154,438
Workforce Innovation and Opportunity Act-Dislocated Worker FY	17.278	31-21-22-03-006	13,165	114,701
Workforce Innovation and Opportunity Act-Dislocated Worker PY	17.278	31-22-22-03-006	77,245	44,891
Workforce Innovation and Opportunity Act-Dislocated Worker FY	17.278	31-22-23-03-006	-	95,672
Workforce Innovation and Opportunity Act-Dislocated Worker PY	17.278	31-23-23-03-006	-	11,716
Workforce Innovation and Opportunity Act-Dislocated Worker PY	17.278	31-23-24-03-006	-	9,428
Workforce Innovation and Opportunity Act-Dislocated Worker Rapid Resp	17.278	RR31-22-23-03-006	-	5,518
Total ALN 17.278			<u>1,296,952</u>	<u>1,499,287</u>
Total Department of Labor-WIOA Cluster			<u>1,759,786</u>	<u>2,986,951</u>
U.S. Department of Transportation				
Passed through the State of Georgia Department of Transportation:				
GDOT Airport Master Plan Design	20.106	AP020-9041-32(121) T006944	77,385	77,385
Total ALN 20.106			<u>77,385</u>	<u>77,385</u>
Access and Mobility Partnerships Grant FY19	20.514	D2019-HSCR-002	14,034	14,034
Total ALN 20.514			<u>14,034</u>	<u>14,034</u>
Total Department of Transportation			<u>91,419</u>	<u>91,419</u>

FULTON COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF
FEDERAL, STATE AND OTHER LOCAL GRANT AWARDS
YEAR ENDED DECEMBER 31, 2023

<u>Grantor/Program Title (Identifying Number)</u>	<u>Assistance Listing Number</u>	<u>Pass-through or Grant Number</u>	<u>Passed through to Subrecipients</u>	<u>Expenditures</u>
U.S. Department of Treasury Emergency Rental Assistance Program Total ALN 21.023	21.023	ERA0080	-	257,257
			-	257,257
U.S. Department of Treasury HUD Home Projects Homeowner Assistance Fund Total ALN 21.026	21.026		22,148	22,148
			22,148	22,148
Coronavirus State and Local Fiscal Recovery Funds Passed through the Department of Human Services and Atlanta Regional Commission:	21.027	SLT-2069	9,354,717	36,732,783
Coronavirus State and Local Fiscal Recovery Funds Total ALN 21.027	21.027	AG2339	740,587	811,687
			10,095,304	37,544,470
Total Department of Treasury			10,095,304	37,823,875
Federal Communications Commission Emergency Connectivity Fund Emergency Connectivity Fund Total ALN 32.009	32.009		-	20,321
	32.009		-	37,400
			-	57,721
Total Federal Communications Commission			-	57,721
Small Business Administration: CNPP - Community Navigator Pilot Program Total ALN 59.077	59.077	SBAHQ22CNP0044	510,461	525,461
			510,461	525,461
Total Small Business Administration			510,461	525,461
U.S. Department of Health and Human Services Passed through the Department of Human Services and Atlanta Regional Commission:				
Special Programs for the Aging FY22-23	93.045	AG2308	1,569,704	1,777,352
Special Programs for the Aging FY23-24	93.045	AG2408	1,362,972	1,454,838
Total ALN 93.045			2,932,676	3,232,190
Advancing Health Literacy Total ALN 93.137	93.137	6 CPIMP211236-01-02	725,910	1,804,755
			725,910	1,804,755
MAI - High Risk Populations 22-23	93.243	5H79TI082446-04	67,342	257,813
MAI - High Risk Populations 23-24	93.243	5H79TI082446-05	22,382	92,732
Passed through the Department of Human Services and Atlanta Regional Commission:				
Targeted Capacity Expansion - SAMHSA FY21	93.243	5H79T1082030-03	60,840	101,699
Peer Recovery Support Svcs Expansion Project FY21-22	93.243	6H79T1081170-01M005	61,873	198,861
Total ALN 93.243			212,437	651,105
Passed through the Georgia Department of Human Services:				
Child Support Enforcement	93.563	42700-401-0000105422	23,537	23,537
Child Support Enforcement	93.563	42700-401-0000110139	14,820	14,820
Child Support Enforcement	93.563	42700-401-0000105421	-	47,946
Child Support Enforcement	93.563	42700-401-0000110135	-	19,628
Total ALN 93.563			38,357	105,931
Passed through the Georgia Department of Human Services:				
State Coordinated Transportation Program	93.667	42700-362-0000106627	433,331	433,331
State Coordinated Transportation Program	93.667	42700-362-0000106627	216,684	216,684
Total ALN 93.667			650,015	650,015

FULTON COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF
FEDERAL, STATE AND OTHER LOCAL GRANT AWARDS
YEAR ENDED DECEMBER 31, 2023

<u>Grantor/Program Title (Identifying Number)</u>	<u>Assistance Listing Number</u>	<u>Pass-through or Grant Number</u>	<u>Passed through to Subrecipients</u>	<u>Expenditures</u>
Ending the HIV Epidemic	93.686	20UT8HA33933	4,581,023	5,258,703
Total ALN 93.686			<u>4,581,023</u>	<u>5,258,703</u>
Ryan White Part A	93.914	21H89HA00007	30,168,725	32,779,022
HIV Emergency Relief Grant Program - COVID Response	93.914	20H9AHA36922C3	22,010	43,629
Total ALN 93.914			<u>30,190,735</u>	<u>32,822,651</u>
Ryan White Part C	93.918	20UT8HA33933	-	1,482
Total ALN 93.918			<u>-</u>	<u>1,482</u>
Passed through the Department of Behavioral Health and Developmental Disabilities (DBHDD):				
Substance Abuse Recovery Support Clubhouse Services	93.959	44100-906-0000172465	32,150	32,150
HIV Early Intervention	93.959	44100-263-0262020030	-	83,748
HIV Early Intervention	93.959	44100-263-0262022030	-	32,710
Total ALN 93.959			<u>32,150</u>	<u>148,608</u>
Total U.S. Department of Health and Human Services			<u>39,363,303</u>	<u>44,675,440</u>
Americorps				
Americorps Seniors Companion	94.006	21SCHGA002	305	78,607
Total ALN 94.006			<u>305</u>	<u>78,607</u>
Total AmeriCorps			<u>305</u>	<u>78,607</u>
FEMA				
Disaster Grants - Public Assistance	97.036		153,491	295,738
Total ALN 97.036			<u>153,491</u>	<u>295,738</u>
Total U.S. Department of Homeland Security			<u>153,491</u>	<u>295,738</u>
Total Federal Expenditures			<u>55,620,962</u>	<u>93,855,017</u>
<u>State of Georgia</u>				
Criminal Justice Coordinating Council:				
Criminal Justice Coordinating Council	-	K75-8-018	-	76,696
Juvenile Drug Court Operations 22-23	-	A23-8-028	10,380	11,504
Juvenile Drug Court Operations 23-24	-	A24-8-028	-	5,408
Juvenile Justice Incentive - Project Higher Hope	-	Y23-8-014	47,205	91,537
Juvenile Justice Incentive - Project Higher Hope	-	Y24-8-014	148,182	182,926
Juvenile Prevention and Intervention - FY 24	-	T19-8-006	17,500	17,500
Drug Court Implementation	-	A23-8-012	-	10,302
Drug Court Implementation	-	A24-8-012	-	3,393
Family Drug Court Operations	-	J23-8-119	36,471	40,632
Family Drug Court Operations	-	J24-8-119	4,851	12,495
Mental Health Court 22-23	-	J23-8-068	33,751	69,944
Mental Health Court 23-24	-	J24-8-068	10,000	113,398
Adult Drug Court	-	J23-8-130	354,520	556,712
Adult Drug Court	-	J24-8-025	15,000	115,382
Byrne Grant 2021	-	15PBJA-21-GG-04117-BCJI	61,000	190,474
Law Enforcement Training Program	-	K76-8-017	-	26,570
Law Enforcement Training Program	-	K765-8-019	-	135,437
Total Criminal Justice Coordinating Council			<u>738,860</u>	<u>1,660,310</u>
Office of Public Library Services:				
GPLS E-Rate Program-State Portion 22-23	-	-	-	2,280
GPLS E-Rate Program-State Portion 23-24	-	-	-	13,173
Total Office of Public Library Services			<u>-</u>	<u>15,453</u>

FULTON COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF
FEDERAL, STATE AND OTHER LOCAL GRANT AWARDS
YEAR ENDED DECEMBER 31, 2023

<u>Grantor/Program Title (Identifying Number)</u>	<u>Assistance Listing Number</u>	<u>Pass-through or Grant Number</u>	<u>Passed through to Subrecipients</u>	<u>Expenditures</u>
Miscellaneous Grants:				
Fugitive Task Force			-	19,840
Department of BHDD - Comm Substance Abuse-Treatment Court		K51-8-002	17,969	17,969
Department of BHDD - Comm Substance Abuse-Treatment Court		K52-8-002	19,155	19,155
Department of Community Affairs (GHFA)-Homeless Assistance Grant			10,643	10,643
Department of Community Affairs (GHFA)-Homeless Assistance Grant			105,447	105,447
State Justice Institute - Magistrate Court		SJI-22-T-045	30,000	30,000
Total Miscellaneous Grants:			<u>183,214</u>	<u>203,054</u>
Total State Expenditures			<u>922,074</u>	<u>1,878,817</u>
Other Local Grants				
Universal Service Admin Company(USAC) Library Support	-	-	-	20,517
Universal Service Admin Company(USAC) Library Support	-		-	52,691
Best Buy Grant 2020			-	20,739
Best Buy Grant 2023			-	389
LibTech FY22			-	106,632
Mellon Foundation			-	21,276
Misdemeanor Mental Health Court 23-24		J24-8-130	-	6,129
LSTA Prime Time Reading Program		61000-98124-753107	-	3,840
Johns Creek Public Art Commission			180,700	180,700
Microsoft Corp Co-Marketing		100209948	30,119	39,618
Overdose Data Action Program			39,370	39,370
Overdose Data Action Program			35,118	35,118
Applied Research Services	-	202-AR-BX-0078	39,924	39,924
Total Other Local Grants			<u>325,231</u>	<u>566,943</u>
Total Federal, State, and Other Local Grant Expenditures			<u>56,868,267</u>	<u>96,300,777</u>

FULTON COUNTY, GEORGIA

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND OTHER LOCAL GRANT AWARDS

DECEMBER 31, 2023

NOTE 1 - BASIS OF PRESENTATION AND ACCOUNTING

The accompanying schedule of expenditures of federal, state and other local grant awards includes the federal and state grant activity of Fulton County, Georgia (the "County") and is presented on the cash basis of accounting and is not intended to present the results of grant activity in conformity with accounting principles generally accepted in the United States of America. Under the cash basis of accounting, revenues are recognized when received and expenditures are recorded when paid. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, or the cost principles contained in Title 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The information in this schedule is presented in accordance with the requirements of Title 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Federal awards received directly from federal agencies and federal assistance passed through other government agencies are included on the schedule. However, federal financial assistance received by component units who engaged other auditors to perform an audit in accordance with the Uniform Guidance are not included on the schedule.

In instances where the grant agreement requires the County to match grant awards with County funds, such matching funds are included in the Schedule of Expenditures.

Grant programs, which did not have 2023 transactions have not been presented herein. The majority of these programs have completed their program activities but may not have been officially closed out. Grant revenues and expenditures incurred prior to 2023 under these grants remain subject to audit by either the grantor agency or its representatives within the limitations of the appropriate circulars.

Federal grant programs that are administered through State agencies (pass-through awards) have been included in this report. These programs are operated according to Federal regulations promulgated by the Federal agency providing the funding.

NOTE 2 - STATE OF GEORGIA GRANT PROGRAMS

Grant revenue received from the State of Georgia for various public, physical, behavioral health programs, as well as transportation programs may include a combination of both Federal and State awards. In these instances, estimates of the federal grant allocations have been provided to the County. The Schedule of Expenditures of Federal, State and Other Local Awards reflect the combination of both Federal and State grant expenditures related to these programs.

FULTON COUNTY, GEORGIA

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND OTHER
LOCAL GRANT AWARDS**

DECEMBER 31, 2023

NOTE 3 - *SUBRECIPIENTS*

In accordance with the Uniform Guidance, 2 CFR Part 200 Subpart F, program funds passed through to subrecipient organizations are included on the Schedule of Expenditures of Federal, State, and Other Local Awards as “Payments to Subrecipients”.

NOTE 4 – *INDIRECT COST RATE*

The 10% de minimus cost rate isn't used on programs presented on the schedule. Fulton County claims indirect cost, where applicable, using a plan rate developed in accordance with the required OMB Circular.

FULTON COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2023

I. SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

- Material weakness identified? No
- Significant deficiencies identified that are not considered to be material weaknesses? No

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

- Material weakness identified? Yes
- Significant deficiency identified that are not considered to be material weaknesses? Yes

Type of auditor’s report issued on compliance for each major program:

	ALN.	Type of Report
National Sexual Assault Kit Initiative	16.833	Qualified
Special Programs For The Aging, Title III, Part C, Nutrition Services	93.045	Qualified
Coronavirus State and Local Fiscal Recovery Funds	21.027	Unmodified
Community Development Block Grant	14.218	Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a): Yes

Dollar threshold used to distinguish between type A and type B programs: \$ 2,792,940

Auditee qualified as low-risk auditee: No

II. FINANCIAL STATEMENT FINDINGS AND RESPONSES

No financial statement findings noted.

FULTON COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2023

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Finding No. 2023-001

Allowable Costs

U.S. Department of Justice

National Sexual Assault Kit Initiative – ALN #16.833

Criterion:

Per 2 CFR 200.303, a non-federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-federal entity is managing the Federal award in compliance with Federal statutes, regulations, and terms and conditions of the Federal Award.

Costs must be necessary and reasonable for the performance of the Federal Award and allowable thereto under the principles in 2 CFR part 200, subpart E.

Condition:

Based upon our testwork, we noted that 60 out of our sample of 60 payroll expenditures charged to the program were not adequately supported. The total population was \$849,203. Our sample of 60 payroll items tested totaled \$230,440.

Cause and Effect:

Management lacks a process to ensure that payroll costs are properly allocated to federal programs. Therefore, Payroll costs were not properly allocated to the federal program in accordance with 2 CFR part 200, subpart E.

Questioned Cost:

The questioned costs associated with our payroll sample amounted to \$230,440.

Recommendation:

We recommend that management enhance the design of its control activities to ensure that payroll costs are properly allocated to the appropriate Federal programs.

View of Responsible Officials:

The Fulton County District Attorney's Office (FCDAO) was made aware during the recent Department of Justice audit in July 2024 of the need to strengthen compliance in this process. Effective August 2024, processes were revised to comply with the 2 CFR 200 compliance requirement for documentation. The revised processes have been documented and are now included in the FCDAO standard operating procedure for time and effort management.

FULTON COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2023

Finding No. 2023-002

Subrecipient Monitoring

U.S. Department of Justice

National Sexual Assault Kit Initiative – ALN #16.833

Criterion:

Per CFR 200.331 the grantee must 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.

Per CFR 200.303, a non-Federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Condition:

The County passed through funding to two subrecipients. During calendar year 2023, management did not properly monitor the subrecipients. Specifically, management was unable to provide any documented evidence of on-site monitoring being performed for either of the two subrecipients.

Cause and Effect:

Management lacks a process to ensure that subrecipient files are adequately maintained and the monitoring of subrecipients is occurring during the contract period. Therefore, subrecipients were not properly monitored in accordance with 2 CFR 200.331 nor in accordance with the County's Subrecipient Monitoring Policy.

Questioned Cost:

None

Recommendation:

We recommend that management enhance the design of its control activities to ensure that subrecipient files are adequately maintained, subrecipients are effectively monitored during the contract period in the contracts as well as the County's Subrecipient Monitoring Policy.

View of Responsible Officials:

The Fulton County District Attorney's Office (FCDAO) was made aware during the recent Department of Justice (DOJ) audit in July 2024 of the need to strengthen compliance in this process. Effective August 2024, processes were revised to meet the 2 CFR 200 compliance requirement. Currently, FCDAO is conducting the required monitoring to meet the response timeline given by the DOJ. The revised subrecipient monitoring process has been documented into a department procedure and is now included in the FCDAO's standard operating procedure.

FULTON COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2023

Finding No. 2023-003

Subrecipient Monitoring

U.S. Department of Health and Human Services

Special Programs For The Aging, Title III, Part C, Nutrition Services – ALN #93.045

Criterion:

Per CFR 200.331 the grantee must 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.

Per CFR 200.303, a non-Federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Condition:

The County passed through funding to nine subrecipients totaling \$2,932,676. During calendar year 2023, management did not properly monitor the subrecipients. Specifically, for the nine subrecipients management was unable to provide any documented evidence of a monitoring being performed; on-site visits were not performed during the contract period; and subrecipient files did not contain risk assessment evaluations.

Cause and Effect:

Management lacks a process to ensure that the monitoring of subrecipients is occurring during the contract period, and evaluation of each subrecipient's risk of noncompliance for purposes of determining the appropriate subrecipient monitoring related to the subaward. Therefore, subrecipients were not properly monitored in accordance with 2 CFR 200.331 nor in accordance with the County's Subrecipient Monitoring Policy.

Questioned Cost:

None

Recommendation:

We recommend that management enhance the design of its control activities to ensure that subrecipient files are adequately maintained, subrecipients are effectively monitored during the contract period in the contracts as well as the County's Subrecipient Monitoring Policy.

View of Responsible Officials:

The Fulton County Department of Senior Services concurs with the finding. Although the Department follows the monitoring standards established by the pass-through entity, the recent period subrecipient monitoring is in process and the current year monitoring will be completed within the grant period. Risk assessments were done and have been formally documented and provided to the auditor. The Department will maintain an annual monitoring plan to ensure that all subrecipients are monitored in compliance with 2 CFR200 requirements.

FULTON COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2023

Finding No. 2023-004

Subrecipient Monitoring

U.S. Department of the Treasury

Coronavirus State and Local Fiscal Recovery Funds – ALN #21.027

Criteria:

Per CFR 200.331 the grantee must monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purpose, complies with the terms and conditions of the subaward, and achieves performance goals.

Per CFR 200.303, a non-Federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Condition:

The County passed through funding to 20 subrecipients totaling \$10,095,304. During calendar year 2023, management did not properly monitor the subrecipients. Specifically, management was unable to provide any documented evidence of a monitoring being performed for 3 of the 20 subrecipients.

Cause and Effect:

Management lacks a process to ensure that subrecipient files are adequately maintained and the monitoring of subrecipients is occurring during the contract period. Therefore, subrecipients were not properly monitored in accordance with 2 CFR 200.331 nor in accordance with the County's Subrecipient Monitoring Policy.

Questioned Cost:

None

Recommendation:

We recommend that management enhance the design of its control activities to ensure that subrecipient files are adequately maintained, subrecipients are effectively monitored during the contract period noted in the contractual agreements as well as the County's Subrecipient Monitoring Policy.

View of Responsible Officials:

We continue to update our compliance processes, following implementation of the Fulton County Subrecipient Monitoring Policy and our compliance review project, initiated in 2022. Based on project and staffing that are in place, we can ensure that subrecipients are monitored during the contract period noted in the contractual agreements. We have identified and updated the annual monitoring plan to ensure that all subrecipient are monitored and in compliance with the 2 CFR 200.331 federal standards.

FULTON COUNTY, GEORGIA
STATUS OF PRIOR YEAR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2023

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Finding No. 2022-001

Unreconciled Bank Statement

Criteria:

Internal controls related to an entity's bank reconciliation processes should be in place to ensure that transactions are reported accurately and completely throughout the year. As a means of preventing and detecting errors or fraud, the bank accounts should be reconciled and approved monthly.

Finding:

During our review of the County's bank reconciliation process, PJC notes that payroll bank account was not reconciled during FY2022.

The County did not adhere to internal controls to ensure monthly bank reconciliation was prepared and approved for the payroll account during FY2022. Without a monthly reconciliation, errors can accumulate in these accounts and become difficult to reconcile at year end. Department staffing changes in 2022 and required training impacted the ability to effectively implement department policies.

Status:

The County did not receive a finding during the 2023 financial statement audit as the payroll bank account reconciliation was current and up to date.

FULTON COUNTY, GEORGIA
STATUS OF PRIOR YEAR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2023

Finding No. 2022-002

Sheriff's Office Inmate Welfare Fund purchasing compliance

Criteria:

Per Jail Division Policies & Procedures number 500-08 and internal controls, the proceeds from the Inmate Welfare Funds will be utilized for the benefit and welfare of the inmates.

Finding:

Senior Management of the Sheriff's Office recognized irregularities in the management of the Inmate Welfare Fund and requested an extensive analysis by PJC Group. In addition, several immediate actions were taken to comply with the use of the funds. During our audit of the Fulton County Sheriff's Office Inmate Welfare Fund, we noted a lack of compliance with the Allocation of Funds policy included in the Jail Division Policies & Procedures number 500-08.

Due to process changes that occurred with new personnel, key policies were missed, causing a lapse in internal control oversight of the Inmate Welfare Fund (IWF). Policies are in place to ensure that purchases and use of IWF is exclusively for the benefit and welfare of the inmates. The change in processes caused a lack of adherence to the policy, and instances of noncompliance related to procurement and use of funds were identified. Multiple disbursements were found to be outside of allowable costs for the benefit and welfare of the inmates.

Status:

In November 2023, the County code allowing the Sheriff to maintain the fund was revised by the Board of Commissioners, and these funds will now be deposited in the General Fund and subject to the County's procurement policy.

FULTON COUNTY, GEORGIA
STATUS OF PRIOR YEAR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2023

Finding No. 2022-003

Subrecipient Monitoring

U.S. Department of the Treasury

Coronavirus State and Local Fiscal Recovery Funds – ALN #21.027

Criteria:

Per CFR 200.331 the grantee must 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.

Per CFR 200.303, a non-Federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Finding:

The County passed through funding to 48 subrecipients totaling \$19,329,471. During calendar year 2022, management did not properly monitor the subrecipients. Specifically, management was unable to provide any documented evidence of a monitoring being performed for 3 of the 48 subrecipients.

Status:

The Fulton County has extended the compliance review project, which was initiated in 2022. This has allowed the County to improve its documentation standards. In addition, the County now works with the departments that received SLFRF funds, to verify that subrecipients are monitored during the contract period noted in the contractual agreements. The project to verify that subrecipient monitoring documentation is in place for the current and past periods has a target completion date of December 2024.



2023 SINGLE AUDIT
CORRECTIVE ACTION PLAN

I. FINANCIAL STATEMENT FINDINGS

Findings Relating to the Financial Statements Reported in Accordance with Government Auditing Standards

No Findings Reported

II. FEDERAL AWARD FINDINGS

Finding No. 2023-001

Allowable Costs

U.S. Department of Justice

National Sexual Assault Kit Initiative – ALN #16.833

Criterion:

Per 2 CFR 200.303, a non-federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-federal entity is managing the Federal award in compliance with Federal statutes, regulations, and terms and conditions of the Federal Award.

Costs must be necessary and reasonable for the performance of the Federal Award and allowable thereto under the principles in 2 CFR part 200, subpart E.

Condition:

Based upon our testwork, we noted that 60 out of our sample of 60 payroll expenditures charged to the program were not adequately supported. The total population was \$849,203. Our sample of 60 payroll items tested totaled \$230,440.

Cause and Effect:

Management lacks a process to ensure that payroll costs are properly allocated to federal programs. Therefore, Payroll costs were not properly allocated to the federal program in accordance with 2 CFR part 200, subpart E.

Questioned Cost:

The questioned costs associated with our payroll sample amounted to \$230,440.

Recommendation:

We recommend that management enhance the design of its control activities to ensure that payroll costs are properly allocated to the appropriate Federal programs.

View of Responsible Officials:

The Fulton County District Attorney's Office (FCDAO) was made aware during the recent Department of Justice audit in July 2024 of the need to strengthen compliance in this process. Effective August 2024, processes were revised to comply with the 2 CFR 200 compliance requirement for documentation. The revised processes have been documented and are now included in the FCDAO standard operating procedure for time and effort management.

Finding No. 2023-002

Subrecipient Monitoring

U.S. Department of Justice

National Sexual Assault Kit Initiative – ALN #16.833

Criterion:

Per CFR 200.331 the grantee must 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.

Per CFR 200.303, a non-Federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Condition:

The County passed through funding to two subrecipients. During calendar year 2023, management did not properly monitor the subrecipients. Specifically, management was unable to provide any documented evidence of on-site monitoring being performed for either of the two subrecipients.

Cause and Effect:

Management lacks a process to ensure that subrecipient files are adequately maintained and the monitoring of subrecipients is occurring during the contract period. Therefore, subrecipients were not properly monitored in accordance with 2 CFR 200.331 nor in accordance with the County's Subrecipient Monitoring Policy.

Questioned Cost:

None

Recommendation:

We recommend that management enhance the design of its control activities to ensure that subrecipient files are adequately maintained, subrecipients are effectively monitored during the contract period in the contracts as well as the County's Subrecipient Monitoring Policy.

View of Responsible Officials:

The Fulton County District Attorney's Office (FCDAO) was made aware during the recent Department of Justice (DOJ) audit in July 2024 of the need to strengthen compliance in this process. Effective August 2024, processes were revised to meet the 2 CFR 200 compliance requirement. Currently, FCDAO is conducting the required monitoring to meet the response timeline given by the DOJ. The revised subrecipient monitoring process has been documented into a department procedure and is now included in the FCDAO's standard operating procedure.

Finding No. 2023-003

Subrecipient Monitoring

U.S. Department of Health and Human Services

Special Programs For The Aging, Title III, Part C, Nutrition Services – ALN #93.045

Criterion:

Per CFR 200.331 the grantee must 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.

Per CFR 200.303, a non-Federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Condition:

The County passed through funding to nine subrecipients totaling \$2,932,676. During calendar year 2023, management did not properly monitor the subrecipients. Specifically, for the nine subrecipients management was unable to provide any documented evidence of a monitoring being performed; on-site visits were not performed during the contract period; and subrecipient files did not contain risk assessment evaluations.

Cause and Effect:

Management lacks a process to ensure that the monitoring of subrecipients is occurring during the contract period, and evaluation of each subrecipient's risk of noncompliance for purposes of determining the appropriate subrecipient monitoring related to the subaward. Therefore, subrecipients were not properly monitored in accordance with 2 CFR 200.331 nor in accordance with the County's Subrecipient Monitoring Policy.

Questioned Cost:

None

Recommendation:

We recommend that management enhance the design of its control activities to ensure that subrecipient files are adequately maintained, subrecipients are effectively monitored during the contract period in the contracts as well as the County's Subrecipient Monitoring Policy.

View of Responsible Officials:

The Fulton County Department of Senior Services concurs with the finding. Although the Department follows the monitoring standards established by the pass-through entity, the recent period subrecipient monitoring is in process and will be completed within the grant period. Risk assessments were done and have been formally documented and provided to the auditor. The Department will maintain an annual monitoring plan to ensure that all subrecipients are monitored in compliance with 2 CFR200 requirements.

Finding No. 2023-004

Subrecipient Monitoring

U.S. Department of the Treasury

Coronavirus State and Local Fiscal Recovery Funds – ALN #21.027

Criteria:

Per CFR 200.331 the grantee must monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purpose, complies with the terms and conditions of the subaward, and achieves performance goals.

Per CFR 200.303, a non-Federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Condition:

The County passed through funding to 20 subrecipients totaling \$10,095,304. During calendar year 2023, management did not properly monitor the subrecipients. Specifically, management was unable to provide any documented evidence of a monitoring being performed for 3 of the 20 subrecipients.

Cause and Effect:

Management lacks a process to ensure that subrecipient files are adequately maintained and the monitoring of subrecipients is occurring during the contract period. Therefore, subrecipients were not properly monitored in accordance with 2 CFR 200.331 nor in accordance with the County’s Subrecipient Monitoring Policy.

Questioned Cost:

None

Recommendation:

We recommend that management enhance the design of its control activities to ensure that subrecipient files are adequately maintained, subrecipients are effectively monitored during the contract period noted in the contractual agreements as well as the County’s Subrecipient Monitoring Policy.

View of Responsible Officials:

We continue to update our compliance processes, following implementation of the Fulton County Subrecipient Monitoring Policy and our compliance review project, initiated in 2022. Based on project and staffing that are in place, we can ensure that subrecipients are monitored during the contract period noted in the contractual agreements. We have identified and updated the annual monitoring plan to ensure that all subrecipient are monitored and in compliance with the 2 CFR 200.331 Federal standards.

III. SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINANCIAL STATEMENT FINDINGS

Finding No. 2022-001

Unreconciled Bank Statement

Fulton County prepares monthly bank reconciliations to ensure accuracy of banking activity throughout the year.

Finding:

During our review of the County's bank reconciliation process, we noted the payroll bank account was not reconciled during FY2022. Covid 19, staffing and work environment changes, resulted in the delay of preparing monthly reconciliations of the payroll account during FY 2022. Untimely reconciliation of the payroll account could result in errors, making it more difficult to reconcile.

Current Status:

The County did not receive a finding during the 2023 financial statement audit as the payroll bank account reconciliation was current and up to date.

Finding No. 2022-002

Sheriff's Office Inmate Welfare Fund Purchasing Compliance

Per Jail Division Policies & Procedures number 500-08 and internal controls, the proceeds from the Inmate Welfare Funds will be utilized for the benefit and welfare of the inmates.

Finding:

Senior Management of the Sheriff's Office recognized irregularities in the management of the Inmate Welfare Fund and requested an extensive analysis by PJC Group. In addition, several immediate actions were taken to comply with the use of the funds. During our audit of the Fulton County Sheriff's Office Inmate Welfare Fund, we noted a lack of compliance with the Allocation of Funds policy included in the Jail Division Policies & Procedures number 500-08. Due to process changes that occurred with new personnel, key policies were missed, causing a lapse in internal control oversight of the Inmate Welfare Fund (IWF). Policies are in place to ensure that purchases and use of IWF is exclusively for the benefit and welfare of the inmates. The change in processes caused a lack of adherence to the policy, and instances of noncompliance related to procurement and use of funds were identified. Multiple disbursements were found to be outside of allowable costs for the benefit and welfare of the inmates.

Current Status:

In November 2023, the County code allowing the Sheriff to maintain the fund was revised by the Board of Commissioners, and these funds will now be deposited in the General Fund and subject to the County's procurement policy.

FEDERAL AWARD FINDINGS

Finding No. 2022-003

Subrecipient Monitoring

U.S. Department of the Treasury

Coronavirus State and Local Fiscal Recovery Funds – CFDA #21.027

Per CFR 200.331 the grantee must monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purpose, complies with the terms and conditions of the subaward, and achieves performance goals.

Per CFR 200.303, a non-Federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Finding:

The County passed through funding to 48 subrecipients totaling \$19,329,471. During the calendar year 2022, management did not properly monitor the subrecipients. Specifically, management was unable to provide any documented evidence of a monitoring being performed for 3 of the 48 subrecipients.

Current Status:

The Fulton County has extended the compliance review project, which was initiated in 2022. This has allowed the County to improve its documentation standards. In addition, the County now works with the departments that received SLFRF funds, to verify that subrecipients are monitored during the contract period noted in the contractual agreements. The project to verify that subrecipient monitoring documentation is in place for the current and past periods has a target completion date of December 2024.

Please contact the following regarding information contained in this report:

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