



# SINGLE AUDIT REPORT

FISCAL YEAR ENDED DECEMBER 31, 2014

Prepared Under Auditor's Report Thereon

Fulton County, Georgia



**FULTON COUNTY, GEORGIA**

**Single Audit – OMB Circular A-133 Compliance Reports  
(With Independent Auditor's Report Thereon)**

**December 31, 2014**

**FULTON COUNTY, GEORGIA**

**SINGLE AUDIT – OMB A-133 COMPLIANCE REPORTS**

**DECEMBER 31, 2014  
TABLE OF CONTENTS**

	<b>Page</b>
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 <i>Government Auditing Standards</i>	1- 2
<b>Schedule of Expenditures of Federal, State and Other Local Grant Awards</b>	3- 9
<b>Notes to the Schedule of Expenditures of Federal, State and Other Local Grant Awards</b>	10-13
<b>Report Required By OMB Circular A-133:</b>	
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 OMB Circular A-133	14-17
<b>Schedule of Findings and Questioned Costs</b>	18
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**

**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, and the aggregate remaining fund information of Fulton County, Georgia ("the County"), as of and for the year ended December 31, 2014, 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 19, 2015. Other auditors audited the financial statements of the Fulton-Dekalb Hospital Authority, 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.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the 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.

A handwritten signature in cursive script that reads "PJC Group, LLC".

Atlanta, Georgia  
June 19, 2015

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

FULTON COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND OTHER LOCAL GRANT AWARDS

YEAR ENDED DECEMBER 31, 2014

<u>Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Grant Number</u>	<u>Grant Expenditures</u>
U.S. Department of Health and Human Services			
Direct Assistance:			
HIV	93.914	6H89HA00007-24-06	\$ 10,365,165
HIV	93.914	2H89HA00007-23-00	10,965,649
			<u>21,330,814</u>
FDA - Enhanced Regulatory Uniformity	93.103	1U18FD004685-01	<u>3,796</u>
Veterans Enhanced Drug Court Services Initiative	93.243	5H79TI024203-03	39,834
Veterans Enhanced Drug Court Services Initiative	93.243	5H79TI024203-02	158,344
			<u>198,178</u>
Passed through the Georgia Department of Public Health:			
Minority Aids Initiative	93.243	FY 2015	13,588
Minority Aids Initiative	93.243	FY 2014	18,587
			<u>32,175</u>
Passed through the Georgia Department of Public Health:			
STD Culture Plates	93.977	FY 2015	409
STD Culture Plates	93.977	FY 2014	1,848
STD Preventive Clinical Services	93.977	FY 2014	11,667
Comprehensive STD Program	93.977	FY 2015	20,641
Comprehensive STD Program	93.977	FY 2014	33,803
			<u>68,368</u>
EPSDT	93.778	FY 2015	25,209
EPSDT	93.778	FY 2014	23,723
			<u>48,933</u>
Ryan White Part B Minority AIDS Initiative	93.917	FY 2015	23,378
Ryan White Part B Minority AIDS Initiative	93.917	FY 2014	23,749
			<u>47,126</u>
Outpatient UNHSI/Audiology Support	93.994	FY 2015	26,377
Outpatient UNHSI/Audiology Support	93.994	FY 2014	25,738
Infants and Toddlers with Disabilities	93.994	FY 2015	47,823
Infants and Toddlers with Disabilities	93.994	FY 2014	19,180
FP District Cadre Position Alignment	93.994	FY 2015	611
Children Medical	93.994	FY 2015	225,087
Children Medical	93.994	FY 2014	262,681
			<u>607,497</u>
Family Planning	93.558	FY 2015	187,146
Family Planning	93.558	FY 2014	215,978
Youth Development	93.558	FY 2014	148
			<u>403,272</u>
Immunization	93.268	FY 2015	15,541
Immunization	93.268	FY 2014	36,092
			<u>51,633</u>
BP1-5 Cities Readiness (CRI)	93.069	FY 2015	2,646
BP1-5 Cities Readiness (CRI)	93.069	FY 2014	2,228
BP1-5 Cities Readiness Initiative (PHEP)	93.069	FY 2015	250,314
BP1-5 Cities Readiness Initiative (PHEP)	93.069	FY 2014	282,632
			<u>537,821</u>
Health Inform Exchange (HIE)	93.145	FY 2015	<u>27,318</u>



FULTON COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND OTHER LOCAL GRANT AWARDS

YEAR ENDED DECEMBER 31, 2014

<u>Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Grant Number</u>	<u>Grant Expenditures</u>
Hospital Preparedness Program	93.889	FY 2015	\$ 45,260
Hospital Preparedness Program	93.889	FY 2014	50,722
			<u>95,982</u>
Passed through the Department of Behavioral Health and Developmental Disabilities (DBHDD): Mental Health, Developmental Disabilities, and Addictive Diseases	93.958	441-93-1433054	6,622
			<u>6,622</u>
MH/DD/AD-MR Community Services	93.667	441-93-1433053	56,799
Passed through the Georgia Department of Human Services: State Coordinated Transportation Program	93.667	42700-362-0000023283	439,004
Clubhouse and Youth Community and Substance Abuse Treatment	93.959	441-93-1433054	114,805
Clubhouse and Youth Community and Substance Abuse Treatment	93.959	441-93-1533044	107,543
MH/DD/AD-Community Substance Abuse Services-Adult	93.959	441-93-1533044	32,691
MH/DD/AD-Community Substance Abuse Services-Adult	93.959	441-93-1433054	105,890
			<u>360,928</u>
Passed through the Georgia Department of Public Health: HIV Early Intervention	93.959	441-93-1333059	183,568
Passed through the Georgia Department of Human Services: Child Support Enforcement	93.563	427000-401-0000032137	50,156
Child Support Enforcement	93.563	42700-401-000000-20389	40,580
Child Support Enforcement	93.563	427000-401-0000031041	20,276
Child Support Enforcement	93.563	42700-401-00000-20390	16,147
			<u>127,159</u>
Passed through the Department of Human Services and Atlanta Regional Commission: Older Americans Act	93.045	AG1506	578,357
Older Americans Act	93.045	AG1406	2,372,701
			<u>2,951,057</u>
Passed through the Department of Public Health: Reduction of Tobacco Use	93.283	FY 2014	7,393
Breast Test and More	93.283	FY 2015	26,293
Breast Test and More	93.283	FY 2014	61,430
			<u>95,116</u>
Passed through the Department of Public Health: Test, Link and Care Network	93.940 *	FY 2014	2,500
			<u>2,500</u>
Passed through the Center for Disease Control and Prevention: HIV Prevention	93.940 *	5U62PS003679-02	905,309
HIV Prevention	93.940 *	5U62PS003679-03	5,330,373
			<u>6,235,682</u>
Total U.S. Department of Health and Human Services			<u>33,911,349</u>

FULTON COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND OTHER LOCAL GRANT AWARDS

YEAR ENDED DECEMBER 31, 2014

<u>Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Grant Number</u>	<u>Grant Expenditures</u>
U.S. Department of Housing and Urban Development			
Direct Assistance:			
CDBG Cluster Programs:			
HERA-Neighborhood Stabilization Program (NSP1)	14.218 *	B-08-UN-13-0004	\$ 466,160
HERA-Neighborhood Stabilization Program (NSP3)	14.218 *	B-11-UN-13-0004	124,921
Community Development Block Grant	14.218 *	B01UC130003	398
Community Development Block Grant	14.218 *	B03UC130003	5,249
Community Development Block Grant	14.218 *	B04UC130003	24,761
Community Development Block Grant	14.218 *	B06UC130003	20,495
Community Development Block Grant	14.218 *	B07UC130003	32,139
Community Development Block Grant	14.218 *	B08UC130003	13,578
Community Development Block Grant	14.218 *	B09UC130003	49,094
Community Development Block Grant	14.218 *	B10UC130003	60,980
Community Development Block Grant	14.218 *	B11UC130003	12,120
Community Development Block Grant	14.218 *	B12UC130003	279,317
Community Development Block Grant	14.218 *	B13UC130003	638,994
Community Development Block Grant	14.218 *	B14UC130003	494,786
Total CDBG Cluster Programs			<u>2,222,992</u>
Housing Cluster Programs:			
Permanent Housing Program	14.235	GA0173L4B021302	237,542
Permanent Housing Program	14.235	GA0173L4B001201	20,659
Homeless Management Information System (HMIS)	14.235	GA0001B1B001103	8,337
Transitional Housing-Administration	14.235	GA0020L4B001205	17,807
Transitional Housing-Operating Services	14.235	GA0020L4B001205	156,074
Transitional Housing-Supportive Services	14.235	GA0020L4B001205	347,406
Transitional Housing-Operating Services	14.235	GA0020L4B001306	50,451
Transitional Housing-Supportive Services	14.235	GA0020L4B001306	184,217
Supportive Housing-Administration	14.235	GA0019L4B001205	3,467
Supportive Housing	14.235	GA0019L4B001205	641,950
			<u>1,667,910</u>
HOME Cluster Programs:			
Direct Assistance:			
HOME 07	14.239 *	M-07-DC-13-0202	116,000
HOME 08	14.239 *	M-08-DC-13-0202	27,148
HOME 09	14.239 *	M-09-DC-13-0202	216,000
HOME 11	14.239 *	M-11-DC-13-0202	69,183
HOME 12	14.239 *	M-12-DC-13-0202	58,191
HOME 13	14.239 *	M-13-DC-13-0202	122,014
HOME 14	14.239 *	M-14-DC-13-0202	33,727
Total HOME Cluster Programs			<u>642,263</u>
Emergency Shelter Cluster Programs:			
Direct Assistance:			
Emergency Solutions 2012	14.231	E-12-UC-13-0010	46,719
Emergency Solutions 2013	14.231	E-13-UC-13-0010	75,499
Total Emergency Shelter Cluster Programs			<u>122,218</u>
Passed through the Georgia Department of Community Affairs:			
HERA-Neighborhood Stabilization Program (NSP1)	14.228	08-NS-5051	<u>27,927</u>
Total U.S. Department of Housing and Urban Development			<u>4,683,310</u>

FULTON COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND OTHER LOCAL GRANT AWARDS

YEAR ENDED DECEMBER 31, 2014

<u>Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Grant Number</u>	<u>Grant Expenditures</u>
U.S. Department of Justice			
Direct Assistance:			
Child Sexual Predator Grant	16.710	2011-CS-WX-0009	\$ 3,811
Justice Assistance Grant	16.738	2011-DJ-BX-3432	159,877
Justice Assistance Grant	16.738	2013-DJ-BX-1153	74,776
			<u>234,653</u>
Gang Interdiction Task Force	16.753	2010-DD-BX-0590	<u>49,954</u>
Second Chance Act Initiative	16.812	2010-CZ-BX-0104	18,130
Second Chance Act Initiative	16.812	2011-CZ-BX-0052	15,982
			<u>34,112</u>
State Criminal Alien Assistance Program (SCAAP)	16.606	2013-H2198-GA-AP	<u>18,632</u>
Equitable Sharing Program-Police	16.922	GA0601300	28,980
Equitable Sharing Program-Sheriff	16.922	GA0600000	32,611
			<u>61,590</u>
Passed through the Georgia Criminal Justice Coordinating Council:			
Victim Witness Assistance	16.575	C13-8-102\C14-8-072	40,771
Victim Witness Assistance	16.575	C13-8-048	157,007
			<u>197,778</u>
Passed through the Governor's Office for Children and Families:			
GED Preparatory Program	16.523	JB10-14-001	<u>16,323</u>
Total U.S. Department of Justice			<u>616,853</u>
U.S. Department of Agriculture			
Passed through the Georgia Department of Public Health:			
WIC	10.557 *	FY 2015	1,359,681
WIC	10.557 *	FY 2014	1,530,811
WIC-Nutrition	10.557 *	FY 2015	4,998
WIC Peer Counselor	10.557 *	FY 2015	51,865
WIC Peer Counselor	10.557 *	FY 2014	3,719
WIC-Breastfeeding	10.557 *	FY 2015	2,342
WIC-Breastfeeding	10.557 *	FY 2014	1,356
Total U.S. Department of Agriculture			<u>2,954,773</u>
U.S. Department of Transportation			
Passed through the State of Georgia Department of Transportation			
Airport - Brown Field Improvement	20.106	AP014-9024-26(121)	<u>503,018</u>
Passed through the State of Georgia Department of Transportation			
Old National Highway ROW	20.205	0006912	49,547
South Fulton Comprehensive Transportation Plan (CTP)	20.205	T251	16,806
			<u>66,353</u>
Total Department of Transportation			<u>569,371</u>

FULTON COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND OTHER LOCAL GRANT AWARDS

YEAR ENDED DECEMBER 31, 2014

<u>Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Grant Number</u>	<u>Grant Expenditures</u>
U.S. Department of Labor			
Passed through the State of Georgia Department of Labor and Governor's Office of Workforce Development:			
WIA Cluster Programs:			
Workforce Investment Act-Adult PY 2012	17.258	11-12-12-03-006	\$ 3,533
Workforce Investment Act-Adult FY 2013	17.258	11-12-13-03-006	332,750
Workforce Investment Act-Adult PY 2013	17.258	11-13-13-03-006	27,066
Workforce Investment Act-Adult FY 2014	17.258	11-13-14-03-006	790,054
			<u>1,153,403</u>
Workforce Investment Act-Youth PY 2012	17.259	15-12-11-03-006	171,732
Workforce Investment Act-Youth PY 2013	17.259	15-13-11-03-006	905,557
Workforce Investment Act-Youth PY 2014	17.259	15-14-14-03-006	147,105
			<u>1,224,394</u>
Workforce Investment Act-Dislocated Worker PY 2012	17.278	31-12-12-03-006	3,060
Workforce Investment Act-Dislocated Worker FY 2013	17.278	31-12-13-03-006	153,057
Workforce Investment Act-Dislocated Worker PY 2013	17.278	31-13-13-03-006	142,316
Workforce Investment Act-Dislocated Worker FY 2014	17.278	31-13-14-03-006	653,110
			<u>951,543</u>
Total Department of Labor-WIA Cluster			<u>3,329,340</u>
National Endowment for the Humanities			
Direct Assistance:			
Gilder Lehrman Institute-Civil War 150	45.164	ATL004	500
Gilder Lehrman Institute-Created Equal: American's Civil Rights	45.164	ATL004	1,021
Total National Endowment for the Humanities			<u>1,521</u>
Institute of Museum and Library Services			
Passed through the Georgia Office of Public Library Services			
Prime Time Reading Program	45.310	61000-98125-753107	2,600
Total Institute of Museum and Library Services			<u>2,600</u>
Department of Homeland Security			
Direct Assistance:			
Fire and Emergency Response Hiring Program (SAFER)	97.083	* EMW-2012-FH-00963	1,397,042
Passed through United Way of Metropolitan Atlanta:			
Emergency Food and Shelter Program-Springdale Place	97.024	174000-069	6,450
Emergency Food and Shelter Program-Jefferson Place	97.024	174000-069	12,450
			<u>18,900</u>
Passed through Georgia Emergency Management Agency:			
State Homeland Security Grant Program	97.067	EMW-2012-SS-00063-S01	59,605
Total Department of Homeland Security			<u>1,475,547</u>

FULTON COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND OTHER LOCAL GRANT AWARDS

YEAR ENDED DECEMBER 31, 2014

<u>Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Grant Number</u>	<u>Grant Expenditures</u>
Department of Energy			
Direct Assistance:			
ARRA-Energy Efficiency and Conservation Block Grant Program	81.128	DE-SC0002562	\$ 1,057
Total Department of Energy			<u>1,057</u>
Total Federal Expenditures			<u>47,545,722</u>
State of Georgia			
Department of Public Health:			
Public Health	-	FY 2015	3,717,172
Public Health	-	FY 2014	3,794,477
EPI Capacity	-	FY 2015	25,204
EPI Capacity	-	FY 2014	25,084
TB Case Management	-	FY 2014	44,873
TB Case Management	-	FY 2015	3,591
District Cadre	-	FY 2015	129,398
District Cadre	-	FY 2014	144,044
Infant Vitality	-	FY 2014	24,820
Teen Pregnancy Prevention	-	FY 2015	26,084
Teen Pregnancy Prevention	-	FY 2014	34,497
Children's First	-	FY 2015	62,278
Children's First	-	FY 2014	84,817
Children's First	-	FY 2015	91,188
Children's First	-	FY 2014	92,406
Directly Observed Therapy	-	FY 2015	25,535
Directly Observed Therapy	-	FY 2014	33,556
Breast/Cervical Cancer	-	FY 2015	26,145
Breast/Cervical Cancer	-	FY 2014	52,500
Chronic Disease Prevention	-	FY 2015	22,315
Chronic Disease Prevention	-	FY 2014	36,312
Hearing Screening Equipment	-	FY 2015	4,391
Hearing Screening Equipment	-	FY 2014	2,449
State Cervical Cancer	-	FY 2015	7,997
State Cervical Cancer	-	FY 2014	27,984
Teen Pregnancy Prevention Program	-	FY 2014	(445)
Early Intervention	-	FY 2015	104,821
Early Intervention	-	FY 2014	175,203
Dental Supplies	-	FY 2014	2,000
TB Fulton Co Outbreak Response	-	FY 2014	47,937
Babies Can't Wait/Part C - General Fund	-	FY 2014	(4,530)
			<u>8,864,104</u>
Department of Transportation:			
Old National Highway ATMS	-	CSSTP-0006-00(73)	497,666
South Fulton Resurfacing	-	SO14299/SO13619	<u>1,659,053</u>
			<u>2,156,719</u>
Office of Planning and Budget:			
Department of Technical and Adult Education:			
Library-GED Testing	-	GED-34869	<u>25,695</u>

FULTON COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND OTHER LOCAL GRANT AWARDS

YEAR ENDED DECEMBER 31, 2014

<u>Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Grant Number</u>	<u>Grant Expenditures</u>
Passed through the Georgia Criminal Justice Coordinating Council:			
Drug Court Implementation	-	A13-8-031	\$ 1,909
Drug Court Implementation	-	A15-8-014	21,588
Family Drug Court Operations	-	J13-8-068	5,478
Family Drug Court Operations	-	J15-8-074	17,057
Drug Court Operations-FY2014	-	A13-8-027	4,560
Veterans Court	-	J15-8-064	41,289
Juvenile Drug Court Operations	-	A15-8-030	11,286
Juvenile Justice Incentive - Project Higher Hope	-	Y13-8-010	225,969
Juvenile Justice Incentive - Project Higher Hope	-	Y15-8-019	81,894
Mental Health Court	-	J15-8-053	57,919
Adult Drug Court	-	J13-8-021	102,802
Adult Drug Court	-	J15-8-023	117,701
			<u>689,451</u>
Office of Public Library Services			
MRR Technology Grant	-	-	99,830
Operational Support	-	-	1,023,044
			<u>1,122,874</u>
Miscellaneous Grants:			
Department of BHDD - Treatment Court	-	441-93-1533049	43,100
Georgia Council for the Arts - Tourism Production Development	-	1461501	15,000
Administrative Office of the Courts-Juvenile Court Judges	-	-	425,000
Administrative Office of the Courts-Superior Court Judges	-	-	755,530
			<u>1,238,630</u>
Total State Expenditures			<u>14,097,472</u>
Other Local Grants			
State Bar of Georgia - Business Court	-	-	9,432
National Arts Program Exhibit	-	-	2,891
ACCG - Georgia County Internship Program	-	-	2,173
Merck Foundation-Bridging the Gap Project	-	-	302,266
Susan G. Komen - Eliminating Barriers	-	GA100-FULT36-00034	30,416
Friends of Benson, Inc.	-	-	1,219
FBI-Joint Terrorist Task Force	-	-	9,545
FBI-Joint Terrorist Task Force	-	-	3,684
U.S. Marshal-Fugitive Task Force-Sheriff	-	JLEO-14-0019	46,902
U.S. Marshal-Fugitive Task Force-Police	-	JLEO-14-0011	9,461
U.S. Marshal-Fugitive Task Force-Marshall	-	JLEO-14-0153	12,820
GBI-High Intensity Drug Trafficking Area Task Force (HIDTA)-Sheriff	-	-	10,775
GBI-High Intensity Drug Trafficking Area Task Force (HIDTA)-Police	-	-	11,320
Atlanta-Fulton Library Foundation	-	-	14,037
Total Other Local Grants			<u>466,940</u>
Total Federal, State, and Other Local Grant Expenditures			<u>\$ 62,110,134</u>

\* Denotes major program.

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

FULTON COUNTY, GEORGIA

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

DECEMBER 31, 2014

**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. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. 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 Single Audit Act 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 2014 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 2014 under these grants remain subject to audit by either the grantor agency or its representatives within the limitations of the Single Audit Act of 1996.

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 DEPARTMENT OF HUMAN RESOURCES GRANTS**

Several Federal Health grant funds received by the County are pass-through awards from the State of Georgia. Grant revenue received from the State is a combination of both Federal and State Mental Health grant funds. The State is not always able to distinguish the portion of Federal and State funding related to these receipts; however, in some instances, estimates of the allocation between Federal and State funds have been provided to the County. Because the information may not be exact, the Schedule of Expenditures reflects the combination of both Federal and State revenues related to Mental Health, Developmental Disabilities, and Addictive Diseases grants.



**FULTON COUNTY, GEORGIA**

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

DECEMBER 31, 2014

**NOTE 3 - SUBRECIPIENTS**

The total amount provided to subrecipients by the County is as follows:

<b>Program</b>	<b>Amount</b>
<b>Community Development Block Grant – CFDA #14.218</b>	
Africa's Children's Fund, Inc.	\$ 11,700
Atlanta Center for Self Sufficiency	10,000
Atlanta Legal Aid Society, Inc.	10,000
City of College Park	110,590
City of Fairburn	53,750
City of Hapeville	97,363
City of Union City	52,826
Families First Inc.	10,000
Fulton County office of Court	3,660
H.O.P.E. Through Divine Intervention, Inc.	10,000
Metro Fair Housing Services, Inc.	14,735
North Fulton Community Charities, Inc.	10,000
Quality Living Services	75,500
Resources for Residents and Communities of Georgia, Inc.	10,000
Teens at Work, Inc.	10,000
The Young Adult Guidance Center, Inc.	10,000
Travelers Aid of Metropolitan Atlanta, Inc.	16,522
YMCA ED Isakson Alpharetta	20,000
YMCA of Metropolitan Atlanta, Inc.	13,000
Total Community Development Block Grant - CFDA #14.218	\$ 549,646
<b>Neighborhood Stabilization Program - CFDA # 14.218 and 14.228</b>	
APD Solutions, LLC	\$ 43,073
Atlanta Neighborhood Development Partnership, Inc.	262,749
Total Neighborhood Stabilization Program - CFDA #14.218 and 14.228	\$ 305,822

**FULTON COUNTY, GEORGIA**

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

DECEMBER 31, 2014

**NOTE 3 - SUBRECIPIENTS (continued)**

<b>Program</b>	<b>Amount</b>
<b>HIV Prevention Program - CFDA # 93.940</b>	
AID Atlanta, Inc.	\$ 141,792
AIDS Research Consortium of Atlanta, Inc.	15,085
Aniz, Inc.	63,837
Atlanta Harm Reduction Coalition, Inc.	86,473
Center for Black Womens Wellness, Inc.	7,772
National AIDS Education and Services for Minorities, Inc.	54,801
Recovery Consultants of Atlanta, Inc.	59,774
Saint Joseph Mercy Care Services, Inc.	69,835
SisterLove, Inc.	107,100
Someone Cares Inc. of Atlanta	60,213
Positive Impact, Inc. (Cat. B)	102,172
DeKalb County Board of Health	<u>1,159,604</u>
Total HIV Prevention Program - CFDA # 93.940	<u>\$ 1,928,458</u>

**HIV- Ryan White Program - CFDA # 93.914**

Grady Hospital	\$ 8,255,577
DeKalb Board of Health	1,140,106
Fulton County Health Department	2,342,938
Crawford Long-Ryan White Care	798,547
AID Atlanta	2,442,800
Project Open Hand	1,057,304
Positive Impact, Inc.	941,663
Aniz, Inc	289,088
St. Joseph's Mercy Care	683,040
Our Common Welfare (Here's to Life, Inc.)	157,829
Atlanta Legal Aid	103,160
Clayton County Board of Health	183,576
Cobb County Board of Health	715,055
AID Gwinnett	856,917
Recovery Consultants of Atlanta	72,489
AIDS Healthcare Foundation	218,750
Emory Quality Management	185,564
Clarke County Board of Health	<u>117,788</u>
Total HIV Prevention Program - CFDA # 93.914	<u>\$ 20,562,191</u>

FULTON COUNTY, GEORGIA

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

DECEMBER 31, 2014

*NOTE 3 - SUBRECIPIENTS (continued)*

<b>Program</b>	<b>Amount</b>
<b>Home Investment Partnerships Program – CFDA #14.239</b>	
Atlanta Neighborhood Development Partnership, Inc.	\$ 116,000
Housing Authority of Fulton County	327,240
Total HOME Investment Partnerships Program - CFDA # 14.239	<u>\$ 443,240</u>
<b>Older Americans - CFDA # 93.045</b>	
Fulton County Senior Collaborative	\$ 359,323
MV Contract Transportation	377,017
Project Open Hand	567,733
Senior Services North Fulton	216,872
Senior Services South Fulton	214,043
V-Ryan Management, Inc.	15,495
Total Older Americans Program - CFDA #93.045	<u>\$ 1,750,483</u>

**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 OMB CIRCULAR A-133**

**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 OMB Circular A-133**

To the Board of Commissioners  
Fulton County, Georgia:

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

We have audited Fulton County, Georgia's ("the County") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2014. 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.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

**Basis for Qualified Opinion on HIV Prevention**

As described in the accompanying schedule of findings and questioned costs, the County did not comply with the requirements regarding CFDA number 93.940 HIV Prevention as described in finding number *2014-003* for Procurement and Suspension and Debarment. Compliance with such requirements is necessary, in our opinion, for the County to comply with the requirements applicable to that program.

**Qualified Opinion on HIV Prevention Program**

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on HIV Prevention for the year ended December 31, 2014.

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

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended December 31, 2014.

**Other Matters**

The results of our auditing procedures disclosed other instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items *2014-001 and 2014-002*. Our opinion on each major federal program is not modified with respect to these matters.

The County's response to the noncompliance findings identified in our audit are described in the accompanying corrective action plan. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

**Report on Internal Control Over Compliance**

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the

effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified 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 combination of deficiencies, in internal control over compliance, such that there is 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 item 2014-003 to be a material weakness.

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 deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2014-001 and 2014-002 to be significant deficiencies.

The County's response to the internal control over compliance findings identified in our audit are described in the accompanying corrective action plan. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133**

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, 2014, and have issued our report thereon dated June 19, 2015 , which contained an unmodified opinion on those financial statements. We have not performed any additional procedures with respect to the audited financial statements subsequent to June 19, 2015.

The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 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 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 basic financial statements taken as a whole.

This report is intended solely for the information and use of management, the Board of Commissioners, and federal and state awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

*PJC Group, LLC*

Atlanta, Georgia  
September 25, 2015



**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**FULTON COUNTY, GEORGIA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED DECEMBER 31, 2014**

**I. SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements**

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness (es) identified?	No
• Significant deficiency (ies) identified that are not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

**Federal Awards**

Internal control over major programs:	
• Material weakness (es) identified?	Yes
• Significant deficiency (ies) identified that are not considered to be material weaknesses?	Yes
Type of auditor's report issued on compliance for major programs:	
CFDA #93.940	Modified
CFDA #'s 10.557, 14.218, 14.239, 93.083	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	Yes

Identification of major programs:

- 10.557 – Nutrition Program for Women Infants and Children (WIC)
- 14.218 – Community Development Block Grant and Neighborhood Stabilization Program Cluster
- 14.239 – HOME Investment Partnership
- 93.083 – Staffing For Adequate Fire and Emergency Response (SAFER)
- 93.940 – HIV Prevention Program

Dollar threshold used to distinguish between type A and type B programs:	\$1,426,372
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Auditee qualified as low-risk auditee?	Yes
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**II. FINANCIAL STATEMENT FINDINGS**

No Financial Statement findings noted.

**FULTON COUNTY, GEORGIA**  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2014

**III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

***Finding No. 2014-001***

**Reporting**

U.S. Department of Housing and Urban Development

Home Investment Partnerships Program – CFDA #14.239

**Criterion:**

Federal Funding Accountability and Transparency Act (FFATA) sub-award reporting requirements apply to federal grants awarded as of October 1, 2010. Recipients of grants or cooperative agreements who make first-tier sub-awards of \$25,000 or more in federal funds are required to file a FFATA report by the end of the month following the month in which the sub-award is obligated or amended.

**Condition:**

During our review of the FFATA reporting, we noted that two reports were not filed timely.

**Cause:**

The County does not have a systematic process to ensure that the FFATA reports are submitted timely.

**Questioned Cost:**

None

**Recommendation:**

We recommend that the County strengthen its procedures for completion of the FFATA reports to ensure that the reports are submitted timely.

**Management Response:**

Management concurs with audit finding.

**FULTON COUNTY, GEORGIA**  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2014

***Finding No. 2014-002***

**Reporting**

Center for Disease Control and Prevention

HIV Prevention – CFDA #93.940

**Criterion:**

Federal Funding Accountability and Transparency Act (FFATA) sub-award reporting requirements apply to federal grants awarded as of October 1, 2010. Recipients of grants or cooperative agreements who make first-tier sub-awards of \$25,000 or more in federal funds are required to file a FFATA report by the end of the month following the month in which the sub-award is obligated or amended.

**Condition:**

During our review of the FFATA reporting, we noted that two reports were not filed timely.

**Cause:**

The County does not have a systematic internal control process for communicating the obligation of sub-awards, to ensure that the FFATA reports are submitted timely.

**Questioned Cost:**

None

**Recommendation:**

We recommend that the County strengthen its procedures for completion of the FFATA reports to ensure that the reports are submitted timely.

**Management Response:**

Management concurs with audit finding.

**FULTON COUNTY, GEORGIA**  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2014

***Finding No. 2014-003***

**Procurement and Suspension and Debarment**

Center for Disease Control and Prevention

HIV Prevention – CFDA #93.940

**Criterion:**

Recipients of federal funds must maintain contract files that document the significant history of the procurement, selection of contract type, basis for contract selection and price. Documentation should be maintained to support full and open competition and the rationale to limit competition in those cases when competition is limited. Recipients must also follow their own procurement policies and procedures.

**Condition:**

During our review of seven vendors paid over \$25,000, the County could not provide documentation supporting the rationale for procurement or evidence of full and open competition for four vendors. The total paid to the four vendors during 2014 totaled \$1,162,425.

**Cause:**

The County did not implement a systematic internal control process to ensure that procurement policies and procedures are followed for all contracts exceeding \$25,000 in federal funds. As a result, the County did not follow its procurement procedures for several HIV Prevention vendors receiving in excess of \$25,000.

**Questioned Cost:**

None

**Recommendation:**

We recommend that the County strengthen controls surrounding the procurement process and ensure that policies and procedures for purchases exceeding \$25,000 in federal funds are maintained.

**Management Response:**

Management concurs with audit finding.



DEPARTMENT OF FINANCE

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**2014 OMB CIRCULAR A-133  
SINGLE AUDIT  
CORRECTIVE ACTION PLAN**

**Finding No. 2014-001**

**U.S. Department of Housing and Urban Development  
HOME Investment Partnership Program - CFDA #14.239**

**Finding**

During the review, the auditors noted that two Federal Funding Accountability and Transparency Act (FFATA) reports were not filed timely.

**Corrective Action**

All departments are required to submit the Federal Funding Accountability and Transparency Act (FFATA) reporting forms to the Finance Grants Administration staff immediately after contract execution. These instances involved late submissions or incorrect information.

The Housing and Community Development Department is working on Standard Operating Procedures (SOP) that will guide staff on the preparation of financial documents and reports, including FFATA report. The new SOP's will help to ensure timely and accurate submittal of the FFATA report and other federal reports to the Finance Grants Administrator and our federal funding agencies (e.g., U.S. Department of Housing and Urban Development).

As an ancillary measure, the Grants Administrator has implemented a process with Purchasing and Contract Compliance staff, the County Manager's staff, and the Clerk's staff to receive copies of all grant-related contracts immediately upon execution. To mitigate this finding, the Financial Reporting Coordinator will review for applicable FFATA reporting guidelines.

**2014 OMB CIRCULAR A-133  
SINGLE AUDIT  
CORRECTIVE ACTION PLAN, continued**

**Finding No. 2014-002**

**Center for Disease Control and Prevention  
HIV Prevention – CFDA #93.940**

**Finding**

During the review, the auditors noted that two Federal Funding Accountability and Transparency Act (FFATA) reports were not filed timely.

**Corrective Action**

All departments are required to submit the Federal Funding Accountability and Transparency Act (FFATA) reporting forms to the Finance Grants Administration staff immediately after contract execution. These instances involved late submissions or incorrect information.

The HIV Prevention Accountant and the Contract Specialist have augmented the FFATA reporting process. Each month, the HIV Prevention Accountant will contact the Purchasing Contract Specialist to request copies of all executed contracts from the Purchasing Contract Specialist and complete the required FFATA reporting document. The HIV Prevention Program Administrator will receive the completed FFATA report, obtain approval from the Department Head, and return the report to the HIV Prevention Accountant who will submit to the Grants Administrator for final review and submission.

As an ancillary measure, the Grants Administrator has implemented a process with Purchasing and Contract Compliance staff, the County Manager's staff, and the Clerk's staff to receive copies of all grant-related contracts immediately upon execution. To mitigate this finding, the Financial Reporting Coordinator will review for applicable FFATA reporting guidelines.

**2014 OMB CIRCULAR A-133  
SINGLE AUDIT  
CORRECTIVE ACTION PLAN, continued**

**Finding No. 2014-003**

**Center for Disease Control and Prevention  
HIV Prevention – CFDA #93.940**

**Finding**

During the review, the auditors noted that documentation supporting the rationale for procurement or the evidence that there was full and open competition was not provided for 4 out of 7 vendors.

**Corrective Action**

The Purchasing and Contract Compliance Department will train internal staff and the procurement staff within the Health Services Department on procurement policies and standard operating procedures to ensure open and free competition for all goods and services. Additionally, the Purchasing and Contract Compliance Department will require the submission of the grant award, including the approved budget narrative to be submitted at the beginning of each grant award's funding period and purchasing cycle as applicable to the purchases being procured for each year's grant award.



**2014 OMB CIRCULAR A-133  
SINGLE AUDIT  
STATUS OF PRIOR YEAR FINDINGS**

**Finding No. 2013-1**

**U.S. Department of Housing and Urban Development  
Community Development Block Grant (CDBG) and  
Neighborhood Stabilization Program (NSP) Cluster  
CFDA #14.218**

**Finding**

During the review of program income, the auditors noted that the Loan Origination and Servicing System was not being used. The Housing and Community Development Department was only using an excel spreadsheet to track program income derived from loan payments.

**Current Status**

The auditor noted corrective actions were taken during the year. Finding closed.

**Finding No. 2013-2**

**U.S. Department of Housing and Urban Development  
HOME Investment Partnership Program  
CFDA #14.239**

**Finding**

During the review of matching compliance, the auditors noted 8 of the 25 items selected for review revealed different amounts than what was listed on the match log. Additionally, supporting documentation was not provided for 4 items of the samples selected.

**Corrective Action**

The auditor noted corrective actions were taken during the year. Finding closed.

**Contact Person:**

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