



MEMORANDUM

TO: All Agency Heads

FROM: Kristina Turner, Deputy State Auditor *KAT*

DATE: July 31, 2023

RE: Local Government Eligibility for State Grants

We have attached a listing of local governments that are not in compliance with audit report and/or grant certification form submission requirements and included information on the specific nature of the noncompliance noted as of the date the listing was prepared July 28, 2023. Noncompliance with these requirements could impact a local government's eligibility for state grant funds and could require previously awarded grant funds to be returned to the state. To facilitate your access to this information, this memo and the enclosed listing of noncompliant local governments will be available on the Department of Audits and Accounts (DOAA) web page. The memo with listing is shown as technical assistance under resources for local governments at the web address below:

<https://www.audits2.ga.gov/resources/orgs/local-government>

In addition, if members of your staff would like to be added to our email list to receive future updates to this listing, please send your request to Jackie Neubert whose contact information appears at the end of this memo.

The following Code sections affect a local government's eligibility for state grant funds based upon submission of documents to the State Auditor for review:

O.C.G.A. §36-81-7 requires that local governments forward a copy of their annual audit report to the State Auditor for review. This code section also requires local governments to correct deficiencies noted during this review. Subparagraph (d)(5) of this code section specifies that "no state agency shall make or transmit any state grant funds to any local government which has failed to provide all the audits required by law within the preceding five years".

O.C.G.A. §36-81-8.1 requires that local government recipients of grants from the Governor's emergency fund or from a special project appropriation annually submit a grant certification form to the State Auditor. Except under certain limited circumstances, certification is required by the local government and the local government auditor that the grant funds were used solely for the express purpose or purposes for which the grant was made. Paragraph (e) specifies that "the failure to comply with the requirements of this code section shall result in a forfeiture of a state grant and the return to the state of any such grant funds which have been received by the local government". An additional provision states that "a grant recipient ... shall be ineligible to receive funds from the Governor's emergency fund or from a special project appropriation until all unallowed expenditures are returned to the state...".

O.C.G.A. §47-1-5 requires local governments that have established defined benefit retirement plans to report on the financial condition of their plan in even numbered years. For those governments not in compliance, the Department of Audits and Accounts is required to "notify the state treasurer; and it shall be the duty of the state treasurer to withhold any state funds payable to the applicable political subdivision or local board of education until the actuarial investigation and financial report are submitted to the state auditor." The same requirement applies to governments whose actuary opines that the government has not met the minimum funding standards for their defined benefit plan as required by Article 2 of O.C.G.A §47-20. Noncompliant governments have been added to the listing to ensure that agency officials are aware of the requirement to withhold state funds payable to these local governments.

O.C.G.A. §36-81-7 refers to "any **state** grant funds" (emphasis added). The provision to suspend state grants does not apply to grants made or transmitted by state agencies to local governments that are not considered state grants. For example, federal grant awards that state agencies pass through to local governments should not be withheld from noncompliant governments, even if the grant has state matching requirements.

Additionally, it is important to note that, for purposes of O.C.G.A. §36-81-7, a local government is defined as "a municipality, county, consolidated city-county government, or other political subdivision of the state." Although not included on the attached listing, the Department of Audits and Accounts maintains information regarding the compliance status of other political subdivisions. If your agency is considering the award of a grant or transmittal of state grant funds to such an entity, we will provide compliance status information upon request.

If your agency is considering the award of a grant or transmittal of state grant funds to a local government, an agency official should confirm whether the local government is in compliance with the applicable code section(s) identified above. The attached listing was accurate as of the date it was prepared; however, it is important to note that local government compliance with these code sections is subject to change. Therefore, we would encourage you to request updated information on the status of local government compliance by submitting an e-mail request for information to our office. Our staff will research the compliance status of the potential local government grantees specified in the e-mail and notify you of the results. Please send the e-mail to neubertj@audits.ga.gov to request information on compliance status and include the names of particular governments. The next listing is due to be released by September 12, 2023.

This memo and attached listing focus on a local government's compliance with requirements to submit audit reports and/or grant certification forms to the DOAA. Compliance with reporting requirements to other state agencies or grantors is not addressed in this memo.

If you have any questions regarding the provisions of the above referenced code sections or local government eligibility for state grants, please contact Jackie Neubert by e-mail at neubertj@audits.ga.gov or by telephone at (404) 651-8938.

GEORGIA DEPARTMENT OF AUDITS AND ACCOUNTS
Nonprofit and Local Government Audits Division
Listing of Noncompliant Local Governments

		--- Government Name and Type ---		2018	2019	2020	2021	2022
FYE	Name	Type						
1	12/31	Hospital Authority of Washington County	Authority	3		3		3
2	09/30	Macon Water Authority	Authority					3
3	12/31	Abbeville	City				1A	
4	12/31	Adrian	City					1A
5	10/31	Alapaha	City			1A	1A	1A
6	12/31	Allentown	City					1A
7	12/31	Alto	City					1A
8	12/31	Ambrose	City					1A
9	06/30	Andersonville	City					1A
10	06/30	Aragon	City	1A	1A	1A	1A	1A
11	06/30	Ashburn	City					1A
12	12/31	Avalon	City			1A	1A	1A
13	09/30	Barnesville	City					1A
14	06/30	Bartow	City					1A
15	12/31	Between	City					1A
16	06/30	Bishop	City		1A	1A	1A	1A
17	06/30	Blackshear	City					1A
18	12/31	Bluffton	City					1A
19	12/31	Bowersville	City				1A	1A
20	12/31	Bowman	City				1A	1A
21	06/30	Braswell	City	1A	1A	1A	1A	1A
22	12/31	Brinson	City					1A
23	12/31	Broxton	City					1A
24	06/30	Buchanan	City					1A
25	12/31	Byromville	City					1A
26	09/30	Camilla	City					1A
27	12/31	Canon	City					1A
28	12/31	Carl	City				1A	1A
29	12/31	Cecil	City	1A	1A	1A	1A	1A
30	12/31	Cedartown	City					1A
31	12/31	Chatsworth	City					1A
32	12/31	Chickamauga	City					1A
33	12/31	Clarkston	City					1A
34	06/30	Claxton	City					1A
35	06/30	Clayton	City					1A, 3
36	06/30	Cochran	City					1A
37	12/31	Colbert	City				1A	1A
38	12/31	Crawfordville	City					1A
39	12/31	Culloden	City					1A
40	09/30	Cuthbert	City					1A
41	12/31	Damascus	City					1A
42	12/31	Danielsville	City				1A	1A
43	06/30	Darien	City			1A	1A	1A
44	06/30	Dasher	City					1A
45	08/31	Dawson	City					1A
46	12/31	Denton	City					1A
47	12/31	Dexter	City					1A
48	06/30	Doraville	City					1A
49	12/31	Dudley	City					1A
50	06/30	East Point	City				1A	1A
51	06/30	Edgehill	City			1A	1A	1A
52	06/30	Edison	City		1A	1A	1A	1A
53	12/31	Ellaville	City					1A
54	12/31	Ellenton	City					1A
55	12/31	Enigma	City					1A
56	12/31	Eton	City					1A
57	12/31	Euharlee	City					1A
58	12/31	Fairmount	City					1A
59	08/31	Fargo	City					1A
60	06/30	Forest Park	City					1A
61	09/30	Fort Valley	City		1A	1A	1A	1A
62	06/30	Garfield	City					1A
63	12/31	Geneva	City					1A
64	12/31	Glenwood	City					1A
65	08/31	Grayson	City					1A
66	09/30	Greensboro	City				1A	1A
67	12/31	Gum Branch	City			1A	1A	1A
68	06/30	Hawkinsville	City					1A
69	06/30	Homerville	City			1A	1A	1A
70	12/31	Hull	City				1A	1A
71	12/31	Jeffersonville	City		1A	1A	1A	1A

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	Name	Type					
72	12/31	Junction City					1A
73	12/31	Keysville			1A	1A	1A
74	12/31	Kingston					1A
75	12/31	Lake Park					1A
76	12/31	Lenox					1A
77	12/31	Lilly				1A	1A
78	06/30	Lone Oak					1A
79	06/30	Lovejoy					1A
80	06/30	Madison					1A
81	06/30	Marshallville					1A
82	12/31	Martin					1A
83	12/31	Maxeys	1A	1A	1A	1A	1A
84	12/31	Meansville					1A
85	12/31	Midville				1A	
86	12/31	Midway				1A	1A
87	06/30	Milledgeville					1A
88	12/31	Molena			1A	1A	1A
89	06/30	Monticello			1A	1A	1A
90	12/31	Montrose					1A
91	06/30	Morrow					1A
92	06/30	Morven					1A
93	12/31	Mount Airy					1A
94	12/31	Mount Vernon					1A
95	06/30	Mountain Park					1A
96	12/31	Newington					1A
97	12/31	Newton		1A	1A	1A	1A
98	06/30	Nicholls					1A
99	12/31	Norman Park					1A
100	06/30	Nunez				1A	1A
101	12/31	Oakwood					1A
102	12/31	Ochlocknee					1A
103	06/30	Ocilla					1A
104	12/31	Oliver					1A
105	12/31	Orchard Hill					1A
106	06/30	Palmetto					1A
107	12/31	Parrott					1A
108	12/31	Patterson				1A	1A
109	12/31	Pearson					1A
110	12/31	Pembroke					1A
111	12/31	Pitts				1A	1A
112	12/31	Plainville					1A
113	06/30	Portal					1A
114	12/31	Porterdale					1A
115	06/30	Quitman	1A	1A	1A	1A	1A
116	12/31	Rebecca					1A
117	06/30	Register					1A
118	06/30	Reidsville				1A	1A
119	04/30	Resaca					1A
120	12/31	Rest Haven				1A	1A
121	06/30	Riceboro					1A
122	12/31	Rincon					1A
123	12/31	Rochelle				1A	1A
124	12/31	Sale City					1A
125	12/31	Sasser					1A
126	06/30	Screven	1A	1A	1A	1A	1A
127	09/30	Shady Dale					1A
128	12/31	Sky Valley					1A
129	12/31	Soperton					1A
130	12/31	Sparks				1A	1A
131	12/31	Stonecrest				1A	1A
132	06/30	Summertown			1A		
133	12/31	Sumner					1A
134	12/31	Surrency					1A
135	11/30	Swainsboro					1A
136	06/30	Talbotton					1A
137	12/31	Taylorville					1A
138	12/31	Temple					1A
139	12/31	Tiger					1A
140	09/30	Tignall					1A
141	12/31	Trenton					1A
142	12/31	Turin					1A

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	Name	Type					
143	12/31	Twin City					1A
144	09/30	Union Point			1A	1A	1A
145	12/31	Uvalda				1A	1A
146	06/30	Vidette					1A
147	12/31	Wadley					1A
148	12/31	Walthourville				1A	1A
149	06/30	Warner Robins					1A
150	06/30	Waycross					1A
151	12/31	Waynesboro					1A
152	12/31	West Point			1A	1A	1A
153	12/31	White			1A	1A	1A
154	12/31	Willacoochee		1A	1A	1A	1A
155	12/31	Woodbine				1A	1A
156	12/31	Woodbury				1A	1A
157	12/31	Woodville		1A	1A	1A	1A
158	12/31	Wrens					1A
159	12/31	Yatesville	1A	1A	1A	1A	1A
160	12/31	Young Harris					1A
1	06/30	Banks County					1A
2	12/31	Bleckley County					1A
3	09/30	Burke County					1A
4	12/31	Calhoun County					1A
5	09/30	Clay County					1A
6	12/31	Coffee County					1A
7	12/31	Dodge County					1A
8	06/30	Dougherty County					1A
9	06/30	Elbert County					1A
10	06/30	Henry County					1A
11	06/30	Jeff Davis County					1A
12	09/30	Jenkins County					1A
13	12/31	Johnson County					1A
14	12/31	Lamar County					1A
15	12/31	Madison County					1A
16	12/31	Marion County					1A
17	06/30	Miller County					1A
18	06/30	Pike County					1A
19	06/30	Polk County					1A
20	12/31	Pulaski County					1A
21	12/31	Randolph County					1A
22	06/30	Screven County					1A
23	06/30	Telfair County					1A
24	12/31	Twiggs County				1A	1A
25	09/30	Wilcox County					1A
1	06/30	Cusseta-Chattahoochee County					1A
2	12/31	Georgetown-Quitman County					1A
3	12/31	Preston, Weston-Webster County					1A

Note 1: This information is accurate as of the date it was prepared. State agency officials are strongly encouraged to contact Department of Audits and Accounts to confirm eligibility for potential local government grantees prior to award of contract and transmittal of state grant funds. Eligibility may be confirmed by sending an e-mail to neubertj@audits.ga.gov and including name(s) of local government grantees. The inclusion or exclusion of a particular government on the above list does not constitute proof of eligibility status under O.C.G.A. §36-81-7.

Note 2: The FYE column indicates the month and date of the year end for each listed government.

KEY:

1. Noncompliant with O.C.G.A. §36-81-7 (A: Report not received; B: Uncorrected report deficiencies)
2. Noncompliant with O.C.G.A. §36-81-8.1
3. Reported to Office of the State Treasurer as noncompliant with O.C.G.A. §47-1-5 or Article 2 of §47-20