



MEMORANDUM

TO: All Agency Heads

FROM: Kristina Turner, Deputy State Auditor **KAT**

DATE: May 31, 2024

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 May 31, 2024. 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](mailto: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 July 8, 2024.

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](mailto:neubertj@audits.ga.gov) or by telephone at (404) 651-8938.

**GEORGIA DEPARTMENT OF AUDITS AND ACCOUNTS**

**Professional Standards and Practices Division - Nonprofit and Local Government Audit Section**

**Listing of Noncompliant Local Governments**

--- Government Name and Type ---				2018	2019	2020	2021	2022	2023
FYE	Name	Type							
1	12/31	Hospital Authority of Washington County	Authority	3		3		3	
2	09/30	Adel	City						1A
3	10/31	Alapaha	City						1A
4	06/30	Alston	City						1A
5	06/30	Andersonville	City					1A	1A
6	06/30	Aragon	City		1A	1A	1A	1A-D	1A
7	06/30	Ashburn	City					1A	1A
8	12/31	Avalon	City			1A	1A	1A	
9	06/30	Baldwin	City						1A
10	06/30	Bartow	City						1A
11	06/30	Bishop	City		1A	1A	1A	1A	1A
12	06/30	Bowdon	City						1A
13	12/31	Bowersville	City					1A	
14	12/31	Bowman	City				1A	1A	
15	06/30	Braswell	City		1A	1A	1A	1A	1A
16	06/30	Bremen	City						1A
17	06/30	Buckhead	City						1A
18	05/31	Buena Vista	City						1A
19	12/31	Cecil	City	1A	1A	1A	1A	1A	
20	12/31	Cedartown	City					1A	
21	06/30	Clayton	City					3	1A
22	12/31	Cohutta	City					1A	
23	12/31	Colbert	City					1A	
24	09/30	Cuthbert	City						1A
25	09/30	Dahlonega	City						1A
26	12/31	Danielsville	City				1A	1A	
27	06/30	Darien	City			1A	1A	1A	1A
28	08/31	Dawson	City						1A
29	09/30	Doraville	City					1A	1A
30	12/31	Dudley	City					1A	
31	06/30	East Point	City					1A	1A
32	08/31	Eatonton	City						1A
33	06/30	Edgehill	City			1A	1A	1A	1A
34	06/30	Edison	City		1A	1A	1A	1A	1A
35	12/31	Enigma	City					1A	
36	08/31	Fargo	City						1A
37	09/30	Fort Valley	City			1A	1A	1A	1A
38	09/30	Gordon	City						1A
39	09/30	Graham	City						1A
40	09/30	Greensboro	City						1A
41	06/30	Greenville	City						1A
42	12/31	Gum Branch	City				1A	1A	
43	06/30	Hagan	City						1A
44	06/30	Hiltonia	City						1A
45	10/31	Hinesville	City						1A
46	06/30	Homerville	City			1A	1A	1A	1A
47	12/31	Hull	City					1A	
48	09/30	Irwinton	City						1A
49	06/30	Jacksonville	City						1A
50	12/31	Jeffersonville	City		1A	1A	1A	1A	
51	12/31	Junction City	City					1A	

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		--- Government Name and Type ---							
FYE		Name	Type	2018	2019	2020	2021	2022	2023
52	12/31	Keysville	City			1A	1A	1A	
53	09/30	LaFayette	City						1A
54	12/31	Lilly	City				1A	1A	
55	06/30	Lovejoy	City					1A	1A
56	06/30	Madison	City						1A
57	06/30	Marshallville	City						1A-ADV
58	12/31	Maxeys	City	1A	1A	1A	1A	1A	
59	06/30	McDonough	City						1A
60	12/31	Midville	City				1A	1A	
61	12/31	Midway	City				1A	1A	
62	12/31	Milner	City					1A	
63	12/31	Molena	City			1A	1A	1A	
64	06/30	Monticello	City			1A	1A	1A	1A
65	06/30	Morrow	City					1A	1A
66	06/30	Morven	City						1A
67	06/30	Mountain Park	City						1A
68	07/31	Nashville	City						1A
69	12/31	Newton	City		1A	1A	1A	1A	
70	12/31	Norman Park	City					1A	
71	06/30	Nunez	City				1A	1A	1A
72	06/30	Ocilla	City					1A-D	1A
73	06/30	Palmetto	City					1A	1A
74	12/31	Patterson	City				1A	1A	
75	12/31	Pearson	City					1A	
76	06/30	Portal	City					1A	1A
77	06/30	Quitman	City		1A	1A	1A	1A	1A
78	06/30	Rayle	City						1A
79	06/30	Register	City						1A
80	04/30	Resaca	City					1A	1A
81	06/30	Riceboro	City						1A
82	09/30	Roberta	City						1A
83	12/31	Roopville	City					1A	
84	09/30	Shady Dale	City						1A
85	06/30	Sharon	City						1A
86	09/30	South Fulton	City					1A	1A
87	12/31	Sparks	City				1A	1A	
88	12/31	Stonecrest	City				1A	1A	
89	06/30	Summertown	City			1A			1A
90	12/31	Temple	City					1A	
91	12/31	Tiger	City					1A	
92	12/31	Turin	City					1A	
93	09/30	Union Point	City				1A	1A	1A
94	12/31	Uvalda	City				1A	1A	
95	06/30	Valdosta	City						1A
96	06/30	Vidette	City					1A	1A
97	12/31	Wadley	City					1A	
98	06/30	Waleska	City						1A
99	12/31	Walthourville	City				1A	1A	
100	12/31	West Point	City			1A	1A	1A	
101	12/31	White	City			1A	1A	1A	
102	12/31	Whitesburg	City					1A	

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FYE	Name	Type						
103	12/31	Willacoochee			1A	1A	1A	
104	12/31	Woodbine				1A	1A	
105	12/31	Woodbury				1A	1A	
106	12/31	Woodville		1A	1A	1A	1A	
1	06/30	Banks County						1A
2	09/30	Burke County						1A
3	06/30	Candler County						1A
4	09/30	Clay County					1A	1A
5	09/30	Cook County						1A
6	06/30	Dougherty County						1A
7	06/30	Elbert County						1A
8	09/30	Emanuel County						1A
9	06/30	Henry County						1A
10	06/30	Jeff Davis County						1A
11	09/30	Jenkins County						1A
12	09/30	McIntosh County						1A
13	09/30	Meriwether County						1A
14	12/31	Pierce County					1A	
15	06/30	Polk County						1A
16	12/31	Pulaski County					1A	
17	09/30	Tattnell County						1A
18	06/30	Telfair County						1A
19	12/31	Twiggs County					1A	
20	09/30	Wilcox County						1A
21	09/30	Wilkinson 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](mailto: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; A-D: Disclaimed Opinion; A-ADV: Adverse Opinion; 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