



MEMORANDUM

TO: All Agency Heads

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

DATE: September 16, 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 September 12, 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 October 25, 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 ---				2019	2020	2021	2022	2023	2024
FYE	Name	Type							
1	12/31	Hospital Authority of Washington County	Authority		3		3		
2	12/31	Abbeville	City					1A	
3	09/30	Adel	City					1A	
4	12/31	Adrian	City					1A	
5	12/31	Alto	City					1A	
6	12/31	Ambrose	City					1A	
7	06/30	Andersonville	City				1A	1A	
8	06/30	Aragon	City	1A	1A	1A	1A-D	1A	
9	06/30	Ashburn	City				1A	1A	
10	12/31	Avalon	City		1A	1A	1A	1A	
11	06/30	Baldwin	City					1A	
12	12/31	Berlin	City					1A	
13	06/30	Bishop	City	1A	1A	1A	1A	1A	
14	12/31	Bowersville	City				1A	1A	
15	12/31	Bowman	City			1A	1A	1A	
16	06/30	Braswell	City	1A	1A	1A	1A	1A	
17	06/30	Bremen	City					1A	
18	12/31	Brinson	City					1A	
19	12/31	Bronwood	City					1A	
20	12/31	Brookhaven	City					1A	
21	12/31	Broxton	City					1A	
22	12/31	Byromville	City					1A	
23	12/31	Canon	City					1A	
24	12/31	Carl	City					1A	
25	12/31	Cecil	City	1A	1A	1A	1A	1A	
26	12/31	Cedartown	City				1A	1A	
27	12/31	Chickamauga	City					1A	
28	12/31	Clarkesville	City					1A	
29	06/30	Clayton	City				3	1A	
30	12/31	Cohutta	City				1A	1A	
31	12/31	Colbert	City				1A	1A	
32	12/31	Culloden	City					1A	
33	09/30	Cuthbert	City					1A	
34	12/31	Danielsville	City				1A	1A	
35	06/30	Darien	City		1A	1A	1A	1A	
36	08/31	Dawson	City					1A	
37	12/31	Denton	City					1A	
38	12/31	Desoto	City					1A	
39	12/31	Dexter	City					1A	
40	12/31	Doerun	City					1A	
41	09/30	Doraville	City				1A	1A	
42	12/31	Dudley	City					1A	
43	06/30	East Point	City					1A	
44	06/30	Edgehill	City		1A	1A	1A	1A	
45	06/30	Edison	City	1A	1A	1A	1A	1A	
46	12/31	Ellaville	City					1A	
47	12/31	Ellenton	City					1A	
48	12/31	Enigma	City				1A	1A	
49	12/31	Eton	City					1A	
50	12/31	Fairmount	City					1A	
51	09/30	Fort Valley	City		1A	1A	1A	1A	

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FYE	Name	Type						
52	12/31 Geneva	City					1A	
53	09/30 Greensboro	City					1A	
54	06/30 Homerville	City				1A	1A	
55	12/31 Hull	City				1A	1A	
56	12/31 Jeffersonville	City	1A	1A	1A	1A	1A	
57	12/31 Junction City	City				1A	1A	
58	12/31 Keysville	City		1A	1A	1A	1A	
59	12/31 Kite	City					1A	
60	12/31 Lenox	City					1A	
61	12/31 Lilly	City				1A	1A	
62	12/31 Lincolnton	City					1A	
63	06/30 Lovejoy	City				1A	1A	
64	06/30 Lula	City					1A	
65	06/30 Madison	City					1A	
66	06/30 Marshallville	City					1A-ADV	
67	12/31 Martin	City					1A	
68	12/31 Moxley	City	1A	1A	1A	1A	1A	
69	06/30 McDonough	City					1A	
70	12/31 Midville	City			1A	1A	1A	
71	12/31 Midway	City			1A		1A	
72	12/31 Milan	City					1A	
73	12/31 Milner	City				1A	1A	
74	12/31 Molena	City		1A	1A	1A	1A	
75	06/30 Monticello	City			1A	1A	1A	
76	12/31 Montrose	City					1A	
77	06/30 Morrow	City				1A	1A	
78	06/30 Morven	City					1A	
79	12/31 Mount Vernon	City					1A	
80	07/31 Nashville	City					1A	
81	12/31 Newington	City					1A	
82	12/31 Newton	City	1A	1A	1A	1A	1A	
83	06/30 Nunez	City			1A	1A	1A	
84	12/31 Oakwood	City					1A	
85	06/30 Ocilla	City				1A-D	1A	
86	12/31 Omega	City					1A	
87	06/30 Palmetto	City				1A	1A	
88	12/31 Parrott	City					1A	
89	12/31 Patterson	City			1A	1A	1A	
90	12/31 Pearson	City				1A	1A	
91	12/31 Pine Lake	City					1A	
92	12/31 Pitts	City					1A	
93	12/31 Plainville	City					1A	
94	06/30 Portal	City				1A	1A	
95	12/31 Porterdale	City					1A	
96	06/30 Quitman	City	1A	1A	1A	1A	1A	
97	06/30 Rayle	City					1A	
98	1/31 Rentz	City						1A
99	04/30 Resaca	City				1A	1A	
100	12/31 Rest Haven	City					1A	
101	12/31 Rincon	City					1A	
102	12/31 Rochelle	City					1A	

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FYE		--- Government Name and Type ---		2019	2020	2021	2022	2023	2024
		Name	Type						
103	12/31	Roopville	City					1A	
104	12/31	Sasser	City					1A	
105	12/31	Scotland	City					1A	
106	12/31	Shiloh	City					1A	
107	12/31	Smithville	City					1A	
108	09/30	South Fulton	City					1A	
109	12/31	Sparks	City				1A	1A	
110	12/31	Stillmore	City					1A	
111	12/31	Stockbridge	City					1A	
112	12/31	Stone Mountain	City					1A	
113	12/31	Stonecrest	City			1A	1A	1A	
114	06/30	Summertown	City		1A				
115	12/31	Talking Rock	City					1A	
116	12/31	Tarrytown	City					1A	
117	12/31	Taylorsville	City					1A	
118	12/31	Temple	City					1A	
119	12/31	Thomaston	City					1A	
120	12/31	Thomson	City					1A	
121	12/31	Tiger	City				1A	1A	
122	12/31	Trenton	City					1A	
123	06/30	Tucker	City					1A	
124	12/31	Turin	City					1A	
125	09/30	Union Point	City			1A	1A	1A	
126	12/31	Uvalda	City			1A	1A	1A	
127	06/30	Vidette	City				1A	1A	
128	12/31	Wadley	City				1A	1A	
129	12/31	Walthourville	City			1A	1A	1A	
130	12/31	Warrenton	City					1A	
131	12/31	Waynesboro	City					1A	
132	12/31	West Point	City		1A	1A	1A	1A	
133	12/31	White	City		1A	1A	1A	1A	
134	12/31	Whitesburg	City					1A	
135	12/31	Willacoochee	City		1A	1A	1A	1A	
136	12/31	Woodbine	City			1A	1A	1A	
137	12/31	Woodbury	City			1A	1A	1A	
138	12/31	Woodville	City	1A	1A	1A	1A	1A	
1	09/30	Clay County	County				1A	1A	
2	09/30	Cook County	County					1A	
3	12/31	Dodge County	County					1A	
4	12/31	Douglas County	County					1A	
5	12/31	Echols County	County					1A	
6	06/30	Henry County	County					1A	
7	12/31	Lamar County	County					1A	
8	06/30	Lanier County	County					1A	
9	12/31	Marion County	County					1A	
10	06/30	Polk County	County					1A	
11	12/31	Pulaski County	County					1A	
12	12/31	Randolph County	County					1A	
13	12/31	Stewart County	County					1A	

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FYE	Name	Type						
14	06/30 Telfair County	County					1A	
15	12/31 Twiggs County	County				1A	1A	
16	09/30 Wilcox County	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