

CHEROKEE COUNTY, GEORGIA

SINGLE AUDIT REPORT

FOR THE FISCAL YEAR ENDED  
SEPTEMBER 30, 2020

**CHEROKEE COUNTY, GEORGIA**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

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### **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***

Cherokee County Board of Commissioners  
Cherokee County, Georgia  
Canton, Georgia

We have audited, in accordance with 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 units, each major fund, and the aggregate remaining fund information of Cherokee County, Georgia as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise Cherokee County, Georgia's basic financial statements, and have issued our report thereon dated March 30, 2021.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Cherokee County, Georgia'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 Cherokee County, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of Cherokee County, Georgia'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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting 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 Cherokee County, Georgia'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.

*Richards, Cauley + Associates, LLC*

Kennesaw, Georgia  
March 30, 2021



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### INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND A REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE

Cherokee County Board of Commissioners  
Cherokee County, Georgia  
Canton, Georgia

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

We have audited Cherokee County, Georgia's (the County) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on the County's major federal program for the year ended September 30, 2020. The County's major federal program is 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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

#### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for the County's major federal program 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 the major federal program. However, our audit does not provide a legal determination of the County's compliance.

### ***Opinion on the Major Federal Program***

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 the major federal program for the year ended September 30, 2020.

### **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 the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

*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 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. *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.

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

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.

*Richals, Cauley + Associates, LLC*

Kennesaw, Georgia  
April 16, 2021



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### INDEPENDENT AUDITOR'S REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

Cherokee County Board of Commissioners  
Cherokee County, Georgia  
Canton, Georgia

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 Cherokee County, Georgia (the County) as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated March 30, 2021 which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance) 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 basic 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 basic financial statements or to the basic 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 as a whole.

*Nichols, Cauley + Associates, LLC*

Kennesaw, Georgia  
March 30, 2021



**CHEROKEE COUNTY, GEORGIA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

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**Section I Summary of Audit Results**

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness identified? \_\_\_\_\_ yes      X   no

Significant deficiency identified? \_\_\_\_\_ yes      X   none reported

Noncompliance material to financial statements noted? \_\_\_\_\_ yes      X   no

Federal Awards

Internal Control over major federal programs:

Material weakness identified? \_\_\_\_\_ yes      X   no

Significant deficiency identified? \_\_\_\_\_ yes      X   none reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)? \_\_\_\_\_ yes      X   no

Identification of major programs:

CFDA Number	Name of Federal Programs
21.019	Coronavirus Relief Fund

Dollar threshold used to distinguish Between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee?   X   yes    \_\_\_\_\_ no

**CHEROKEE COUNTY, GEORGIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

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**Section II Financial Statement Findings**

None reported.

**Section III Federal Award Findings**

None reported.

**CHEROKEE COUNTY, GEORGIA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Contract or Project Number	Pass through to Subrecipients	Total Expenditures
<b>U.S. DEPARTMENT OF AGRICULTURE</b>				
Passed through the Georgia Association of Conservation Districts (GACD)				
Regional Conservation Partnership Program	10.932	GACD-02-18-001	\$ --	\$ 24,455
<b>Total U.S. Department of Agriculture</b>			<u>    --</u>	<u>    24,455</u>
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>				
CDBG - Entitlement Grants Cluster:				
Direct Grants				
Community Development Block Grants/Entitlement Grants	14.218		110,287	110,287
Community Development Block Grants/Entitlement Grants	14.218		286,989	406,176
Community Development Block Grants/Entitlement Grants	14.218		604,279	604,279
COVID-19 Community Development Block Grants/Entitlement Grants	14.218		149,494	217,443
<b>Total U.S. Department of Housing and Urban Development</b>			<u>    1,151,049</u>	<u>    1,338,185</u>
<b>U.S. DEPARTMENT OF JUSTICE</b>				
Passed through the Prosecuting Attorney's Council of Georgia				
Victims of Crime Act Formula Grant	16.575	C18-8-264	--	195,112
Victims of Crime Act Formula Grant	16.575	C18-8-263	--	76,730
Victims of Crime Act Formula Grant	16.575	C18-8-264	--	175,087
Passed through the Criminal Justice Coordinating Council (CJCC)				
Victims of Crime Act Formula Grant	16.575	C18-8-237	--	96,500
			<u>    --</u>	<u>    543,429</u>
Violence Against Women Grant	16.588	W18-8-007	--	3,826
Violence Against Women Grant	16.588	W19-8-015	--	54,791
Violence Against Women Grant	16.588	W18-8-031	--	4,056
			<u>    --</u>	<u>    62,673</u>
Direct Grants				
Justice Assistance Grant (Edward Byrne Memorial)	16.738	2019-DJ-BX-0461	--	9,325
COVID-19 - Coronavirus Emergency Supplemental Funding	16.034	2020-VD-BX-0788	--	5,104
Drug Court Discretionary Grant Program (Juvenile Drug Court)	16.585	2019-DC-BX-0102	--	54,731
State Criminal Alien Assistance Program	16.606	2019-H0423-GA-AP	--	42,304
Equitable Sharing Agreement	16.922	GA0281000	--	85,459
Equitable Sharing Agreement	16.922	GA0281000	--	51,146
Equitable Sharing Agreement	16.922	JLEO-19-0556	--	6,082
			<u>    --</u>	<u>    142,687</u>
<b>Total U.S. Department of Justice</b>			<u>    --</u>	<u>    860,253</u>
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>				
Passed through Georgia Emergency Management Agency				
Emergency Performance Management Grant	97.042	OEM19-028	--	50,000
Hazard Mitigation Grant Program	97.039	FEMA-4338-DR-GA	--	3,600
<b>Total U.S. Department of Homeland Security</b>			<u>    --</u>	<u>    53,600</u>

(continued)

**CHEROKEE COUNTY, GEORGIA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Contract or Project Number	Pass through to Subrecipients	Total Expenditures
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
Aging Cluster				
Passed through Atlanta Regional Commission				
Special Programs for the Aging; Title III Part B	93.044	AG2000	--	50,713
Special Programs for the Aging; Title III Part B	93.044	AG2101	--	26,247
Passed through the Georgia Department of Human Services				
Special Programs for the Aging; Title III Part B	93.044	42700-362-0000083651	--	3,110
Special Programs for the Aging; Title III Part B	93.044	42700-362-0000093554	--	13,251
			--	93,321
Passed through Atlanta Regional Commission				
Special Programs for the Aging; Title III Part C	93.045	AG2000	--	209,872
Special Programs for the Aging; Title III Part C	93.045	AG2101	--	74,904
COVID-19 - CARES Act Senior Services; Title 3C	93.045	AG2119	--	9,298
COVID-19 - Families First Coronavirus Relief Act (FFCRA)	93.045	AG2040	--	32,540
			--	326,614
Nutrition Services Incentive Program				
Nutrition Services Incentive Program	93.053	AG2000	--	46,782
Nutrition Services Incentive Program	93.053	AG2101	--	3,757
			--	50,539
Total Aging Cluster			--	470,474
Passed through Atlanta Regional Commission				
Social Services Block Grant	93.667	AG2000	--	19,722
Social Services Block Grant	93.667	AG2101	--	2,794
Passed through the Georgia Department of Human Services				
Social Services Block Grant	93.667	42700-362-0000083651	--	15,418
Social Services Block Grant	93.667	42700-362-0000093554	--	3,194
			--	41,128
Passed through Atlanta Regional Commission				
National Family Caregiver Support; Title III Part E	93.052	AG2000	--	10,069
Passed through the Georgia Department of Human Services				
Family Connection - FOCUS	93.605	427-93-202000030	35,499	35,499
Family Connection - FOCUS	93.605	427-93-202100030	10,755	10,755
			46,254	46,254
Direct Grants				
COVID-19 - CARES Act EMS Provider Relief Funds	93.498		--	85,141
<b>Total U.S. Department of Health and Human Services</b>			<b>46,254</b>	<b>653,066</b>
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>				
Passed through Georgia Office of Highway Safety				
HEAT Law Enforcement	20.614	GA-2019-402PT-032	--	113,825
Federal Transit Cluster:				
Passed through Atlanta Regional Commission				
Federal Transit - Formula Grant	20.507	GA-2019-002	--	104,799
Federal Transit - Formula Grant	20.507	GA-90-X308	--	39,618
COVID -19 - Federal Transit - Formula Grant	20.507	GA-2020-013	--	444,840
Pass through Georgia Department of Transportation				
COVID-19 - GDOT CARES Act Sec 5311	20.507	T006327	--	68,446
			--	657,703
Passed through the Georgia Department of Human Services				
5310 Elderly/Disabled	20.513	42700-362-0000083651	--	59,999
<b>Total U.S. Department of Transportation</b>			<b>--</b>	<b>831,527</b>

(continued)

**CHEROKEE COUNTY, GEORGIA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Contract or Project Number	Pass through to Subrecipients	Total Expenditures
<b>U.S. DEPARTMENT OF TREASURY</b>				
Passed through State of Georgia: COVID-19 - CARES Act Coronavirus Relief Fund	21.019	PA-0001786	--	9,211,622
<b>Total U.S. Department of Treasury</b>			--	<b>9,211,622</b>
<b>U.S. ELECTION ASSISTANCE COMMISSION</b>				
Passed through State of Georgia: HAVA 2020	90.401	HAVA 2020	--	7,617
COVID-19 - 2020 Supplemental Election Security Grant	90.401	CARES Elections	--	4,475
<b>Total U.S. Election Assistance Commission</b>			--	<b>12,092</b>
Total Expenditures of Federal Awards			<b>\$ 1,197,303</b>	<b>\$ 12,984,800</b>

**CHEROKEE COUNTY, GEORGIA**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

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1. Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of Cherokee County, Georgia (the County). All federal financial assistance received directly from federal agencies as well as federal financial assistance passed through other government agencies is included on the schedule.

The Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting which is described in Note 1C to the County's basic financial statements. Expenditures are recognized following the applicable cost principles contained in either Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") or the OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

2. Indirect Cost Rates

The County has elected not to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

3. Relationship to Federal Financial Reports

Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports.