



**ATLANTA REGIONAL COMMISSION**

**SINGLE AUDIT REPORT**

**For the Year Ended December 31, 2016**



Atlanta Regional Commission  
Single Audit Report  
For the Year Ended December 31, 2016

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## **REPORTS**

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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***

To the Members of the Atlanta Regional Commission  
Atlanta, 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, each major fund, and the aggregate remaining fund information of the Atlanta Regional Commission (the "Commission"), as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated June 9, 2017.

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

In planning and performing our audit of the financial statements, we considered the Commission'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 Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission'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 Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants 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.

*Nichols, Cauley + Associates, LLC*

Kennesaw, Georgia  
June 9, 2017





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### INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Members of the Atlanta Regional Commission  
Atlanta, Georgia

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

We have audited the Atlanta Regional Commission's 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 Atlanta Regional Commission's major federal programs for the year ended December 31, 2016. The Atlanta Regional Commission'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 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 each of the Atlanta Regional Commission'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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* 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 Atlanta Regional Commission'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 Atlanta Regional Commission's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, the Atlanta Regional Commission 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 major federal programs for the year ended December 31, 2016.

### ***Other Matters***

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2016-001. Our opinion on each major federal program is not modified with respect to this matter.

Atlanta Regional Commission's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Atlanta Regional Commission'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 Atlanta Regional Commission 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 Atlanta Regional Commission'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 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 Atlanta Regional Commission'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2016-002 that we consider to be a significant deficiency.

The Atlanta Regional Commission's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Atlanta Regional Commission'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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Nichols, Cauley + Associates, LLC*

Kennesaw, Georgia  
August 23, 2017



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

To the Members of the Atlanta Regional Commission  
Atlanta, Georgia

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Atlanta Regional Commission (the "Commission"), as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements. We issued our report thereon dated June 9, 2017, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The schedule of expenditures of federal awards is presented for the purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("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 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 taken as a whole.

*Nichols, Cauley + Associates, LLC*

Kennesaw, Georgia  
June 9, 2017

## **SCHEDULES**

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Atlanta Regional Commission  
 Schedule of Findings and Questioned Costs  
 For the Year Ended December 31, 2016

**Section I—Summary of Auditor’s Results**

Financial Statements

Type of auditor’s report issued: unmodified  
 Internal control over financial reporting:  
 Material weakness identified? \_\_\_\_\_ yes   x   no  
 Significant deficiency identified  
 not considered to be material weakness? \_\_\_\_\_ yes   x   none reported  
 Noncompliance material to financial statements  
 noted? \_\_\_\_\_ yes   x   no

Federal Awards

Internal control over major programs:  
 Material weakness identified? \_\_\_\_\_ yes   x   no  
 Significant deficiency identified  
 not considered to be material weakness?   x   yes \_\_\_\_\_ none reported  
 Type of auditor’s report issued on compliance  
 for all major programs: unmodified  
 Any audit findings disclosed that are required  
 to be reported in accordance with  
 2 CFR section 200.516(a)?   x   yes \_\_\_\_\_ no

Identification of major programs:

| <u>CFDA Number</u>       | <u>Name of Federal Programs</u>           |
|--------------------------|---|
| 97.067                   | Urban Area Security Initiative            |
| 93.044, 93.045, & 93.053 | Aging Cluster                             |
| 93.778                   | Medicaid Cluster                          |
| 20.205                   | Highway Planning and Construction Cluster |
| 20.505                   | Federal Transit Technical Studies Grants  |
| 20.513, 20.516, & 20.521 | Transit Services Program Cluster          |

Dollar threshold used to distinguish  
 between Type A and Type B programs: \$ 1,338,228  
 Auditee qualified as low-risk auditee?   x   yes \_\_\_\_\_ no

Atlanta Regional Commission  
Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2016

**Section II- Financial Statement Findings**

None Reported

**Section III - Federal Award Findings**

Department of Homeland Security  
U.S. Department of Health and Human Services  
U.S. Department of Transportation

2016-001    Urban Areas Security Initiative (UASI) – CFDA No. 97.067  
              Aging Cluster – CFDA No. 93.044, 93.045, & 93.053  
              Medicaid Cluster– CFDA No. 93.778  
              Highway Planning and Construction Cluster – CFDA No. 20.205  
              Transit Services Program Cluster – CFDA No. 20.513, 20.516, & 20.521

*Condition:* Documentation was not retained to support that the Commission had verified that subrecipients were audited as required by 2 CFR part 200, subpart F.

*Criteria:* Excel spreadsheets used to track receipt of subrecipients’ single audit reports were not retained.

*Effect:* Documentation was not retained to support that the Commission had verified that subrecipients were audited as required.

*Auditor's Recommendation:* Documentation should be retained to support Commission’s review of subrecipients’ audit reports as well as the process used to ensure the subrecipient has taken timely and appropriate action on any deficiencies detected in the audits.

*Views of Responsible Officials and Planned Corrective Actions:* ARC agrees with the finding. Documentation of the review of the subrecipients audit reports as well as the process used to ensure the subrecipient has taken timely and appropriate action on any deficiencies detected in the audits will be retained.

Department of Homeland Security

2016-002    Urban Areas Security Initiative (UASI) – CFDA No. 97.067 – Grant No.2014-SS-00092-S01

*Condition:* During the procurement process for an equipment contract, the Commission chose to use the State Purchasing Division’s Statewide Contract list however the equipment was purchased from a vendor that was not included on the State Purchasing Division’s Statewide Contract list.



Atlanta Regional Commission  
Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2016

*Criteria:* A purchase was made from a vendor that was not included on the State Purchasing Division's Statewide Contract list when use of the contract list was intended.

*Effect:* The costs totaling \$84,294 are subject to disallowance and refund to the Department of Homeland Security.

*Questioned Costs:* \$84,294

*Auditor's Recommendation:* Employees should review State Contract documentation closely when using the Statewide Contract list to ensure contracts are awarded to the correct vendor.

*Views of Responsible Officials and Planned Corrective Actions:* ARC agrees with the finding. Employees will review State Contract documentation closely when using the Statewide Contract list to ensure contracts are awarded to the correct vendor.

**Atlanta Regional Commission**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2016**

| Federal Grantor/Pass-through<br>Grantor/Program or Cluster Title | Program Name  | CFDA<br>NO. | Passed through<br>to Subrecipients | Total Federal<br>Expenditures |
|--|---|-------------|------------------------------------|-------------------------------|
| <b>U.S. Department of Commerce</b>                               |   |             |                                    |                               |
| Pass through United Way of Greater Atlanta                       |   |             |                                    |                               |
| REVWD1700  | Aerotropolis Atlanta Workforce Collective                             | 11.302      | \$ -                               | \$ 1,888                      |
| Direct Assistance  |   |             |                                    |                               |
| 04-83-06886  | Regional Economic Development Plan                                    | 11.302      | -                                  | 65,271                        |
| <b>Total U. S. Department of Commerce</b>                        |   |             | -                                  | 67,159                        |
| <b>Department of Homeland Security</b>                           |   |             |                                    |                               |
| Passed through Georgia Emergency Management Agency               |   |             |                                    |                               |
| 2014-SS-00092-S01  | Urban Areas Security Initiative (UASI)                                | 97.067      | 1,692,026                          | 2,905,405                     |
| 2015-SS-00065-S01  | Urban Areas Security Initiative (UASI)                                | 97.067      | 73,680                             | 493,941                       |
| <b>Total Department of Homeland Security</b>                     |   |             | 1,765,706                          | 3,399,346                     |
| <b>Corporation for National &amp; Community Service</b>          |   |             |                                    |                               |
| Direct Assistance  |   |             |                                    |                               |
| 14SRSGA003   | Retired & Senior Volunteer Program                                    | 94.002      | -                                  | 94,974                        |
| <b>Total Corporation for National &amp; Community Service</b>    |   |             | -                                  | 94,974                        |
| <b>U.S. Department of Health and Human Services</b>              |   |             |                                    |                               |
| Passed through Georgia Dept. of Human Services                   |   |             |                                    |                               |
| <b>Aging Cluster</b>   |   |             |                                    |                               |
| 42700-373-0000040025   | Title III , Part A & B - Supportive Services                          | 93.044      | 796,860                            | 1,190,059                     |
| 42700-373-0000049685   | Title III , Part A & B - Supportive Services                          | 93.044      | 1,133,735                          | 1,350,231                     |
|  |   |             | 1,930,595                          | 2,540,290                     |
| 42700-373-0000040025   | Title III, Part C1 - Congregate Meals, Part C2 - Home Delivered Meals | 93.045      | 1,331,208                          | 1,479,120                     |
| 42700-373-0000049685   | Title III, Part C1 - Congregate Meals, Part C2 - Home Delivered Meals | 93.045      | 1,922,181                          | 2,135,757                     |
|  |   |             | 3,253,389                          | 3,614,877                     |
| 42700-373-0000040025   | Nutrition Services Incentive Program (NSIP)                           | 93.053      | 348,102                            | 348,102                       |
| 42700-373-0000049685   | Nutrition Services Incentive Program (NSIP)                           | 93.053      | 470,559                            | 470,559                       |
|  |   |             | 818,661                            | 818,661                       |
| <b>Total Aging Cluster</b>                                       |   |             | 6,002,645                          | 6,973,828                     |
| 42700-373-0000040025   | Long Term Care Ombudsman  | 93.042      | 95,592                             | 104,146                       |
| 42700-373-0000040025   | Title III, Part D - Health Promotion Services                         | 93.043      | -                                  | 37,024                        |
| 42700-373-0000049685   | Title III, Part D - Health Promotion Services                         | 93.043      | -                                  | 262,604                       |
|  |   |             | -                                  | 299,628                       |
| 42700-373-0000040025   | Title III, Part E - Family Caregiver Support                          | 93.052      | 192,282                            | 580,987                       |
| 42700-373-0000049685   | Title III, Part E - Family Caregiver Support                          | 93.052      | 153,813                            | 473,243                       |
|  |   |             | 346,095                            | 1,054,230                     |
| 42700-373-0000040025   | Social Services Block Grant (SSBG)                                    | 93.667      | 128,526                            | 492,822                       |
| 42700-373-0000049685   | Social Services Block Grant (SSBG)                                    | 93.667      | 50,727                             | 391,942                       |
|  |   |             | 179,253                            | 884,764                       |
| 42700-373-0000040025   | Money Follows the Person  | 93.791      | 34,276                             | 688,090                       |
| 42700-373-0000049685   | Money Follows the Person  | 93.791      | -                                  | 544,481                       |
|  |   |             | 34,276                             | 1,232,571                     |
| CT-0811-0021   | Community Based Care Transitions Program                              | 93.621      | 674                                | 276,575                       |
| <b>Medicaid Cluster</b>  |   |             |                                    |                               |
| 42700-373-0000049685   | Balancing Incentive Program   | 93.778      | -                                  | 47,495                        |
| 42700-373-0000040025   | Indigent Care Trust Fund (CCSP)                                       | 93.778      | 994,480                            | 1,484,196                     |
| Passed through Georgia Dept. of Community Health                 |   |             |                                    |                               |
| 2017002  | Indigent Care Trust Fund (CCSP)                                       | 93.778      | 1,320,611                          | 1,740,450                     |
| <b>Total Medicaid Cluster</b>                                    |   |             | 2,315,091                          | 3,272,141                     |

**Atlanta Regional Commission**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2016**

| Federal Grantor/Pass-through<br>Grantor/Program or Cluster Title | Program Name                      | CFDA<br>NO. | Passed through<br>to Subrecipients | Total Federal<br>Expenditures |
|--|-----------------------------------|-------------|------------------------------------|-------------------------------|
| Passed through Fulton County, Georgia                            |                                   |             |                                    |                               |
| NU58DP005568-01-05   | PICH - Partnership in Comm Health | 93.331      | 53,319                             | 456,830                       |
| NU58DP005568-03-00   | PICH - Partnership in Comm Health | 93.331      | -                                  | 5,518                         |
|  |                                   |             | <u>53,319</u>                      | <u>462,348</u>                |
| <b>Total U.S. Department of Health and Human Services</b>        |                                   |             | 9,026,945                          | 14,560,231                    |
| <b>U.S. Department of Labor</b>                                  |                                   |             |                                    |                               |
| Passed through Georgia Dept. of Economic Development             |                                   |             |                                    |                               |
| <b>WIA Cluster</b>   |                                   |             |                                    |                               |
| 11-14-14-03-007  | WIA, Adult Program                | 17.258      | 45,189                             | 54,818                        |
| 11-14-15-03-007  | WIA, Adult Program                | 17.258      | 157,740                            | 315,115                       |
| 11-15-15-03-007  | WIA, Adult Program                | 17.258      | 52,237                             | 166,324                       |
| 11-15-16-03-007  | WIA, Adult Program                | 17.258      | 2,724,051                          | 3,988,289                     |
| 11-16-16-03-007  | WIA, Adult Program                | 17.258      | 55,924                             | 83,816                        |
| 11-16-17-03-007  | WIA, Adult Program                | 17.258      | -                                  | 14,024                        |
|  |                                   |             | <u>3,035,141</u>                   | <u>4,622,386</u>              |
| 15-14-14-03-007  | Youth Programs                    | 17.259      | 13,898                             | 66,617                        |
| 15-15-15-03-007  | Youth Programs                    | 17.259      | 1,524,771                          | 2,056,723                     |
| 15-16-16-03-007  | Youth Programs                    | 17.259      | 1,256,407                          | 1,484,575                     |
|  |                                   |             | <u>2,795,076</u>                   | <u>3,607,915</u>              |
| 14-14-15-03-007  | Incentive Grant                   | 17.278      | 2,337                              | 43,482                        |
| 01-15-16-03-007  | WIOA Metro Region Plan            | 17.278      | -                                  | 125,000                       |
| 31-14-14-03-007  | WIA, Dislocated Worker            | 17.278      | 214,791                            | 327,702                       |
| 31-14-15-03-007  | WIA, Dislocated Worker            | 17.278      | 496,825                            | 660,468                       |
| 31-15-15-03-007  | WIA, Dislocated Worker            | 17.278      | 32,487                             | 303,918                       |
| 31-15-16-03-007  | WIA, Dislocated Worker            | 17.278      | 997,142                            | 1,556,565                     |
| 31-16-16-03-007  | WIA, Dislocated Worker            | 17.278      | 29,085                             | 103,525                       |
| 31-16-17-03-007  | WIA, Dislocated Worker            | 17.278      | -                                  | 47,614                        |
| 44-13-14-03-007  | WIA, Dislocated Worker            | 17.278      | -                                  | 402                           |
| 44-14-14-03-007  | WIA, Dislocated Worker            | 17.278      | 56                                 | 11,524                        |
| 44-15-15-03-007  | WIA, Dislocated Worker            | 17.278      | 346                                | 5,561                         |
|  |                                   |             | <u>1,773,069</u>                   | <u>3,185,761</u>              |
| <b>Total WIA Cluster</b>   |                                   |             | <u>7,603,286</u>                   | <u>11,416,062</u>             |
| <b>Total U.S. Department of Labor</b>                            |                                   |             | 7,603,286                          | 11,416,062                    |
| <b>U.S. Department of Transportation</b>                         |                                   |             |                                    |                               |
| Direct Assistance  |                                   |             |                                    |                               |
| <b>Federal Transit Capital &amp; Oper Asst Grants</b>            |                                   |             |                                    |                               |
| GA-90-X336   | Regional Transit Implementation   | 20.507      | -                                  | 405,278                       |
| GA-95-X026-00  | Atlanta Beltline Project          | 20.507      | 282,694                            | 353,368                       |
|  |                                   |             | <u>282,694</u>                     | <u>758,646</u>                |
| GA-26-0006-00  | VTCLI Round Two - Outreach        | 20.514      | -                                  | 11,669                        |
| GA-26-0008-00  | TMC Platform for One-Click        | 20.514      | 6,442                              | 60,077                        |
| GA-04-0040   | FTA- Mobility Mgmt CC             | 20.514      | -                                  | 16,000                        |
|  |                                   |             | <u>6,442</u>                       | <u>87,746</u>                 |
| <b>Transit Services Program Cluster</b>                          |                                   |             |                                    |                               |
| GA-90-X-345  | JARC                              | 20.516      | 39,974                             | 72,762                        |
| GA-57-X014   | New Freedom Program               | 20.521      | 48,412                             | 81,276                        |
| Passed through Georgia Dept. of Human Resources                  |                                   |             |                                    |                               |
| 42700-362-0000037972   | 5310                              | 20.513      | 466,028                            | 1,116,935                     |
| 42700-362-0000054731   | 5310                              | 20.513      | 18,270                             | 30,264                        |
|  |                                   |             | <u>484,298</u>                     | <u>1,147,199</u>              |
| <b>Total Transit Services Program Cluster</b>                    |                                   |             | 572,684                            | 1,301,237                     |

**Atlanta Regional Commission**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2016**

| Federal Grantor/Pass-through<br>Grantor/Program or Cluster Title | Program Name   | CFDA<br>NO. | Passed through<br>to Subrecipients | Total Federal<br>Expenditures |
|--|--|-------------|------------------------------------|-------------------------------|
| Passed through Georgia Dept. of Transportation                   |  |             |                                    |                               |
| <b>Highway Planning and Construction Cluster</b>                 |  |             |                                    |                               |
| 0013396  | Highway Planning and Construction (PL)                 | 20.205      | -                                  | 4,865,735                     |
| 0010500  | Regional Rideshare Program                             | 20.205      | -                                  | 1,564,907                     |
| 0010935  | TDM Employer Services                                  | 20.205      | 1,127,496                          | 1,437,127                     |
| 0013420  | SHRP2  | 20.205      | -                                  | 440,163                       |
| 0013754  | SHRP2  | 20.205      | -                                  | 185,715                       |
| 0010464  | ACL CDSM Education                                     | 20.205      | 597,122                            | 746,402                       |
| 0010461  | Livable Centers Initiative Policy Studies              | 20.205      | 428,107                            | 535,135                       |
| 0010462  | Livable Centers Initiative Policy Studies              | 20.205      | 261,159                            | 526,364                       |
| 0008733  | Surface Transportation Program                         | 20.205      | 200,287                            | 250,359                       |
| 0014992  | Surface Transportation Program                         | 20.205      | -                                  | 35,540                        |
| 0010466  | County Comprehensive Transportation Plan               | 20.205      | -                                  | 343,180                       |
|  | <b>Total Highway Planning and Construction Cluster</b> |             | <u>2,614,171</u>                   | <u>10,930,627</u>             |
| T005796  | Federal Transit Technical Studies Grants               | 20.505      | -                                  | 1,991,562                     |
|  |  |             | <u>-</u>                           | <u>1,991,562</u>              |
| <b>Total U.S. Department of Transportation</b>                   |  |             | <u>3,475,991</u>                   | <u>15,069,818</u>             |
| <b>Total Schedule of Federal Assistance</b>                      |  |             | <u><b>\$21,871,928</b></u>         | <u><b>\$44,607,590</b></u>    |

Atlanta Regional Commission  
Notes To Schedule Of Expenditures Of Federal Awards  
For the Year Ended December 31, 2016

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal award activity of the Atlanta Regional Commission (the “Commission”) under programs of the federal government for the year ended December 31, 2016. Because the Schedule presents only a selected portion of the operations of the Commission, it is not intended to and does not present the financial position, changes in financial position, or cash flows of the Commission.

2. Summary of Significant Accounting Policies

The Schedule is presented using the modified accrual basis of accounting, which is described in Note 1C of the Commission’s 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.

Agency-wide central support service costs are recorded in the Commission’s General fund as indirect costs and are recovered from grantor agencies, through the Commission’s special revenue funds and proprietary funds based upon a predetermined indirect cost rate. The Commission’s indirect cost plan for 2016 established a fixed rate of 31% for direct salaries, wages, and fringe benefits. Departmental indirect costs for the Business Services, Community Services, and Livable Communities departments are recovered from grantor agencies through the cost centers managed by these departments within special revenue funds and proprietary funds based upon a predetermined indirect cost rate for each department. The Commission’s indirect cost plan for 2016 established a fixed rate of 4.7%, 1.9%, and 9.3% for the Business Services, Community Services, and Livable Communities departments, respectively. The indirect costs rates are applied to the labor base, made up of salaries, wages, and fringe benefits charged directly to the cost centers.

3. Relationship to Federal Financial Reports

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

Atlanta Regional Commission  
Summary Schedule of Prior Year Findings  
For the Year Ended December 31, 2016

**Federal Award Findings and Questioned Costs**

None reported