ATLANTA REGIONAL COMMISSION

SINGLE AUDIT REPORT

For the Year Ended December 31, 2025

Atlanta Regional Commission
Single Audit Report
For the Year Ended December 31, 2025

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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*

Independent Auditor's Report

To the Members of the Atlanta Regional Commission
Atlanta, 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, 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, 2025, 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 25, 2026.

Report on 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) as a basis for designing 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 or significant deficiencies may exist that were not identified.

Report on 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 financial statements. 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 25, 2026

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REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS IN ACCORDANCE WITH THE UNIFORM GUIDANCE

Independent Auditor's Report

To the Members of the Atlanta Regional Commission
Atlanta, Georgia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Atlanta Regional Commission's (the "Commission") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the Commission's major federal programs for the year ended December 31, 2025. The Commission's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Commission complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended December 31, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Commission's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Commission's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Commission's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Commission's compliance with the requirements of its major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Commission's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Commission's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the Commission's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 a 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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
June 25, 2026

Atlanta Regional Commission
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2025

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?	______ yes	x 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)?	______ yes	x no

Identification of major programs:

Assistance Listing Number	Name of Federal Programs
17.258, 17.259, 17.278	WIOA Cluster
20.505	Federal Transit Technical Studies Grants
97.067	Urban Areas Security Initiative (UASI)

Dollar threshold used to distinguish between Type A and Type B programs: $ 1,770,865

Auditee qualified as low-risk auditee? x yes

Atlanta Regional Commission
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2025

Section II - Financial Statement Findings

None reported.

Section III - Federal Award Findings

None reported.

ATLANTA REGIONAL COMMISSION
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2025

Grantor Agency	Grant Number	Program Name	CFDA NO.	Federal Passed through to Subrecipients	Federal Expended
U. S. Department of Commerce					
Direct Assistance	ED23ATL3020010	Regional Economic Development Plan	11.302	$ -	$ 76,293
Total U. S. Department of Commerce				**-**	**76,293**
Department of Homeland Security					
Passed through Georgia Emergency Management Agency					
	EMW-2022-SS-00048	Urban Areas Security Initiative (UASI)	97.067	2,339,427	3,450,747
	EMW-2023-SS-00099	Urban Areas Security Initiative (UASI)	97.067	1,462,287	2,373,476
	EMW-2024-SS-05208	Urban Areas Security Initiative (UASI)	97.067	-	283,165
Total Department of Homeland Security				**3,801,714**	**6,107,388**
Corporation for National & Community Service					
Direct Assistance	23SRHGA002	Retired & Senior Volunteer Program	94.002	-	60,593
Total Corporation for National & Community Service				**-**	**60,593**
U.S. Department of Health and Human Services					
Passed through Georgia Dept. of Human Services					
		Aging Cluster			
	42700-373-0000106646	Title III , Part A & B - Supportive Services	93.044	26,379	406,250
	42700-373-25-116780	Title III , Part A & B - Supportive Services	93.044	644,080	1,214,232
	42700-373-26-120038	ARPA - CARES Title III , Part A & B - Supportive Services	93.044	1,692,301	2,309,734
				2,362,760	**3,930,216**
	42700-373-0000106646	Title III, Part C1 - Congregate Meals, Part C2 - Home Deli	93.045	-	-
	42700-373-25-116780	Title III, Part C1 - Congregate Meals, Part C2 - Home Deli	93.045	2,457,846	2,457,846
	42700-373-26-120038	ARPA - CARES Title III , Part C	93.045	4,155,184	4,155,184
				6,613,030	**6,613,030**
	42700-373-25-116780	Nutrition Services Incentive Program (NSIP)	93.053	202,633	202,633
	42700-373-26-120038	Nutrition Services Incentive Program (NSIP)	93.053	365,721	365,721
				568,354	**568,354**
		Total Aging Cluster		**9,544,144**	**11,111,600**
	42700-373-0000106646	Title III, Part D - Health Promotion Services	93.043	-	-
	42700-373-25-116780	Title III, Part D - Health Promotion Services	93.043	-	82,163
	42700-373-26-120038	ARPA - Title III, Part D - Health Promotion Services	93.043	-	57,953
				-	**140,116**
	42700-373-0000106646	Title III, Part E - Family Caregiver Support	93.052	-	97,016
	42700-373-25-116780	Title III, Part E - Family Caregiver Support	93.052	253,666	378,700
	42700-373-26-120038	ARPA- Title III, Part E - Family Caregiver Support	93.052	256,099	382,076
				509,765	**857,792**
	42700-373-26-120038	Social Services Block Grant (SSBG)	93.667	156,233	468,614
	42700-373-25-116780	Social Services Block Grant (SSBG)	93.667	74,209	508,555
				230,442	**977,169**
	42700-373-25-116780	Money Follows the Person	93.791	-	298,175
	42700-373-26-120038	Money Follows the Person	93.791	-	303,614
				-	**601,789**
		Medicaid Cluster			
Passed through Georgia Dept. of Community Health	2017002.8	Community Care Service Program (CCSP)	93.778	-	812,383
	2017002.9	Community Care Service Program (CCSP)	93.778	-	709,885
		Total Medicaid Cluster		**-**	**1,522,268**
Direct Assistance	90FPSG0061-01-00	Evidence-Based Falls Prevention Programs	93.761	-	146,947
Total U.S. Department of Health and Human Services				**10,284,351**	**15,357,681**
U.S. Department of Labor					
Passed through Technical College System of Georgia, Office of Workforce Development					
	QST-22-23-03-007	WIA, National Dislocated Worker Grants	17.277	-	1,764
	QST2-22-23-03-007	WIA, National Dislocated Worker Grants	17.277	323,131	431,541
				323,131	**433,305**
	23A60HG000051-01-01	Building Pathways to Infrastructure Jobs in GA	17.268	569,226	612,041
		WIOA Cluster			
	11-23-23-03-007	WIA, Adult Program	17.258	513	37,961
	11-23-24-03-007	WIA, Adult Program	17.258	124,489	137,865
	11-24-24-03-007	WIA, Adult Program	17.258	5,053	86,591
	11-24-25-03-007	WIA, Adult Program	17.258	342,794	878,277
	11-25-25-03-007	WIA, Adult Program	17.258	2,841	186,421
	11-25-26-03-007	WIA, Adult Program	17.258	83,709	132,682
	AFR11a-22-23-03-007	WIA, Adult Program	17.258	43,866	75,000
				603,265	**1,534,797**
	15-23-23-03-007	WIA, Youth Programs	17.259	16,800	25,520
	15-24-24-03-007	WIA, Youth Programs	17.259	808,008	1,339,420
	15-25-25-03-007	WIA, Youth Programs	17.259	467,372	747,323
	ARF15a-22-22-03-007	WIA, Youth Programs	17.259	69,305	90,000
				1,361,485	**2,202,263**
	31-23-23-03-007	WIA, Dislocated Worker	17.278	-	1,114
	31-23-24-03-007	WIA, Dislocated Worker	17.278	127	12,919
	31-24-24-03-007	WIA, Dislocated Worker	17.278	7,429	86,085
	31-24-25-03-007	WIA, Dislocated Worker	17.278	736,294	1,619,858
	31-25-25-03-007	WIA, Dislocated Worker	17.278	17,631	353,575
	31-25-26-03-007	WIA, Dislocated Worker	17.278	210,355	253,557
	36-23-24-03-007	WIA, Dislocated Worker	17.278	401,452	485,459
	36-24-25-03-007	WIA, Dislocated Worker	17.278	195,788	262,407
	AFR31a-22-23-03-007	WIA, Dislocated Worker	17.278	524,594	794,067
	RR-24-25-03-007	WIA, Dislocated Worker	17.278	-	104,942
	SP-23-24-03-007	WIA, Dislocated Worker	17.278	267,321	302,333
				2,360,991	**4,276,316**

		Total WIA Cluster		**4,325,741**	**8,013,376**
Total U.S. Department of Labor				**5,218,098**	**9,058,722**
U.S. Department of Transportation					
Direct Assistance - Federal Transit Administration		**Federal Transit Capital & Oper Asst Grants**			
	GA-2021-012-00	Human Services Coordination & Research	20.514	2,903	2,903
				2,903	**2,903**
		Transit Services Program Cluster			
Passed through Georgia Dept. of Human Services					
	42700-362-25-119265	5310	20.513	1,361,262	1,436,254
	42700-362-25-119265.121785	5310	20.513	207,855	226,631
				1,569,117	**1,662,885**
		Total Transit Services Program Cluster		**1,569,117**	**1,662,885**
		Total Federal Transit Capital & Oper Asst Grants		**1,572,020**	**1,665,788**
		Highway Planning and Construction Cluster			
Passed through Georgia Dept. of Transportation	0020225	Highway Planning and Construction (PL)	20.205	-	6,760,853
	0013481	Georgia Commute Options Program	20.205	-	8,219,185
	19809	Regional Rideshare Program	20.205	-	1,870,488
	0020715	ARC Region Transportation Carbon Reduction Plan	20.205	-	108,591
	0018307	Freight Cluster Planning Program	20.205	3,504	3,504
	0019812	Regional Transportation Planning Studies	20.205	456,680	456,682
	0015843	Livable Centers Initiative Policy Studies	20.205	464,463	464,483
	0017695	Livable Centers Initiative Policy Studies	20.205	894,799	932,105
	0017696	Livable Centers Initiative Policy Studies	20.205	-	176,408
	0020673	Transportation Workforce Training Pilot Program	20.205	-	120,477
	0017787	Travel Demand Modeling - Employer Services	20.205	2,438,033	2,439,671
	0019156	Travel Demand Modeling	20.205	-	57,223
	0020990	Transportation System Electrification	20.205	-	22,208
	0020936	Emergency Healthcare Transportation Access Study	20.205	-	14,710
	0021191	Regional Housing & Transit Study	20.205	-	146,343
	PROT-25-0015-GA	MPO Resilience Improvement Plan	20.205	-	73,977
	0020241	Safe & Equitable Transportation Y410	20.205	-	131,840
	0018012	Highway Research & Development Program	20.205	-	8,994
	0019199	TIP-RTP Database Upgrade - PLANIT	20.205	-	69,567
	0015835	County Comprehensive Transportation Plan	20.205	583,831	583,831
	0017785	County Comprehensive Transportation Plan	20.205	71,585	550,725
	0017786	County Comprehensive Transportation Plan	20.205	-	5,832
		Total Highway Planning and Construction Cluster		**4,912,895**	**23,217,697**
	T006859	Federal Transit Technical Studies Grants	20.505	-	264,382
	T008028	Federal Transit Technical Studies Grants	20.505	-	450,129
	T008029	Federal Transit Technical Studies Grants	20.505	-	2,247,314
				-	**2,961,825**
Total U.S. Department of Transportation				**$ 6,484,915**	**$ 27,845,310**
U.S. Department of Interior					
Direct Assistance - Environmental Protection Agency	02D56523	Climate Pollution Reduction	66.046	-	252,666
Total U.S. Department of Interior				**-**	**252,666**
U.S. Department of Energy	DE-EE0010704	Regional Clean Electricity Plan	81.087	-	181,923
Passed through Georgia Institute of Technology	AWD-004764-G1	DOE EnergyShed	81.087	-	88,263
Total U.S. Department of Energy				**-**	**270,186**
Total Schedule of Federal Awards				**$ 25,789,078**	**$ 59,028,839**

Atlanta Regional Commission
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2025

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, 2025. 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.

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.

2. Indirect Cost Rates

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 2025 established a fixed rate of 33.5% for direct salaries, wages, and fringe benefits.

3. Relationship to Federal Financial Reports

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