

ROCK COUNTY
Janesville, Wisconsin

REPORT ON FEDERAL AND STATE AWARDS

For the Year Ended December 31, 2014

ROCK COUNTY

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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 Auditors' Report

To the County Board of Supervisors
Rock County
Janesville, Wisconsin

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 Rock County, Wisconsin as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise Rock County's basic financial statements and have issued our report thereon dated July 21, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Rock County'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 Rock County's internal control. Accordingly, we do not express an opinion on the effectiveness of Rock County's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified a deficiency in internal control that we consider to be a material weakness.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs to be a material weakness. This material weakness is item 2014-001.

To the County Board of Supervisors
Rock County

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Rock County'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*.

Rock County's Response to the Finding

Rock County's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Rock County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.

Baker Tilly Vuchow Krause LLP

Madison, Wisconsin
July 21, 2015

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND MAJOR STATE PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND
REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
REQUIRED BY OMB CIRCULAR A-133 AND THE *STATE SINGLE AUDIT GUIDELINES*

Independent Auditors' Report

To the County Board of Supervisors
Rock County
Janesville, Wisconsin

Report on Compliance for Each Major Federal and Major State Program

We have audited Rock County, Wisconsin's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the *State Single Audit Guidelines* that could have a direct and material effect on each of Rock County's major federal and major state programs for the year ended December 31, 2014. Rock County's major federal and major state 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 laws, regulations, contracts, and grants applicable to its federal and state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Rock County's major federal and major state 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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and the *State Single Audit Guidelines*. Those standards, OMB Circular A-133, and the *State Single Audit Guidelines* 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 or major state program occurred. An audit includes examining, on a test basis, evidence about Rock 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 each major federal and major state program. However, our audit does not provide a legal determination of Rock County's compliance.

Opinion on Each Major Federal and Major State Program

In our opinion, Rock County 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 and major state programs for the year ended December 31, 2014.

To the County Board of Supervisors
Rock County

Other Matter

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with OMB Circular A-133 or the *State Single Audit Guidelines* and which is described in the accompanying schedule of findings and questioned costs as item 2014-002. Our opinion on each major federal and major state program is not modified with respect to this matter.

Rock County's Response to the Finding

Rock County's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Rock County'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 Rock 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 Rock County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or major state 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 and major state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and the *State Single Audit Guidelines*, 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 Rock 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 or state 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 reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state 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 or state 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 a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2014-003 that we consider to be a significant deficiency.

Rock County's Response to the Finding

Rock County's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Rock County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

To the County Board of Supervisors
Rock County

Purpose of this Report

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 OMB Circular A-133 and the *State Single Audit Guidelines*. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of Federal and State Awards
Required by OMB Circular A-133 and the *State Single Audit Guidelines***

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Rock County, Wisconsin as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise Rock County's basic financial statements. We issued our report thereon dated July 21, 2015 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 and state awards is presented for purposes of additional analysis as required by OMB Circular A-133 and the *State Single Audit Guidelines* 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 and state awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Baker Tilly Vuchow Krause, LLP

Madison, Wisconsin
September 11, 2015

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended December 31, 2014

Grantor Agency / Pass-Through Agency/ Program Title	Federal CFDA Number	Pass- Through Agency	Grant/Pass-Through Grantors' Number	Revenues			Total Revenues	Expenditures
				(Accrued) Deferred Beginning Balance	Cash Received (Refunded)	Accrued (Deferred) Ending Balance		
FEDERAL PROGRAMS								
U. S. Department of Agriculture								
Child Nutrition Cluster								
School Breakfast Program	10.553	DPI	N/A	\$ (766)	\$ 10,137	\$ 3,242	\$ 12,613	\$ 12,613
National School Lunch	10.555	DPI	N/A	(1,143)	16,870	5,551	21,278	21,278
Total Child Nutrition Cluster				(1,909)	27,007	8,793	33,891	33,891
State Administration Matching Grants for Food Stamp Program	10.561	DHS	N/A	-	2,126,855	-	2,126,855	2,126,855
State Administration Matching Grants for Food Stamp Program	10.561	DCF	N/A	-	(103)	-	(103)	(103)
Total State Administration Matching Grants for Food Stamp Program				-	2,126,752	-	2,126,752	2,126,752
Senior Farmers Market Nutrition Program	10.576	N/A	N/A	-	12,200	-	12,200	12,200
Farm and Ranch Lands Protection Program	10.913	N/A	N/A	-	399,500	132,000	531,500	531,500
Total U.S. Department of Agriculture				(1,909)	2,585,459	140,793	2,704,343	2,704,343
U.S. Department of Housing and Urban Development								
Community Development Block Grant/State's Program	14.228	DOA	N/A	(350,096)	350,096	30,904	30,904	30,904
Community Development Block Grant/State's Program	14.228	DOA	N/A	-	104,344	-	104,344	104,344
Total Community Development Block Grant/State's Program				(350,096)	454,440	30,904	135,248	135,248
Lead Hazard Demonstration	14.905	DHS	N/A	-	320,535	-	320,535	320,535
Total U.S. Department of Housing and Urban Development				(350,096)	774,975	30,904	455,783	455,783
U.S. Department of Justice								
State Criminal Assistance	16.606	N/A	N/A	-	11,999	-	11,999	11,999
Enforcing Underage Drinking Laws Program	16.727	N/A	N/A	-	3,213	-	3,213	3,213
Edward Byrne Memorial Justice Assistance Grant	16.738	DOJ	2012-DJ-BX-1126	8,151	-	-	8,151	8,151
Edward Byrne Memorial Justice Assistance Grant	16.738	DOJ	2013-DJ-BX-0300	5,810	-	-	5,810	5,810
Edward Byrne Memorial Justice Assistance Grant	16.738	DOJ	2014-DJ-BX-0255	-	-	34,345	34,345	34,345
Total Edward Byrne Memorial Justice Assistance Grant				13,961	-	34,345	48,306	48,306
Total U.S. Department of Justice				13,961	15,212	34,345	63,518	63,518
U.S. Department of Transportation								
Transit Services Program Cluster								
Capital Assistance Program for Elderly Persons and Persons with Disabilities	20.513	DOT	N/A	-	67,201	1,936	69,137	69,137
New Freedom Program	20.521	DOT	N/A	(20,681)	20,681	-	-	-
Total Transit Services Program Cluster				(20,681)	87,882	1,936	69,137	69,137
Highway Safety Cluster								
State and Community Highway Safety	20.600	DOT	2014-N/A	-	14,488	-	14,488	14,488
Alcohol Impaired Driving Countermeasures Incentive Grants	20.601	DOT	2014-N/A	(1,275)	35,752	-	34,477	34,477
Alcohol Impaired Driving Countermeasures Incentive Grants	20.601	DOT	2015-N/A	-	-	3,522	3,522	3,522
Occupant Protection Incentive Grants	20.602	DOT	2014-N/A	-	4,591	-	4,591	4,591
Total Highway Safety Cluster				(1,275)	54,831	3,522	57,078	57,078

See notes to schedule of expenditures of federal and state awards.

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended December 31, 2014

Grantor Agency / Pass-Through Agency/ Program Title	Federal CFDA Number	Pass- Through Agency	Grant/Pass-Through Grantors' Number	(Accrued) Deferred Beginning Balance	Revenues			Total Revenues	Expenditures
					Cash Received (Refunded)	Accrued (Deferred) Ending Balance			
FEDERAL PROGRAMS (cont.)									
U.S. Department of Transportation (cont.)									
National Priority Safety Program	20.616	DOT	N/A	\$ -	\$ 18,423	\$ 4,503	\$ 22,926	\$ 22,926	
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	DMA	N/A	-	19,399	-	19,399	19,399	
Total U.S. Department of Transportation				(21,956)	180,535	9,961	188,540	188,540	
National Foundation on the Arts and the Humanities									
Library Services and Technology Act (LISTA)	45.310	N/A	N/A	-	4,407	-	4,407	4,407	
Library Services and Technology Act (LISTA)	45.310	N/A	N/A	-	-	9,600	9,600	9,600	
Library Services and Technology Act (LISTA)	45.310	N/A	N/A	-	-	5,220	5,220	5,220	
Total National Foundation on the Arts and the Humanities				-	4,407	14,820	19,227	19,227	
U.S. Department of Education									
Safe and Drug-Free Schools and Communities-National Program	84.181	DHS	N/A	-	165,784	-	165,784	165,784	
Total U.S. Department of Education				-	165,784	-	165,784	165,784	
U. S. Department of Health and Human Services									
Block Grants for Temporary Assistance for Needy Families	93.558	DHS	N/A	-	430,475	-	430,475	430,475	
Block Grants for Temporary Assistance for Needy Families	93.558	DCF	N/A	-	1,132,209	-	1,132,209	1,132,209	
Total Block Grants for Temporary Assistance for Needs Families				-	1,562,684	-	1,562,684	1,562,684	
Block Grants for Community Mental Health Services	93.958	DHS	N/A	-	123,761	-	123,761	123,761	
Maternal and Child Health Services Block Grant	93.994	DHS	N/A	-	66,530	-	66,530	66,530	
Children's Health Insurance Program	93.767	DHS	N/A	-	272,266	-	272,266	272,266	
Public Health Emergency Preparedness	93.069	DHS	N/A	-	500	-	500	500	
Hospital Preparedness Program and Public Health Emergency Preparedness Aligned Cooperative Agreements	93.074	DHS	N/A	-	97,391	-	97,391	97,391	
Projects for Assistance in Transition from Homelessness	93.150	DOA	N/A	(33,193)	111,670	25,637	104,114	104,114	
Immunization Grants	93.268	DHS	N/A	-	40,492	-	40,492	40,492	
HIV Care Formula Grants	93.917	DHS	N/A	-	5,636	-	5,636	5,636	
Centers for Medicare and Medicaid Services Research	93.779	GWAAR	N/A	-	6,000	-	6,000	6,000	
Centers for Medicare and Medicaid Services Research	93.779	DHS	N/A	-	33,961	-	33,961	33,961	
Total Centers for Medicare and Medicaid Services Research				-	39,961	-	39,961	39,961	
Medical Assistance Program - WIMCR	93.778	DHS	N/A	-	1,749,597	-	1,749,597	1,749,597	
Medical Assistance Program	93.778	DHS	N/A	-	21,784,125	-	21,784,125	21,784,125	
Medical Assistance Program	93.778	DCF	N/A	-	(5,352)	-	(5,352)	(5,352)	
Medical Assistance Program-CLTS	93.778	DCF	N/A	-	630,137	-	630,137	630,137	
Total Medical Assistance Program				-	24,158,507	-	24,158,507	24,158,507	
Block Grants for Prevention and Treatment of Substance Abuse	93.959	DCF	N/A	-	101,399	-	101,399	101,399	
Block Grants for Prevention and Treatment of Substance Abuse	93.959	DHS	N/A	-	698,693	-	698,693	698,693	
Total Block Grants for Prevention and Treatment of Substance Abuse				-	800,092	-	800,092	800,092	

See notes to schedule of expenditures of federal and state awards.

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended December 31, 2014

Grantor Agency / Pass-Through Agency/ Program Title	Federal CFDA Number	Pass- Through Agency	Grant/Pass-Through Grantors' Number	Revenues			Total Revenues	Expenditures
				(Accrued) Deferred Beginning Balance	Cash Received (Refunded)	Accrued (Deferred) Ending Balance		
FEDERAL PROGRAMS (cont.)								
U. S. Department of Health and Human Services (cont.)								
Social Services Block Grant	93.667	DHS	N/A	\$ -	\$ 740,494	\$ -	\$ 740,494	\$ 740,494
Social Services Block Grant	93.667	DHS	N/A	(1,466)	1,466	-	-	-
Social Services Block Grant	93.667	DCF	N/A	-	324,042	-	324,042	324,042
Total Social Services Block Grant				(1,466)	1,066,002	-	1,064,536	1,064,536
Aging Cluster								
Title III, Part B - Grants for Supportive Services	93.044	GWAAR	N/A	(1,921)	113,727	13,870	125,676	125,676
Title III, Part C - Nutrition Services	93.045	GWAAR	N/A	(59,707)	216,064	68,084	224,441	224,441
Nutrition Services Incentive Program	93.053	GWAAR	N/A	-	36,166	-	36,166	36,166
Total Aging Cluster				(61,628)	365,957	81,954	386,283	386,283
Title III, Part D - In-Home Services								
Title III, Part E - National Family Caregiver Support	93.043	GWAAR	N/A	(8,300)	17,007	16,562	25,269	25,269
Health Program for Toxic Substances and Disease Registry	93.052	GWAAR	N/A	(29,521)	60,382	34,882	65,743	65,743
Community Transformation Grants	93.161	DHS	N/A	(16,287)	59,483	-	43,196	43,196
Promoting Safe and Stable Families	93.531	DHS	N/A	(117,005)	210,490	19,118	112,603	112,603
Family Support Payments to States - Assistance Payments	93.556	DCF	N/A	-	57,103	-	57,103	57,103
Child Support Enforcement	93.560	DCF	N/A	-	297	-	297	297
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.563	DCF	N/A	-	2,426,270	-	2,426,270	2,426,270
Child Welfare Service Grants - State Grants								
Foster Care Title - IV-E	93.658	DOC	N/A	(15,688)	15,688	-	-	-
Foster Care Title - IV-E	93.658	DOC	N/A	(4,523)	41,989	2,797	40,263	40,263
Foster Care - Title IV-E	93.658	DCF	N/A	-	737,111	-	737,111	737,111
Total Foster Care				(20,211)	794,788	2,797	777,374	777,374
Chafee Foster Care Independence Program								
Low Income Home Energy Assistance Block Grant	93.674	DCF	N/A	-	33,545	-	33,545	33,545
Total U.S. Department of Health and Human Services	93.668	DOA	N/A	(40,379)	226,814	50,041	236,476	236,476
				(331,005)	33,241,345	232,989	33,143,329	33,143,329
Office of National Drug Control Policy								
High Intensity Drug Trafficking Areas Program	95.001	Milwaukee HIDTA	G13ML0016A	(8,693)	34,960	-	26,267	26,267
High Intensity Drug Trafficking Areas Program	95.001	Milwaukee HIDTA	G14ML0016A	-	-	20,202	20,202	20,202
Total Office of National Drug Control Policy				(8,693)	34,960	20,202	46,469	46,469
U. S. Department of Homeland Security								
Hazard Mitigation Grant	97.039	DMA	N/A	(43,568)	89,337	45,769	91,538	91,538
Total U.S. Department of Homeland Security				(43,568)	89,337	45,769	91,538	91,538
TOTAL FEDERAL PROGRAMS				\$(743,266)	\$37,072,014	\$ 529,783	\$ 36,858,531	\$ 36,858,531

See notes to schedule of expenditures of federal and state awards.

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended December 31, 2014

Grantor Agency / Pass-Through Agency / Program Title	State ID Number	Revenues				Total Revenues	Expenditures
		(Accrued) Deferred Beginning Balance	Cash Received (Refunded)	Accrued (Deferred) Ending Balance			
STATE PROGRAMS							
Wisconsin Department of Agriculture, Trade and Consumer Protection							
Clean Sweep	115.040	\$ -	\$ 13,477	\$ -	\$ 13,477	\$ 13,477	
County Staff and Support	115.150	-	153,137	3,467	156,604	156,604	
Land and Water Resource Management	115.400	(107,546)	107,546	115,136	115,136	115,136	
Prescription Drug Collection Program	115.XXX	(6,288)	6,288	5,000	5,000	5,000	
Total Wisconsin Department of Agriculture, Trade, and Consumer Protection		(113,834)	280,448	123,603	290,217	290,217	
Wisconsin Department of Public Instruction							
Public Library Systems Aid	255.002	328,954	438,605	(328,954)	438,605	438,605	
Wisconsin Department of Natural Resources							
Recreational Aids - Snowmobile Trail and Area 07/14 - 06/15	370.485	-	28,300	(26,239)	2,061	2,061	
Recreational Aids - Snowmobile Trail and Area 07/13- 06/14	370.485	22,336	41,993	1,984	66,313	66,313	
Wildlife Damage Control and Abatement	370.553	(8,168)	8,168	6,659	6,659	6,659	
DNR Conservation Grant	370.XXX	-	5,000	-	5,000	5,000	
Lake Protection Grant	370.XXX	(3,425)	3,425	-	-	-	
Snowmobile Enforcement	370.XXX	-	13,662	-	13,662	13,662	
Water Patrol	370.XXX	-	12,379	-	12,379	12,379	
Transient Non-Community Well Program	370.XXX	(7,285)	22,204	11,391	26,250	26,250	
Gypsy Moth Suppression Grant	370.XXX	-	1,350	-	1,350	1,350	
Total Wisconsin Department of Natural Resources		3,458	136,481	(6,265)	133,674	133,674	
Wisconsin Department of Transportation							
Elderly and Handicapped County Aids	395.101	-	406,612	-	406,612	406,612	
Wisconsin Department of Corrections							
Community Intervention Program	410.302	(34,390)	77,666	-	43,276	43,276	
Community Intervention Program 7/14-6/15	410.302	-	26,176	10,011	36,187	36,187	
Community Intervention Program 7/13-6/14	410.302	(13,050)	48,737	-	35,687	35,687	
Community Intervention Program 7/12-6/13	410.302	-	15,000	-	15,000	15,000	
Youth Aids	410.313	(294,002)	2,993,301	195,019	2,894,318	2,894,318	
Total Wisconsin Department of Corrections		(341,442)	3,160,880	205,030	3,024,468	3,024,468	

See notes to schedule of expenditures of federal and state awards.

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

For the Year Ended December 31, 2014

Grantor Agency / Pass-Through Agency / Program Title	State ID Number	(Accrued) Deferred Beginning Balance	Cash Received (Refunded)	Revenues		Total Revenues	Expenditures
				Accrued (Deferred) Ending Balance			
STATE PROGRAMS (cont.)							
Wisconsin Department of Health Services							
Cons Contracts CHHD LD	435.157720	\$ -	\$ 24,225	\$ -	\$ 24,225	\$ 24,225	\$ 4,043
Cons Contracts MCH	435.159320	-	4,043	-	4,043	4,043	8,602
FSET Admin GPR/Fed Base	435.231	-	8,602	-	8,602	1,296,829	89,695
IMAA State Share	435.283	-	1,296,829	-	1,296,829	753	844,919
IMAA State Share Supp	435.292	-	89,695	-	89,695	7,097	1,092,618
IMAA Federal Share Supp	435.293	-	753	-	753	2,681,911	2,233,887
IMAA State Share ACA	435.297	-	844,919	-	844,919	48,108	151,992
IMAA Federal Share ACA	435.298	-	7,097	-	7,097	71,788	1,395,997
COP-W Waiver	435.338	-	1,092,618	-	1,092,618	25,995	3,260
CIP II Non Federal	435.348	-	2,681,911	-	2,681,911	6,077	50,400
Community Options Program	435.367	-	2,233,887	-	2,233,887	57,772	57,772
CIP II Community Relocate Non Federal	435.369	-	48,108	-	48,108	54,452	54,452
CIP II Diversions Non Federal	435.375	-	151,992	-	151,992	82,111	82,111
Alzheimer's Family Support	435.381	-	71,788	-	71,788	81,575	81,575
ICFMR Nonfed	435.407	-	1,395,997	-	1,395,997	162,371	162,371
FC Transition CIP1B Nonfed	435.410	-	25,995	-	25,995	4,583,542	809,839
CIP II MFP Nonfed	435.478	-	3,260	-	3,260	60,062	60,062
Elder Abuse and Neglect	435.382	(25,350)	69,673	-	44,323	43,168	43,168
Community Support Program Wait List	435.504	-	57,772	-	57,772	712,786	712,786
Brain Injury Waiver	435.506	-	54,452	-	54,452	28,456	28,456
Certified Mental Health Program	435.531	-	82,111	-	82,111	23,354	23,354
Non-Resident Reimbursement	435.550	-	81,575	-	81,575	628,030	628,030
Birth to Three Initiative	435.561	-	162,371	-	162,371	275,316	275,316
Basic County Allocation	435.564	-	4,583,542	-	4,583,542	55,575	55,575
CIP 1B	435.577	-	809,839	-	809,839	(491)	(491)
Treatment Alternative Program	435.576	-	60,062	-	60,062	724,270	724,270
Family Support	435.580	-	43,168	-	43,168	-	-
CIP 1A	435.580	-	712,786	-	712,786	-	-
County CST Initiatives	435.591	-	28,456	-	28,456	-	-
FPI NON-FED	435.600	-	23,354	-	23,354	-	-
Base County Allocation - State Match	435.681	-	628,030	-	628,030	-	-
CLTS	435.871	-	275,316	-	275,316	-	-
CLTS Other CWA Admin GPR	435.877	-	55,575	-	55,575	-	-
CLTS PF BCA Match	435.883	-	(491)	-	(491)	-	-
Aging & Disability Resource Center	435.560010	-	724,270	-	724,270	-	-
Passed Through Greater Wisconsin Area on Aging Resources							
Benefit Specialist County	435.560320	-	33,438	-	33,438	-	-
State Pharmacy Asst Prog	435.560333	-	9,967	-	9,967	-	-
Senior Community Svcs Prog	435.560330	(438)	10,755	1,018	10,317	-	-
Title 3C-1 Cong Meal Prog	435.560350	(62,598)	137,017	54,039	128,458	-	-
Title 3C-2 Home Meals	435.560360	-	9,209	1,263	10,472	-	-
Total Wisconsin Department of Health Services		(68,386)	18,633,966	62,397	18,607,977	18,607,977	18,607,977

See notes to schedule of expenditures of federal and state awards.

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended December 31, 2014

Grantor Agency / Pass-Through Agency / Program Title	State ID Number	Revenues				Total Revenues	Expenditures
		(Accrued) Deferred Beginning Balance	Cash Received (Refunded)	Accrued (Deferred) Ending Balance	\$		
STATE PROGRAMS (cont.)							
Wisconsin Department of Children and Families							
AFDC Agency Incentive	437.238	\$ -	\$ 233	\$ -	\$ 233	\$ 233	
Food Stamp Agency Collections Take Back	437.267	-	(17,433)	-	(17,433)	(17,433)	
Food Stamp Agency Collections Incentive	437.267	-	17,330	-	17,330	17,330	
MA Agency Incentive	437.267	-	6,752	-	6,752	6,752	
MA Agency Collection Take Back	437.267	-	(12,104)	-	(12,104)	(12,104)	
AW DOJ Fingerprint Backgr	437.332	-	1,551	-	1,551	1,551	
Foster Care Continuation	437.3365	-	23,165	-	23,165	23,165	
Brighter Future Initiative	437.3540	-	119,225	-	119,225	119,225	
Basic County Allocation	437.3561	-	1,171,340	-	1,171,340	1,171,340	
F State/ County match	437.3681	-	206,323	-	206,323	206,323	
Home Visiting Program	437.1008	-	(2,543)	-	(2,543)	(2,543)	
CW WSACWIS Annual Op Maint Fee	437.3935	-	(20,934)	-	(20,934)	(20,934)	
CS State GPR/PR Funding Allocation	437.7502	-	275,246	-	275,246	275,246	
Total Wisconsin Department of Children and Family		-	1,768,151	-	1,768,151	1,768,151	
Wisconsin Department of Justice							
Treatment Alternatives and Diversion	455.239	-	110,931	-	110,931	110,931	
Officer Training and Standards	455.279	-	24,480	-	24,480	24,480	
Reimbursement for Victim and Witness Assistance Program	455.503	(121,398)	200,685	129,920	209,207	209,207	
Total Wisconsin Department of Justice		(121,398)	336,096	129,920	344,618	344,618	
Wisconsin Department of Military Affairs							
Emergency Government Response Equipment	465.308	-	7,413	-	7,413	7,413	
Emergency Planning Grant	465.337	(19,851)	41,156	20,082	41,387	41,387	
Total Wisconsin Department of Military Affairs		(19,851)	48,569	20,082	48,800	48,800	
Wisconsin Department of Veterans Affairs							
County Veterans Service Officer	485.001	-	13,000	-	13,000	13,000	
Wisconsin Department of Administration							
Land Information Program	505.166	-	1,000	-	1,000	1,000	
Public Benefits	505.371	(36,652)	162,402	41,143	166,893	166,893	
Projects for Assistance in Transition from Homelessness	505.709	-	6,360	-	6,360	6,360	
Total Wisconsin Department of Administration		(36,652)	169,762	41,143	174,253	174,253	
TOTAL STATE PROGRAMS		\$ (989,151)	\$ 25,392,570	\$ 246,956	\$ 25,250,375	\$ 25,250,375	

See notes to schedule of expenditures of federal and state awards.

ROCK COUNTY

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS For the Year Ended December 31, 2014

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal and state awards (the “schedule”) includes the federal and state grant activity of Rock County under programs of the federal and state government for the year ended December 31, 2014. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the *State Single Audit Guidelines*. Because the schedule presents only a selected portion of the operations of Rock County, it is not intended to and does not present the financial position, changes in net position or cash flows of Rock County.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the accrual or modified basis of accounting. Such expenditures are recognized following the cost principles contained in 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. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass through entity identifying numbers are presented where available.

The underlying accounting records for some grant programs are maintained on the modified accrual basis of accounting. Under the modified accrual basis, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the liability is incurred. The accounting records for other grant programs are maintained on the accrual basis, i.e., when the revenue has been earned and the liability is incurred.

NOTE 3 – PASS-THROUGH GRANTORS

Federal funds have been passed through the following grantors:

- DOJ – Wisconsin Department of Justice
- DOT – Wisconsin Department of Transportation
- DPI – Wisconsin Department of Public Instruction
- DOA – Wisconsin Department of Administration
- DHS – Wisconsin Department of Health Services
- DCF – Wisconsin Department of Children and Families
- GWAAR – Greater Wisconsin Agency on Aging Resources
- DOC – Wisconsin Department of Corrections
- DMA – Wisconsin Department of Military Affairs
- Milwaukee HIDTA – High-Intensity Drug Trafficking Areas

ROCK COUNTY

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS For the Year Ended December 31, 2014

NOTE 4 – CARS/CORE REPORT DATES

The Schedule of Expenditures of Federal and State Awards includes adjustments through the following Community Aids Reporting System (CARS) reports:

<u>Agency Number</u>	<u>Date</u>
53-405	June 1, 2015
53-410	June 1, 2015
53-415	June 1, 2015
53-425	June 1, 2015
53-430	June 1, 2015
53-510	June 1, 2015
53-515	June 1, 2015
53-530	June 1, 2015

The Schedule of Expenditures of Federal and State Awards includes adjustments through the December 31, 2014 CORE report.

ROCK COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended December 31, 2014

SECTION I – SUMMARY OF AUDITORS’ RESULTS

FINANCIAL STATEMENTS

Type of auditors’ report issued: Unmodified

Internal control over financial reporting:

- > Material weakness(es) identified? X yes no
- > Significant deficiency(ies) identified? yes X none reported

Noncompliance material to financial statements noted?

 yes X no

FEDERAL OR STATE AWARDS

Internal control over major programs:

- > Material weakness(es) identified? yes X no
- > Significant deficiency(ies) identified? X yes 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 section 510(a) of OMB Circular A-133?

 X yes no

 Federal Programs State Programs

Auditee qualified as low-risk auditee?

 yes X no yes X no

Identification of major federal programs:

CFDA Number	Name of Federal Programs
93.596	Child Care Mandatory and Matching Funds of the Child Care and Development Fund
93.778	Medical Assistance Program

	Federal	State	
		DHS	All Other
Dollar threshold used to distinguish between type A and type B programs:	\$ 1,105,756	\$ 558,239	\$ 100,000

ROCK COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended December 31, 2014

SECTION I – SUMMARY OF AUDITORS’ RESULTS (cont.)

FEDERAL OR STATE AWARDS (cont.)

Identification of major state programs:

State Number	Name of State Program
115.150	County Staff and Support
115.400	Land and Water Resource Management
410.302	Community Intervention Program
435.283, 435.292, 435.293, 435.297, 435.298	Income Maintenance Available Allocation
435.338	COP-W Waiver
435.348, 435.369, 435.375	Community Integration Program II
435.407	ICFMR Nonfed
435.564	CIP 1B
435.580	CIP 1A
435.561, 435.681, 437.3561 437.3681	Basic County Allocation F State/County Match
435.871, 435.877, 435.883	Community Long Term Support (CLTS)

The following Federal programs were tested as major programs according to the requirements of the *State Single Audit Guidelines*:

CFDA Number	Name of Federal Program
93.778	Medicaid Personal Care

SECTION II – FINANCIAL STATEMENT FINDINGS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

FINDING 2014-001: INTERNAL CONTROL OVER FINANCIAL REPORTING

Material Journal Entries, SEFA Changes, and Preparation of Financial Statements

Criteria: Statement on Auditing Standards (SAS) No. 115 requires auditors to report a material weakness if material journal entries are required for the financial statements, material changes are made to the schedule of expenditures of federal awards, or the auditor prepares the annual financial statements and footnotes.

Condition/Context: Material journal entries were identified during the course of the audit. Also, material changes to the schedule of expenditures of federal awards were identified and we, as your auditors, prepared your annual financial statements.

ROCK COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended December 31, 2014

SECTION II – FINANCIAL STATEMENT FINDINGS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS (cont.)

FINDING 2014-001: INTERNAL CONTROL OVER FINANCIAL REPORTING (cont.)

Material Changes and Preparation of Financial Statements (cont.)

Cause: County staff was not able to identify certain adjustments to the County's books and to the schedule of expenditures of federal and state awards and the County contracted with the auditors to prepare the financial statements.

Effect: The financial statements need to contain all of the required disclosures and account balances without material changes by your auditors.

Questioned Costs: None noted.

Recommendation: We recommend that the County put in place procedures in order to reduce the risk of material adjustments as well as determining if resources would be available to prepare a complete set of financial statements.

Grantee's Response/Corrective Action Plan: The County does not have sufficient professionally trained staff to prepare a complete set of year-end financial statements. Due to budget constraints, it is unlikely the county will be in a position to hire, train and house professional staff to complete this task in the near future.

Official Responsible: Sherry Oja, Finance Director

SECTION III – FEDERAL AWARDS AND STATE AWARDS FINDINGS AND QUESTIONED COSTS

FINDING 2014-002: 93.596 CHILD CARE MANDATORY AND MATCHING FUNDS OF THE CHILD CARE AND DEVELOPMENT FUND

Federal Agency: U.S. Department of Health and Human Services

Pass Through Agency: Wisconsin Department of Children and Families

Criteria: The program requirements for child care are contained in the Code of Federal Regulations (CFR), Title 45 Parts 98 and 99. The Wisconsin Department of Children and Families also issues a Child Care Manual, which requires the County to compare child care attendance reports to the CCPI system to ensure they were correctly entered for payment.

Condition/Context: During testing, it was discovered that one of the forty items selected had an overpayment to a child care provider. The provider attendance report stated that 27 hours of care were provided, but 33 hours were paid in the CCPI system. This resulted in an overpayment to the child care provider.

Cause: The overpayment to the child care provider was a keying error.

Effect: A child care provider was overpaid for services provided.

ROCK COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended December 31, 2014

SECTION III – FEDERAL AWARDS AND STATE AWARDS FINDINGS AND QUESTIONED COSTS (cont.)

FINDING 2014-002: 93.596 CHILD CARE MANDATORY AND MATCHING FUNDS OF THE CHILD CARE AND DEVELOPMENT FUND (cont.)

Questioned Costs: The overpayment of 6 hours at a rate of \$4.31/hour resulted in questioned costs of \$25.86.

Recommendation: We recommend that the individual entering the data from the attendance reports into the CCPI system conducts a review of all the information entered before approving the data.

Grantee's Response/Corrective Action Plan: The individual entering provider hours (data) into the CCPI system, will review all data they have entered prior to approving and submitting the data.

Official Responsible: April Heim, Economic Support Division Manager

FINDING 2014-003: 435.283/435.292/435.293/435.297/435.298 INCOME MAINTENANCE AVAILABLE ALLOCATION

State Agency: Wisconsin Department of Health Services

Criteria: To ensure internal control over the payment of expenditures, there should be an independent review and approval of all expenditures paid. The review and approval should be documented directly on the invoice.

Condition/Context: During our testing, we noted that one of the eleven expenditures selected was not approved by an independent reviewer. That expenditure related to a travel reimbursement that was allowable under the grant.

Cause: Unknown.

Effect: There is a greater risk that unallowable costs could be charged to the program for expenditures that are not reviewed and approved by the appropriate personnel.

Questioned Costs: None noted.

Recommendation: We recommend that the County review its control procedures to ensure that all expenditures are reviewed and documented as such prior to payment.

Grantee's Response/Corrective Action Plan: Rock County Human Services has a policy that requires all expenditures to be approved by a Supervisor or Division Manager. This policy will be reviewed with all Supervisors and Managers on an annual basis. In addition, all travel reimbursements will be reviewed by payroll staff to ensure the proper approvals are completed before staff members are reimbursed.

Official Responsible: Charmian Klyve, Director of Human Services and Sherry Oja, Finance Director

ROCK COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended December 31, 2014

SECTION IV – OTHER ISSUES

1. Does the auditor's report or the notes to the financial statements include disclosure with regard to substantial doubt as to the auditee's ability to continue as a going concern? _____ yes X no

2. Does the audit report show audit issues (i.e., material non-compliance, non-material non-compliance, questioned costs, material weakness, significant deficiency, management letter comment, excess revenue or excess reserve) related to grants/contracts with funding agencies that require audits to be in accordance with the *State Single Audit Guidelines*:
 Department of Agriculture, Trade, and Consumer Protection _____ yes X no
 Department of Public Instruction _____ yes X no
 Department of Natural Resources _____ yes X no
 Department of Transportation _____ yes X no
 Department of Corrections _____ yes X no
 Department of Health Services X yes _____ no
 Department of Children and Families X yes _____ no
 Department of Justice _____ yes X no
 Department of Military Affairs _____ yes X no
 Department of Veterans Affairs _____ yes X no
 Department of Administration _____ yes X no

3. Was a Management Letter or other document conveying audit comments issued as a result of this audit? X yes _____ no

4. Name and signature of partner 

 Heather S. Acker, CPA, Partner

5. Date of report September 11, 2015