

ROCK COUNTY

Janesville, Wisconsin

REPORT ON FEDERAL AND STATE AWARDS

For the Year Ended December 31, 2015

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, 2015, 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 28, 2016.

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.

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs, we consider to be a material weakness. This material weakness is item 2015-001.

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.


Madison, Wisconsin
July 28, 2016

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 THE UNIFORM GUIDANCE 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 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, 2015. 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 federal and state statutes, regulations, and the terms and conditions of its federal and state awards 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; 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); and the *State Single Audit Guidelines*. Those standards, the Uniform Guidance, 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, 2015.

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 the Uniform Guidance or the *State Single Audit Guidelines* and which is described in the accompanying schedule of findings and questioned costs as item 2015-002. 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 the Uniform Guidance 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 the Uniform Guidance and the *State Single Audit Guidelines*. Accordingly, this report is not suitable for any other purpose.

To the County Board of Supervisors
Rock County

**Report on Schedule of Expenditures of Federal and State Awards
Required by the Uniform Guidance 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, 2015, and the related notes to the financial statements, which collectively comprise Rock County's basic financial statements. We issued our report thereon July 28, 2016 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 the Uniform Guidance 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 12, 2016

ROCK COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended December 31, 2015

Grantor Agency / Program Title	Federal CFDA Number	Pass- Through Agency	Grant/Pass-Through Grantors' Number	Expenditures	Payments to Subrecipients
FEDERAL PROGRAMS					
U. S. Department of Agriculture					
Child Nutrition Cluster					
School Breakfast Program	10.553	DPI	CARS 539170	\$ 14,244	\$ -
National School Lunch	10.555	DPI	CARS 539170	24,305	-
Total Child Nutrition Cluster				<u>38,549</u>	<u>-</u>
State Administration Matching Grants for Supplemental Nutrition Assistance Program	10.561	DHS	CARS 61, 230, 231, 277, 284, 293, 298	1,894,937	744,078
State Administration Matching Grants for Supplemental Nutrition Assistance Program	10.561	DCF	CARS 961, 965	8,907	-
Total State Administration Matching Grants for Food Stamp Program				<u>1,903,844</u>	<u>744,078</u>
Senior Farmers Market Nutrition Program	10.576	N/A	2015	12,200	-
Total U.S. Department of Agriculture				<u>1,954,593</u>	<u>744,078</u>
U.S. Department of Housing and Urban Development					
Lead Hazard Demonstration	14.905	DHS	WILHB0570-13	847,855	784,162
Total U.S. Department of Housing and Urban Development				<u>847,855</u>	<u>784,162</u>
U.S. Department of Justice					
State Criminal Alien Assistance Program	16.606	DOJ	2015-H1793-WI-AP	20,785	-
Edward Byrne Memorial Justice Assistance Grant	16.738	DOJ	2014-DJ-BX-0255	4,038	-
Edward Byrne Memorial Justice Assistance Grant	16.738	DOJ	2015-DJ-BX-1030	32,189	25,700
Total Edward Byrne Memorial Justice Assistance Grant				<u>36,227</u>	<u>25,700</u>
Total U.S. Department of Justice				<u>57,012</u>	<u>25,700</u>
U.S. Department of Transportation					
Capital Assistance Program for Elderly Persons and Persons with Disabilities	20.513	DOT	Cycle 39	57,318	-
Capital Assistance Program for Elderly Persons and Persons with Disabilities	20.513	DOT	Cycle 39	35,355	-
Total Capital Assistance Program for Elderly Persons and Persons with Disabilities				<u>92,673</u>	<u>-</u>
Highway Safety Cluster					
State and Community Highway Safety	20.600	DOT	2015-JeffersonCty	17,423	-
Alcohol Impaired Driving Countermeasures Incentive Grants	20.601	DOT	2015-02531	27,448	-
Occupant Protection Incentive Grants	20.602	DOT	2015-02764	19,854	-
Motorcycle Enforcement	20.612	DOT	2015-02697	10,999	-
National Priority Safety Program	20.616	DOT	2015-02636	46,332	28,904
Total Highway Safety Cluster				<u>122,056</u>	<u>28,904</u>
Total U.S. Department of Transportation				<u>214,729</u>	<u>28,904</u>

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

ROCK COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended December 31, 2015

Grantor Agency / Program Title	Federal CFDA Number	Pass- Through Agency	Grant/Pass-Through Grantors' Number	Expenditures	Payments to Subrecipients
FEDERAL PROGRAMS (cont.)					
National Foundation on the Arts and the Humanities					
Library Services and Technology Act (LISTA)	45.310	N/A	15-53-9926-15-280- LISTA	\$ 1,997	\$ -
Library Services and Technology Act (LISTA)	45.310	N/A	15-53-9926-15-184- LISTA	9,800	-
Library Services and Technology Act (LISTA)	45.310	N/A	15-53-9926-15-144- LISTA	24,920	-
Total National Foundation on the Arts and the Humanities				<u>36,717</u>	<u>-</u>
U.S. Environmental Protection Agency					
Indoor Radon Contract Service	66.032	DHS	CARS 150327	3,500	-
Total U.S. Environmental Protection Agency				<u>3,500</u>	<u>-</u>
U.S. Department of Education					
Safe and Drug-Free Schools and Communities-National Program	84.181	DHS	CARS 550	167,392	-
Total U.S. Department of Education				<u>167,392</u>	<u>-</u>
U. S. Department of Health and Human Services					
Block Grants for Temporary Assistance for Needy Families	93.558	DHS	CARS 561	420,032	-
			CARS 840, 983, 3377, 3380, 3561,		
Block Grants for Temporary Assistance for Needy Families	93.558	DCF	3612	1,168,252	-
Total Block Grants for Temporary Assistance for Needs Families				<u>1,588,284</u>	<u>-</u>
Block Grants for Community Mental Health Services	93.958	DHS	2015-22	81,373	-
Maternal and Child Health Services Block Grant	93.994	DHS	CARS 159320	69,150	-
Children's Health Insurance Program	93.767	DHS	N/A	290,078	92,081
Money Follows the Person Rebalancing Demonstration	93.791	DHS	N/A	480,730	-
Hospital Preparedness Program and Public Health Emergency Preparedness				-	-
Aligned Cooperative Agreements	93.074	DHS	CARS 155015	97,391	-
Projects for Assistance in Transition from Homelessness	93.150	DOA	15-07	127,584	-
Immunization Grants	93.268	DHS	CARS 155020	42,380	-
HIV Care Formula Grants	93.917	DHS	CARS 155957	6,092	-
HIV Prevention Activities - Health Department Based	93.940	DHS	CARS 155957	3,796	-
Centers for Medicare and Medicaid Services Research	93.324	GWAAR	N/A	6,000	-
Medical Assistance Program - WIMCR	93.778	DHS	N/A	2,290,216	-

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

ROCK COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended December 31, 2015

Grantor Agency / Program Title	Federal CFDA Number	Pass- Through Agency	Grant/Pass-Through Grantors' Number	Expenditures	Payments to Subrecipients
FEDERAL PROGRAMS (cont.)					
U. S. Department of Health and Human Services (cont.)					
			CARS 62, 277, 284, 293, 298, 339, 349, 370, 376, 408, 411, 563, 581, 878, 966, 967, 159320, 560081, 560087, 560091, 560155	\$ 23,318,801	\$ 874,583
Medical Assistance Program	93.778	DHS			
Medical Assistance Program	93.778	DCF	CARS 980, 981	(3,373)	-
Medical Assistance Program-CLTS	93.778	DCF	2015-40	1,600,691	-
Total Medical Assistance Program				<u>27,206,335</u>	<u>874,583</u>
Block Grants for Prevention and Treatment of Substance Abuse	93.959	DHS	CARS 570, 576, 579, 589, 81039	594,791	-
Social Services Block Grant	93.667	DHS	N/A	776,370	-
Social Services Block Grant	93.667	DCF	N/A	331,651	-
Total Social Services Block Grant				<u>1,108,021</u>	<u>-</u>
Aging Cluster					
Title III, Part B - Grants for Supportive Services	93.044	GWAAR	2015	126,005	-
Title III, Part C - Nutrition Services	93.045	GWAAR	2015	113,652	-
Nutrition Services Incentive Program	93.053	GWAAR	10/14-9/15	35,478	-
Total Aging Cluster				<u>275,135</u>	<u>-</u>
Title III, Part D - In-Home Services	93.043	GWAAR	2015	7,843	-
Title III, Part E - National Family Caregiver Support	93.052	GWAAR	2015	58,683	-
Home Visiting Program	93.505	DCF	CFA0064	474,666	318,409
Promoting Safe and Stable Families	93.556	DCF	CFA00495	84,104	-
Family Support Payments to States - Assistance Payments	93.560	DCF	CARS 975	82	-
			CARS 7332, 7477 7482, 7502, 7506, 7606, 7613, 7903	2,441,511	-
Child Support Enforcement	93.563	DCF			
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	DCF	CARS 831, 852, 9006	487,967	-
Child Welfare Service Grants - State Grants	93.645	DCF	N/A	121,175	-
Child Welfare Services Grant - State Grants	93.645	DOC	2015	26,524	-
Total Child Welfare Service Grants - State Grants				<u>147,699</u>	<u>-</u>
Foster Care Title - IV-E	93.658	DOC	N/A	44,207	-
Foster Care Title - IV-E	93.658	DCF	CARS 3324, 3341, 3342, 3396, 3561	782,740	-
Total Foster Care				<u>826,947</u>	<u>-</u>

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

ROCK COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended December 31, 2015

Grantor Agency / Program Title	Federal CFDA Number	Pass- Through Agency	Grant/Pass-Through Grantors' Number	Expenditures	Payments to Subrecipients
FEDERAL PROGRAMS (cont.)					
U. S. Department of Health and Human Services (cont.)					
Chafee Foster Care Independence Program	93.674	DCF	N/A	\$ 34,167	\$ -
Preventative Health and Health Services Grant	93.758	DHS	CARS 159220	13,056	-
Low Income Home Energy Assistance Block Grant	93.568	DOA	AD1599971.53	<u>268,123</u>	<u>268,123</u>
Total U.S. Department of Health and Human Services				<u>36,821,988</u>	<u>1,553,196</u>
Office of National Drug Control Policy					
High Intensity Drug Trafficking Areas Program	95.001	Milwaukee HIDTA	G14ML0016A	38,798	-
High Intensity Drug Trafficking Areas Program	95.001	Milwaukee HIDTA	G15ML0016A	<u>31,327</u>	-
Total Office of National Drug Control Policy				<u>70,125</u>	-
U. S. Department of Homeland Security					
Hazard Mitigation Grant	97.039	DMA	N/A	<u>88,026</u>	-
Total U.S. Department of Homeland Security				<u>88,026</u>	-
TOTAL FEDERAL PROGRAMS				<u>\$ 40,261,937</u>	<u>\$ 3,136,040</u>

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

ROCK COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended December 31, 2015

Grantor Agency / Pass-Through Agency / Program Title	State ID Number	Expenditures	Payments to Subrecipient
STATE PROGRAMS			
Wisconsin Department of Agriculture, Trade and Consumer Protection			
Clean Sweep	115.040	\$ 12,906	\$ -
County Staff and Support	115.150	160,210	-
Land and Water Resource Management	115.400	88,225	-
Prescription Drug Collection Program	115.XXX	<u>6,100</u>	-
Total Wisconsin Department of Agriculture, Trade, and Consumer Protection		<u>267,441</u>	-
Wisconsin Department of Public Instruction			
Public Library Systems Aid	255.002	<u>438,605</u>	-
Wisconsin Department of Natural Resources			
Recreational Aids - Snowmobile Trail and Area 07/14 - 06/15	370.485	54,539	-
Recreational Aids - Snowmobile Trail and Area 07/15 - 06/16	370.485	<u>2,011</u>	-
Total Recreational Aids - Snowmobile Trail and Area		<u>56,550</u>	-
Wildlife Damage Control and Abatement	370.553	5,953	-
Snowmobile Enforcement	370.XXX	10,811	-
Water Patrol	370.XXX	24,883	-
Transient Non-Community Well Program	370.XXX	23,560	-
Gypsy Moth Suppression Grant	370.XXX	<u>1,900</u>	-
Total 370.XXX		<u>61,154</u>	-
Total Wisconsin Department of Natural Resources		<u>123,657</u>	-
Wisconsin Department of Transportation			
Elderly and Handicapped County Aids	395.101	<u>402,872</u>	-

ROCK COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended December 31, 2015

Grantor Agency / Pass-Through Agency / Program Title	State ID Number	Expenditures	Payments to Subrecipient
STATE PROGRAMS (cont.)			
Wisconsin Department of Corrections			
Community Intervention Program 7/15-6/16	410.302	\$ 43,205	\$ -
Community Intervention Program 7/14-6/15	410.302	65,325	-
Total Community Intervention Program		<u>108,530</u>	<u>-</u>
Youth Aids	410.313	1,968,093	-
Total Wisconsin Department of Corrections		<u>2,076,623</u>	<u>-</u>
Wisconsin Department of Health Services			
Cons Contracts CHHD LD	435.157720	24,225	-
Cons Contracts MCH	435.159320	3,850	-
FSET Admin GPR/Fed Base	435.231	9,301	-
IMAA State Share ACA CY	435.276	316,298	294,233
IMAA Federal Share ACA CY	435.277	1,740	1,618
IMAA State Share	435.283	1,444,655	1,394,425
IMAA Federal Share	435.284	20,438	7,669
IMAA State Share Supp	435.292	54,573	31,565
IMAA Federal Share Supp	435.293	338	196
IMAA State Share ACA	435.297	176,760	-
IMAA Federal Share ACA	435.298	1,096	-
COP-W Waiver	435.338	1,104,477	-
CIP II Non Federal	435.348	2,786,635	-
Community Options Program	435.367	2,329,413	-
CIP II Community Relocate Non Federal	435.369	98,727	-
CIP II Diversions Non Federal	435.375	176,726	-
Alzheimer's Family Support	435.381	71,535	-
ICFMR Nonfed	435.407	1,468,524	-
FC Transition CIP1B Nonfed	435.410	27,674	-
CIP II MFP Nonfed	435.478	1,878	-
Elder Abuse and Neglect	435.382	50,400	-
Community Support Program Wait List	435.504	57,772	-
Coordinated Services County	435.515	59,374	-
Certified Mental Health Program	435.517	82,111	-

ROCK COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended December 31, 2015

Grantor Agency / Pass-Through Agency / Program Title	State ID Number	Expenditures	Payments to Subrecipient
STATE PROGRAMS (cont.)			
Wisconsin Department of Health Services (cont.)			
Non-Resident Reimbursement	435.531	\$ 52,854	\$ -
Birth to Three Initiative	435.550	160,763	160,763
Basic County Allocation	435.561	4,528,794	-
CIP 1B	435.564	1,005,492	-
Treatment Alternative Program	435.576	115,583	-
Family Support	435.577	106,672	-
CIP 1A	435.580	728,653	-
FPI NON-FED	435.600	34,824	-
Basic County Allocation - State Match	435.681	628,030	-
CLTS Other CWA Admin GPR	435.877	33,647	-
CLTS PF BCA Matched	435.883	1,430	-
Passed Through Greater Wisconsin Area on Aging Resources			
Aging & Disability Resource Center	435.560100	764,906	-
ADRC Dementia Care Prog	435.560158	63,706	-
Benefit Specialist County	435.560320	33,438	-
State Pharmacy Asst Prog	435.560327	9,967	-
Senior Community Svs Prog	435.560330	11,335	-
Title 3C-1 Cong Meal Prog	435.560350	243,747	-
Title 3C-2 Home Meals	435.560360	6,471	-
Total Wisconsin Department of Health Services		<u>18,898,832</u>	<u>1,890,469</u>
Wisconsin Department of Children and Families			
AFDC Agency Incentive	437.238	64	-
Food Stamp Agency Collections Take Back	437.267	(15,518)	-
Food Stamp Agency Collections Incentive	437.267	24,425	-
MA Agency Incentive	437.267	5,563	-
MA Agency Collection Take Back	437.267	(8,936)	-
Total Food Stamp Agency and MA Agency		<u>5,534</u>	<u>-</u>
AW Foster/Adoptive Parent Fingerprint	437.3324	1,483	-
CW PS Program Payments YR 1	437.3341	12,592	-
CW PS Program Payments YR 2	437.3342	17,777	-

ROCK COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended December 31, 2015

Grantor Agency / Pass-Through Agency / Program Title	State ID Number	Expenditures	Payments to Subrecipient
STATE PROGRAMS (cont.)			
Wisconsin Department of Children and Families (cont.)			
Foster Care Continuation	437.3365	\$ 23,165	\$ -
CW Foster Parent Competency Based T-Reporting Line	437.3396	1,890	-
Basic County Allocation	437.3561	1,198,844	-
F State/ County match	437.3681	209,924	-
CW WSACWIS Annual Op Maint Fee	437.3935	(20,934)	-
CS State GPR Funding/PR Funding Allocation	437.7502	282,648	-
Total Wisconsin Department of Children and Families		<u>1,732,987</u>	<u>-</u>
Wisconsin Department of Justice			
Treatment Alternatives and Diversion	455.239	110,931	-
Officer Training and Standards	455.279	27,040	-
Reimbursement for Victim and Witness Assistance Program	455.503	221,850	-
Total Wisconsin Department of Justice		<u>359,821</u>	<u>-</u>
Wisconsin Department of Military Affairs			
Emergency Government Response Equipment	465.308	8,160	-
Emergency Planning Grant	465.337	40,377	-
Total Wisconsin Department of Military Affairs		<u>48,537</u>	<u>-</u>
Wisconsin Department of Veterans Affairs			
County Veterans Service Officer	485.001	13,000	-
Wisconsin Department of Administration			
Land Information Program	505.166	1,000	-
Public Benefits	505.371	160,468	160,468
Projects for Assistance in Transition from Homelessness	505.709	6,144	-
Total Wisconsin Department of Administration		<u>167,612</u>	<u>160,468</u>
TOTAL STATE PROGRAMS		<u>\$ 24,529,987</u>	<u>\$ 2,050,937</u>

ROCK COUNTY

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS For the Year Ended December 31, 2015

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, 2015. The information in this schedule is presented in accordance with the 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) 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 the Uniform Guidance, 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, 2015

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>
53-505	June 1, 2016
53-510	June 1, 2016
53-515	June 1, 2016
53-525	June 1, 2016
53-530	June 1, 2016
53-610	June 1, 2016
53-630	June 1, 2016

The Schedule of Expenditures of Federal and State Awards includes adjustments through the December 31, 2015 CORE report.

NOTE 5 – INDIRECT COST RATE

Rock County has not elected to use the 10% de minimis indirect cost rate of the Uniform Guidance.

NOTE 6 – SPECIALIZED TRANSPORTATION MATCHING REQUIREMENT

Rock County has met the 20% matching requirement for the Specialized Transportation grant, state identification number 395.101.

ROCK COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended December 31, 2015

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:

- | | Federal Programs | State Programs |
|--|--|--|
| > Material weakness(es) identified? | <u> </u> yes <u> X </u> no | <u> </u> yes <u> X </u> no |
| > Significant deficiencies identified that are not considered to be material weakness(es)? | <u> </u> yes <u> X </u> none reported | <u> </u> yes <u> X </u> 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 516(a) of the Uniform Guidance?

 yes X no

- | | Federal Programs | State Programs | | | | |
|--|-----------------------------------|--|-----|-----------|------------|------------|
| Auditee qualified as low-risk auditee? | <u> </u> yes <u> X </u> no | <u> </u> yes <u> X </u> no | | | | |
| | Federal | State | | | | |
| Dollar threshold used to distinguish between type A and type B programs: | \$ 1,207,858 | <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center; border-bottom: 1px solid black;">DHS</td> <td style="width: 50%; text-align: center; border-bottom: 1px solid black;">All Other</td> </tr> <tr> <td style="text-align: center;">\$ 566,965</td> <td style="text-align: center;">\$ 250,000</td> </tr> </table> | DHS | All Other | \$ 566,965 | \$ 250,000 |
| DHS | All Other | | | | | |
| \$ 566,965 | \$ 250,000 | | | | | |

Identification of major federal programs:

CFDA Number	Name of Federal Programs
10.561	State Administration Matching Grants for Supplemental Nutrition Assistance Program
93.558	Block Grants for Temporary Assistance for Needy Families
93.778	Medical Assistance Program

ROCK COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended December 31, 2015

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

FEDERAL OR STATE AWARDS (cont.)

Identification of major state programs:

<u>State Number</u>	<u>Name of State Programs</u>
395.101	Elderly and Handicapped County Aids
410.313	Youth Aids
435.276, 435.283, 435.292, 435.297	Income Maintenance Available Allocation
435.338	COP-W Waiver
435.348, 435.369, 435.375	Community Integration Program II
435.367	Community Options Program
435.407	ICFMR Nonfed
435.564	CIP 1B
435.580	CIP 1A
435.561, 435.681, 437.3561	Basic County Allocation
437.3681	F State/County Match

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

<u>CFDA Number</u>	<u>Name of Federal Programs</u>
93.778	Medicaid Personal Care Program
93.778	WIMCR

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

FINDING 2015-001: INTERNAL CONTROL OVER FINANCIAL REPORTING

Material Journal Entries, SEFA Changes, and Preparation of Financial Statements Repeat of Finding 2014-001

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, 2015

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

FINDING 2015-001: INTERNAL CONTROL OVER FINANCIAL REPORTING (cont.)

Material Journal Entries, SEFA 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 did not contain all of the required disclosures and account balances prior to material changes by the 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: Due to budget constraints, it is unlikely the County will be in a position to hire additional staff. However, we are looking at the resources that we do have and how we can better use these resources to address these concerns.

Official Responsible: Finance Director

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

FINDING 2015-002: STATE SINGLE AUDIT GUIDELINES GENERAL REQUIREMENTS, WISCONSIN DEPARTMENT OF HEALTH SERVICES (DHS)

Award Number: N/A

State Agency: Wisconsin Department of Health Services

Criteria: The DHS general requirements as identified in the State Single Audit Guidelines and Wisconsin Statue 46.036(4)(c) require that the County receive and review the audit reports of all providers who are required to submit an audit report.

Condition/Context: During testing, we followed up on audit reports from the prior year's audit. There was one audit report (Positive Living, Inc.) from 2014 that was not received and reviewed by the County in a timely manner. Audit reports are supposed to be provided to the County by June 30, 2015. The sample was not a statistically valid sample.

Cause: Unknown.

Effect: Audit findings of the provider to Rock County may affect the County's decision to provide further funding, or result in corrective action.

Questioned Costs: None noted.

ROCK COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2015

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

FINDING 2015-002: STATE SINGLE AUDIT GUIDELINES GENERAL REQUIREMENTS, WISCONSIN DEPARTMENT OF HEALTH SERVICES (DHS) (cont.)

Recommendation: We recommend that the County obtain and review all audit reports timely as required per Wisconsin Statute 46.036(4)(c).

Grantee's Response: The County has procedures in place to help ensure all required audit reports are received timely. These procedures include withholding payments to the vendor until the required audit report is received.

Official Responsible: Finance Director

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 Department of Public Instruction Department of Natural Resources Department of Transportation Department of Corrections Department of Health Services Department of Children and Families Department of Justice Department of Military Affairs Department of Veterans Affairs Department of Administration

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 12, 2016