

Sangamon County, Illinois

Single Audit Report
Year Ended November 30, 2014

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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

The Honorable Chairman and
Members of the County Board
Sangamon County, Illinois

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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Sangamon County, Illinois (County) as of and for the year ended November 30, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 26, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 certain deficiencies in internal control that we consider to be material weaknesses and another deficiency that we consider to be a significant deficiency.

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as Finding 2014-001 and Finding 2014-003 to be material weaknesses.

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 as Finding 2014-002 to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of 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*.

County's Response to Findings

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs and the corrective action plan. The County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

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 result 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.

McGladrey LLP

Springfield, Illinois
June 26, 2015



**Report on Compliance for Each Major Federal Program;
Report on Internal Control over Compliance; and Report on
Schedule of Expenditures of Federal Awards Required by OMB Circular A-133**

Independent Auditor's Report

The Honorable Chairman and
Members of the County Board
Sangamon County, Illinois

Report on Compliance for Each Major Federal Program

We have audited Sangamon County, Illinois' (County) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended November 30, 2014. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

In our opinion, Sangamon County, Illinois complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended November 30, 2014.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph 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. However, as discussed below, we identified a certain deficiency in internal control over compliance that we consider to be a material weakness and other deficiencies that we consider to be significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is 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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as Finding 2014-004 and Finding 2014-006 to be material weaknesses.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as Finding 2014-005 to be a significant deficiency.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of and for the year ended November 30, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated June 26, 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 awards is presented for purposes of additional analysis as required by OMB Circular A-133 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 expenditure of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

McGladrey LLP

Springfield, Illinois
June 26, 2015

Sangamon County, Illinois

Schedule of Expenditures of Federal Awards
Year Ended November 30, 2014

Federal Grantor Program Title Pass-Through Grantor	Contract Number	CFDA Number	Federal Expenditures	Pass-Through to Subrecipients
U.S. Department of Agriculture				
Passed-Through Illinois State Board of Education:				
Child Nutrition Cluster:				
School Breakfast Program	51-084-011P-00	10.553	\$ 10,775	\$ -
National School Lunch Program	51-084-011P-00	10.555	16,407	-
National School Lunch Program - Noncash Expenditures	51-084-011P-00	10.555	3,709	-
Total Child Nutrition Cluster			<u>30,891</u>	<u>-</u>
Total Passed-Through Illinois State Board of Education			<u>30,891</u>	<u>-</u>
Passed-Through Illinois Department of Human Services:				
Special Supplemental Nutrition Program for Women, Infants and Children:				
Special Supplemental Nutrition Program for Women, Infants and Children	FCSTQ01090	10.557	302,520	-
Special Supplemental Nutrition Program for Women, Infants and Children	FCSSQ01090	10.557	336,231	-
WIC Breastfeeding Peer Consulting	FCSTQ01196	10.557	21,237	-
WIC Breastfeeding Peer Consulting	FCSSQ01196	10.557	23,496	-
Special Supplemental Nutrition Program for Women, Infants and Children - Noncash Expenditures	N/A	10.557	<u>1,924,479</u>	<u>-</u>
Total Special Supplemental Nutrition Program for Women, Infants and Children			<u>2,607,963</u>	<u>-</u>
WIC Farmers' Market Nutrition Program - Noncash Expenditures	FCSTQ01270	10.572	<u>1,000</u>	<u>-</u>
Total Passed-Through Illinois Department of Human Services			<u>2,608,963</u>	<u>-</u>
Passed-Through Illinois Department of Public Health:				
Child Nutrition Cluster:				
Summer Food Inspection Grant	55280038C	10.559	<u>1,700</u>	<u>-</u>
Total Passed-Through Illinois Department of Public Health			<u>1,700</u>	<u>-</u>
Total U.S. Department of Agriculture			<u>2,641,554</u>	<u>-</u>
U.S. Department of Education				
Passed-Through Illinois Department of Public Health:				
Early Intervention Child and Family Connections:				
Early Intervention Child and Family Connections	FCSTO00927	84.181A	280,131	-
Early Intervention Child and Family Connections	FCSSO00927	84.181A	144,070	-
Total Early Intervention Child and Family Connections			<u>424,201</u>	<u>-</u>
Total Passed-Through Illinois Department of Public Health			<u>424,201</u>	<u>-</u>
Total U.S. Department of Education			<u>424,201</u>	<u>-</u>

(Continued)

Sangamon County, Illinois

Schedule of Expenditures of Federal Awards (Continued)
Year Ended November 30, 2014

Federal Grantor Program Title Pass-Through Grantor	Contract Number	CFDA Number	Federal Expenditures	Pass-Through to Subrecipients
U.S. Department of Justice				
Direct Programs:				
State Criminal Alien Assistance Program	2014-AP-BX-0036	16.606	\$ 771	\$ -
Drug Court Grant	2014-DC-BX-0018	16.585	9,782	-
Justice and Mental Health Collaboration Program-Planning	2013-MO-BX-0009	16.745	41,050	-
Total Direct Programs			<u>51,603</u>	<u>-</u>
Passed-Through National Children's Alliance:				
Missing Children's Assistance	SPRI-IL-SA14	16.543	8,250	-
Missing Children's Assistance	SPRI-IL-SA13	16.543	750	-
Total Passed-Through National Children's Alliance			<u>9,000</u>	<u>-</u>
Passed-Through Illinois State's Attorney Appellate Prosecutor:				
JAG Program Cluster:				
Local Drug Prosecution Support Unit / Edward Byrne Memorial Justice Assistance	411025	16.803	23,500	-
Total Passed-Through Illinois State's Attorney Appellate Prosecutor			<u>23,500</u>	<u>-</u>
Passed-Through Illinois Criminal Justice Information Authority:				
Crime Victims Assistance:				
Child Advocacy Center Services	214202	16.575	5,049	-
Child Advocacy Center Services	213202	16.575	26,387	-
Child Advocacy Center Services	214097	16.575	8,928	-
Child Advocacy Center Services	213097	16.575	45,483	-
Total Crime Victims Assistance			<u>85,847</u>	<u>-</u>
Central Illinois Enforcement Group:				
JAG Program Cluster:				
Edward Byrne Memorial Justice Assistance Grant Program	411001	16.738	109,959	96,659
Edward Byrne Memorial Justice Assistance Grant Program	410001	16.738	6,621	337
Total Central Illinois Enforcement Group			<u>116,580</u>	<u>96,996</u>
Total Passed-Through Illinois Criminal Justice Information Authority			<u>202,427</u>	<u>96,996</u>
Passed-Through Illinois Department of Human Services:				
Juvenile Justice Planning Grant	FCSSR03507	16.540	37,267	-
Juvenile Justice Council Implementation Grant	FCSTR03507	16.540	16,208	-
Total Passed-Through Illinois Department of Human Services			<u>53,475</u>	<u>-</u>
Total U.S. Department of Justice			<u>340,005</u>	<u>96,996</u>

(Continued)

Sangamon County, Illinois

Schedule of Expenditures of Federal Awards (Continued)
Year Ended November 30, 2014

Federal Grantor Program Title Pass-Through Grantor	Contract Number	CFDA Number	Federal Expenditures	Pass-Through to Subrecipients
U.S. Department of Labor				
Passed-Through Illinois Department of Commerce and Economic Opportunity:				
Workforce Investment Act Cluster:				
WIA Adult Program:				
WIA Adult Program	12-681020	17.258	\$ 2,027	\$ -
WIA Adult Program	13-681020	17.258	600,071	-
WIA Adult Program	14-681020	17.258	167,960	-
Total WIA Adult Program			<u>770,058</u>	<u>-</u>
WIA Youth Activities:				
WIA Youth Activities	13-681020	17.259	432,259	190,340
WIA Youth Activities	14-681020	17.259	133,020	83,521
Total WIA Youth Activities			<u>565,279</u>	<u>273,861</u>
WIA Dislocated Workers:				
WIA Dislocated Worker Formula Grants	13-681020	17.278	458,179	-
WIA Training for Dislocated Workers	14-681020	17.278	263,715	-
WIA RR - Innovative Projects	12-654020	17.278	255,086	157,863
Total WIA Dislocated Workers			<u>976,980</u>	<u>157,863</u>
Total Workforce Investment Act Cluster			<u>2,312,317</u>	<u>431,724</u>
Trade Adjustment Assistance:				
Trade Adjustment Assistance	12-661020	17.245	15,495	-
Total Trade Adjustment Assistance			<u>15,495</u>	<u>-</u>
National Emergency Grant				
WIA National Emergency Grant - Flood	13-641020	17.277	42,895	-
Dislocated Worker Training	13-671020	17.277	112,791	-
Total National Emergency Grant			<u>155,686</u>	<u>-</u>
Total Passed-Through Illinois Department of Commerce and Economic Opportunity			<u>2,483,498</u>	<u>431,724</u>

(Continued)

Sangamon County, Illinois

Schedule of Expenditures of Federal Awards (Continued)
Year Ended November 30, 2014

Federal Grantor Program Title Pass-Through Grantor	Contract Number	CFDA Number	Federal Expenditures	Pass-Through to Subrecipients
U.S. Department of Labor (Continued)				
Passed-Through Macon County, Illinois: Workforce Innovation Fund	N/A	17.283	\$ 40,868	\$ -
Total Passed-Through Macon County, Illinois			<u>40,868</u>	<u>-</u>
Passed-Through Lincoln Land Community College: Workforce Investment Act Cluster: WIA Dislocated Workers	N/A	17.278	11,683	-
Total Passed-Through Lincoln Land Community College			<u>11,683</u>	<u>-</u>
Total U.S. Department of Labor			<u>2,536,049</u>	<u>431,724</u>
U.S. Department of Transportation				
Passed-Through Illinois Department of Transportation: Highway Planning and Construction Cluster: FY 2014 Planning Program	SPR-PL-3000(51)	20.205	191,050	-
FY 2013 Planning Program	SPR-PL-3000(53)	20.205	108,402	-
Total Highway Planning and Construction Cluster			<u>299,452</u>	<u>-</u>
Technical Studies Grant: Technical Studies Grant	IL-80-0010	20.505	53,259	-
Technical Studies Grant	IL-80-0009	20.505	30,291	-
Total Technical Studies Grant			<u>83,550</u>	<u>-</u>
CFDA 20.509: Non-Metro Area Transportation Grant	IL-14-35-FED	20.509	55,514	55,515
Consolidated Vehicle Procurement - Noncash Expenditures	1401-CVP	20.509	147,508	-
Total CFDA 20.509			<u>203,022</u>	<u>55,515</u>
Sustained Traffic Enforcement Program	OP-140245	20.600	2,216	-
Total Passed-Through Illinois Department of Transportation			<u>588,240</u>	<u>55,515</u>
Passed-Through Illinois Emergency Management Agency: Hazardous Materials Emergency Preparedness Grant	14HMESANGA	20.703	20	-
Hazardous Materials Emergency Preparedness Grant	13HMESANGA	20.703	4,242	-
Total Passed-Through Illinois Emergency Management Agency			<u>4,262</u>	<u>-</u>
Total U.S. Department of Transportation			<u>592,502</u>	<u>55,515</u>
U.S. Environmental Protection Agency				
Passed-Through Illinois Environmental Protection Agency: Potable Water Supply Program	45382075B	66.432	1,208	-
Total Passed-Through Illinois Environmental Protection Agency			<u>1,208</u>	<u>-</u>
Total U.S. Environmental Protection Agency			<u>1,208</u>	<u>-</u>

(Continued)

Sangamon County, Illinois

Schedule of Expenditures of Federal Awards (Continued)
Year Ended November 30, 2014

Federal Grantor Program Title Pass-Through Grantor	Contract Number	CFDA Number	Federal Expenditures	Pass-Through to Subrecipients
U.S. Department of Energy				
Passed-Through Illinois Department of Commerce and Economic Opportunity:				
Weatherization Assistance for Low-Income Persons:				
Weatherization Assistance for Low-Income Persons	13-402038	81.042	\$ 57,554	\$ -
Weatherization Assistance for Low-Income Persons	13-401038	81.042	73,746	-
Total Weatherization Assistance for Low-Income Persons			<u>131,300</u>	<u>-</u>
Total Passed-Through Illinois Department of Commerce and Economic Opportunity			<u>131,300</u>	<u>-</u>
Total U.S. Department of Energy			<u>131,300</u>	<u>-</u>
U.S. Department of Health and Human Services				
Passed-Through Illinois Department of Commerce and Economic Opportunity:				
Community Services Block Grant:				
Community Services Block Grant	14-231018	93.569	323,808	-
Community Services Block Grant	13-231018	93.569	88,463	-
Total Community Services Block Grant			<u>412,271</u>	<u>-</u>
Low Income Energy Assistance Program:				
Home Weatherization Assistance Program	14-221038	93.568	83,205	-
Home Weatherization Assistance Program	13-221038	93.568	255,010	-
Low Income Energy Assistance Program	15-224038	93.568	17,156	-
Low Income Energy Assistance Program	13-224038	93.568	437,663	-
Low Income Energy Assistance Program	14-224038	93.568	1,444,899	-
Total Low Income Energy Assistance Program			<u>2,237,933</u>	<u>-</u>
Total Passed-Through Illinois Department of Commerce and Economic Opportunity			<u>2,650,204</u>	<u>-</u>
Passed-Through Illinois Department of Public Health:				
Teen Pregnancy Prevention				
Teen Pregnancy Prevention	56380078C	93.994	23,108	-
Teen Pregnancy Prevention	46080156B	93.994	34,294	-
Total Teen Pregnancy Prevention			<u>57,402</u>	<u>-</u>
Dental Sealant Grant:				
Dental Sealant Grant	53480136B	93.994	1,654	-
Dental Sealant Grant	434801398B	93.994	1,735	-
Total Dental Sealant Grant			<u>3,389</u>	<u>-</u>
Public Health Preparedness:				
Public Health Preparedness	57180076C	93.069	52,059	-
Public Health Preparedness	47180076B	93.069	86,165	-
Total Public Health Preparedness			<u>138,224</u>	<u>-</u>

(Continued)

Sangamon County, Illinois

Schedule of Expenditures of Federal Awards (Continued)
Year Ended November 30, 2014

Federal Grantor Program Title Pass-Through Grantor	Contract Number	CFDA Number	Federal Expenditures	Pass-Through to Subrecipients
U.S. Department of Health and Human Services (Continued)				
Passed-Through Illinois Department of Public Health (Continued):				
Centers for Disease Control and Prevention - Investigations and Technical Assistance Program:				
Wisewoman Grant	46180040B	93.094	\$ 22,353	\$ -
Wisewoman Grant	56180039C	93.094	121	-
Breast and Cervical Cancer Program	56180026C	93.283	50,005	-
Breast and Cervical Cancer Program	46180027B	93.283	16,625	-
Total Centers for Disease Control and Prevention - Investigations and Technical Assistance Program			<u>89,104</u>	<u>-</u>
Programs for Prevention of AIDS/HIV:				
Programs for Prevention of AIDS/HIV	55780045C	93.940	1,836	-
Programs for Prevention of AIDS/HIV	45780043B	93.940	15,925	-
Total Programs for Prevention of AIDS/HIV			<u>17,761</u>	<u>-</u>
Total Passed-Through Illinois Department of Public Health			<u>305,880</u>	<u>-</u>
Passed-Through Illinois Department of Healthcare and Family Services:				
Child Support Enforcement:				
Child Support Enforcement - Title IV-D	2014-55-013-K1H	93.563	114,617	-
Child Support Enforcement - Title IV-D	2014-55-013-K2H	93.563	89,228	-
Child Support Enforcement - Title IV-D	2014-55-007-KQ	93.563	11,840	-
Child Support Enforcement - Title IV-D	2015-55-007-KQ	93.563	13,896	-
Total Child Support Enforcement			<u>229,581</u>	<u>-</u>
Medicaid - Administrative Claims	N/A	93.778	<u>191,262</u>	<u>-</u>
Total Passed-Through Illinois Department of Healthcare and Family Services			<u>420,843</u>	<u>-</u>
Passed-Through Illinois Department of Human Services:				
Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program:				
Affordable Care Act - Healthy Families	FCSSS00712	93.505	101,763	-
Affordable Care Act - Healthy Families	FCSTS00712	93.505	84,465	-
Total Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program			<u>186,228</u>	<u>-</u>
Maternal and Child Health Services Block Grant to the States:				
Maternal and Child Health Services - Family Case Management	FCSTU03121	93.994	255,922	-
Maternal and Child Health Services - Family Case Management	FCSSU03121	93.994	297,060	-
Maternal and Child Health Services - Better Birth Outcomes	FCSTU0582	93.994	22,116	-
Total Maternal and Child Health Services Block Grant to the States			<u>575,098</u>	<u>-</u>
Social Services Block Grant:				
Social Services Block Grant	FCSSU03121	93.667	9,720	-
Total Social Services Block Grant			<u>9,720</u>	<u>-</u>
Total Passed-Through Illinois Department of Human Services			<u>771,046</u>	<u>-</u>

(Continued)

Sangamon County, Illinois

Schedule of Expenditures of Federal Awards (Continued)
Year Ended November 30, 2014

Federal Grantor Program Title Pass-Through Grantor	Contract Number	CFDA Number	Federal Expenditures	Pass-Through to Subrecipients
U.S. Department of Health and Human Services (Continued)				
Passed-Through National Association of County and City Health Officials: Medical Reserve Corp Program	MRC14-0079	93.008	\$ 3,500	\$ -
Total Passed-Through National Association of County and City Health Officials			<u>3,500</u>	<u>-</u>
Passed-Through Illinois State Board of Elections: Medical Reserve Corp Program	VAID IV	93.617	12,407	-
Total Passed-Through Illinois State Board of Elections			<u>12,407</u>	<u>-</u>
Total U.S. Department of Health and Human Services			<u>4,163,880</u>	<u>-</u>
U.S. Department of Homeland Security				
Passed-Through Illinois Emergency Management Agency: Local Hazard Mitigation Planning Grant	FEMA-DR-4116-IL	97.039	23,009	
Emergency Management Performance Grant	14EMASANGA	97.042	55,422	-
Total Passed-Through Illinois Emergency Management Agency			<u>78,431</u>	<u>-</u>
Total U.S. Department of Homeland Security			<u>78,431</u>	<u>-</u>
U.S. Elections Assistance Commission				
Passed-Through Illinois State Board of Elections Help America Vote Grant Program	N/A	90.401	222,182	-
Total Passed-Through Illinois Board of Elections			<u>222,182</u>	<u>-</u>
Total U.S. Elections Assistance Commission			<u>222,182</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 11,131,312</u>	<u>\$ 584,235</u>

See Notes to Schedule of Expenditures of Federal Awards

Sangamon County, Illinois

Notes to Schedule of Expenditures of Federal Awards

Note 1. Basis of Presentation

The schedule of expenditures of federal awards (Schedule) presents the activity of federal programs of Sangamon County, Illinois (County). The County financial reporting entity, as defined in Note 1 to the basic financial statements, consists of the activities of the County and its discretely presented component units. The Springfield-Sangamon County Regional Planning Commission, the Emergency Telephone System Board, and the Land of Lincoln Workforce Alliance are discretely presented component units of the County. All federal awards received directly from federal agencies, as well as federal awards passed through from other governmental agencies, are included on the Schedule.

Note 2. Basis of Accounting

The schedule of expenditures of federal awards is presented using the modified accrual basis of accounting for governmental funds and the accrual basis of accounting for the discretely presented component units, which are described in Note 1 to the basic financial statements.

Note 3. Loans Outstanding

Sangamon County, Illinois had the following loan balance outstanding at November 30, 2014:

<u>Program</u>	<u>CFDA Number</u>	<u>Amount Outstanding</u>
Community Services Block Grant Loan Program	93.569	<u>\$ 113,655</u>

Note 4. Nonmonetary Assistance

Nonmonetary assistance is reported in the Schedule at the fair market value of the nonmonetary assistance received and disbursed. The County received nonmonetary assistance under CFDA numbers 10.555, 10.557, 10.572, and 20.509, as noted in the accompanying schedule of expenditures of federal awards.

In addition, during the year ended November 30, 2014, Sangamon County did not receive federal insurance coverage or federal loan guarantees.

Sangamon County, Illinois

Notes to Schedule of Expenditures of Federal Awards

Note 5. Summary of CFDA Totals

CFDA Number	Expenditures
10.553, 10.555, 10.559 Child Nutrition Cluster	\$ 32,591
10.557	2,607,963
10.572	1,000
16.540	53,475
16.543	9,000
16.575	85,847
16.585	9,782
16.606	771
16.745	41,050
16.738, 16.803 JAG Program Cluster	140,080
17.245	15,495
17.258, 17.259, 17.278 WIA Cluster	2,324,000
17.277	155,686
17.283	40,868
20.205	299,452
20.505	83,550
20.509	203,022
20.600	2,216
20.703	4,262
66.432	1,208
81.042	131,300
84.181	424,201
90.401	222,182
93.008	3,500
93.069	138,224
93.094	22,474
93.283	66,630
93.505	186,228
93.563	229,581
93.568	2,237,933
93.569	412,271
93.617	12,407
93.667	9,720
93.778	191,262
93.940	17,761
93.994	635,889
97.039	23,009
97.042	55,422
	<u>\$ 11,131,312</u>

Sangamon County, Illinois

**Schedule of Findings and Questioned Costs
Year Ended November 30, 2014**

Part I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements Section

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? X Yes No

Significant deficiency(ies) identified that are not considered to be material weakness(es)? X Yes None reported

Noncompliance material to financial statements noted? Yes X No

Federal Awards Section

Internal control over major programs:

Material weakness(es) identified? X Yes No

Significant deficiency(ies) identified that are not considered to be material weakness(es)? 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 Circular A-133? X Yes No

Identification of major programs:

CFDA Number	Name of Federal Program or Cluster
10.557	Special Supplemental Nutrition Program for Women, Infants and Children
17.258, 17.259, 17.278	Workforce Investment Act Cluster
84.181	Special Education - Grants for Infants and Families
93.568	Home Weatherization Assistance Program and Low-Income Home Energy Assistance
93.569	Community Services Block Grant
93.994	Maternal and Child Health Services Block Grants to the States

Dollar threshold used to distinguish between type A and type B programs: \$333,939

Auditee qualified as a low-risk auditee Yes X No

Sangamon County, Illinois

**Schedule of Findings and Questioned Costs (Continued)
Year Ended November 30, 2014**

Part II – FINANCIAL STATEMENT FINDINGS

Finding 2014-001: Inadequate Controls over Reconciliation of the SEFA

Criteria or specific requirement: An entity is required to have controls in place to accurately report their schedule of expenditures of federal awards.

Condition and context: The County does not have adequate controls in place to reconcile their schedule of expenditures of federal awards to their general ledger.

Effect: Amounts expended for programs on the schedule of expenditures of federal awards were misstated or omitted.

Cause: The various departments at the County each have their own tracking systems for expenditures of federal awards that are not tied to or reconciled to the County's general ledger.

Recommendation: We recommend that the County implement controls to reconcile their general ledger with their schedule of expenditures of federal awards for every department as of the fiscal year-end.

Management Response: In FY2014, the staff of the County Auditor's Office continued to meet with departments that participate in federal assistance programs to remind them of the financial requirements that apply to their federal programs and to assist the departments in using the County's project/grant accounting system to record, report and reconcile their federal program expenses. As part of the process for preparing the FY 2014 SEFA, departments were required to prepare additional documentation to support their reported federal program expenditures. In addition, the County presented two training programs on federal grant requirements to its staff who manage federal assistance programs. The County believes that significant progress has been made during the past two years to strengthen our controls for recording and reporting federal program expenditures, but we concur with the auditors' recommendation that additional controls are needed to fully resolve the auditors' finding. During the current year, the Auditor's Office will continue to work with departments to ensure that they are properly using the County's project/grant accounting system to record their financial activities on federal programs and to report federal expenses for the County's annual SEFA. The Auditor's Office will also coordinate additional training opportunities for grant staff and will begin to develop a County-wide database of all federal grant programs managed by the County's various departments. Information recorded in this database will be used to help ensure that all appropriate federal programs are included in the County's SEFA and that expense totals are correctly reported.

Sangamon County, Illinois

**Schedule of Findings and Questioned Costs (Continued)
Year Ended November 30, 2014**

Part II – FINANCIAL STATEMENT FINDINGS (CONTINUED)

Finding 2014-002: Inadequate Controls over Recording of Accounts Receivable

Criteria or specific requirement: If an entity reports on an accrual basis, they are required to have controls in place to capture and record all material accruals in their financial statements, including accounts receivable.

Condition and context: The County does not have adequate controls in place to ensure that all accounts receivable are recorded in their financial statements.

Effect: Audit adjustments were required to record additional receivables at fiscal year-end.

Cause: Staff for some departments at the County do not have an adequate understanding of accruals to identify and report receivables to the County office responsible for preparing the financial statements.

Recommendation: We recommend that the County implement controls to verify that material receivables are recorded for all applicable departments and provide training for staff, as necessary.

Management Response: During FY 2014, the Auditor's Office continued to work with all departments that have accounts receivable to train them about accrual accounting and the requirements for recording accounts receivable. The Auditor's Office will continue to work with the appropriate departments on this issue in the coming year. Revenue accounts where the auditors identified weaknesses in the reporting of receivables during the current audit will be closely monitored.

Sangamon County, Illinois

**Schedule of Findings and Questioned Costs (Continued)
Year Ended November 30, 2014**

Part II – FINANCIAL STATEMENT FINDINGS (CONTINUED)

Finding 2014-003: Inadequate Segregation of Duties for the Payroll Function

Criteria or specific requirement: An entity is required to have segregation of duties in place for financial activities.

Condition and context: One staff person at the County performs, or has access to, all aspects of the payroll function.

Effect: The risk of fraud and/or error exists within the payroll function.

Cause: The County has limited resources to hire additional staff.

Recommendation: We recommend that the County implement review controls over the payroll function to mitigate the risk resulting from the lack of segregation of duties.

Management Response: In the first quarter of 2015, the Human Resources Department implemented backup procedures for the County's payroll function. Under these procedures, an employee who is familiar with the County's payroll requirements was designated to serve as the backup to the County's current payroll coordinator. The backup employee has completed additional in-house training on our payroll system, and under the new procedures, this employee will process the County's payroll at least once each quarter. As of June 2015, the backup has processed three payrolls. During the current year, the Director of the Human Resource Department will establish additional procedures to segregate the duties of the payroll function or will fully implement compensating controls, such as periodic reviews of payroll changes, which will be performed at least quarterly.

Sangamon County, Illinois

**Schedule of Findings and Questioned Costs (Continued)
Year Ended November 30, 2014**

Part III – FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

Finding 2014-004: Inadequate Controls over Reconciliation of the SEFA

Information on the federal programs:

Federal Agency: U.S. Department of Agriculture

10.557 Special Supplemental Nutrition Program for Women, Infants and Children

Federal Agency: U.S. Department of Education

84.181 Special Education - Grants for Infants and Families

U.S. Department of Health and Human Services

93.568 Home Weatherization Assistance Program and Low-Income Home Energy Assistance

93.569 Community Services Block Grant

93.994 Maternal and Child Health Services Block Grants to the States

Questioned Costs: None noted

Criteria or specific requirement, condition, context, effect, cause, recommendation and management response: See Finding 2014-001 above.

Finding 2014-005: Inadequate Controls over Recording of Accounts Receivable

Information on the federal programs:

Federal Agency: U.S. Department of Agriculture

10.557 Special Supplemental Nutrition Program for Women, Infants and Children

Federal Agency: U.S. Department of Labor

17.258, 17.259, 17.278 Workforce Investment Act Cluster

Federal Agency: U.S. Department of Education

84.181 Special Education - Grants for Infants and Families

U.S. Department of Health and Human Services

93.568 Home Weatherization Assistance Program and Low-Income Home Energy Assistance

93.569 Community Services Block Grant

93.994 Maternal and Child Health Services Block Grants to the States

Questioned Costs: None noted

Criteria or specific requirement, condition, context, effect, cause, recommendation and management response: See Finding 2014-002 above.

Sangamon County, Illinois

**Schedule of Findings and Questioned Costs (Continued)
Year Ended November 30, 2014**

Part III – FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS (CONTINUED)

Finding 2014-006: Inadequate Segregation of Duties for the Payroll Function

Information on the federal programs:

Federal Agency: U.S. Department of Agriculture

10.557 Special Supplemental Nutrition Program for Women, Infants and Children

Federal Agency: U.S. Department of Labor

17.258, 17.259, 17.278 Workforce Investment Act Cluster

Federal Agency: U.S. Department of Education

84.181 Special Education - Grants for Infants and Families

U.S. Department of Health and Human Services

93.568 Home Weatherization Assistance Program and Low-Income Home Energy Assistance

93.569 Community Services Block Grant

93.994 Maternal and Child Health Services Block Grants to the States

Questioned Costs: None noted

Criteria or specific requirement, condition, context, effect, cause, recommendation and management response: See Finding 2014-003 above.

Sangamon County, Illinois

**Summary Schedule of Prior Audit Findings
Year Ended November 30, 2014**

FINANCIAL STATEMENT FINDINGS

Finding 2013-001: Inadequate Controls over Reconciliation of the SEFA

Condition: The County does not have adequate controls in place to reconcile their schedule of expenditures of federal awards to their general ledger.

Status of Corrective Action: See Finding 2014-001 for the current status of this condition.

Finding 2013-002: Inadequate Controls over Recording of Accounts Receivable

Condition: The County does not have adequate controls in place to ensure that all accounts receivable are recorded in their financial statements.

Status of Corrective Action: See Finding 2014-002 for the current status of this condition.

Finding 2013-003: Inadequate Segregation of Duties for the Payroll Function

Condition: One staff person at the County performs all aspects of the payroll function.

Status of Corrective Action: See Finding 2014-003 for the current status of this condition.

FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

Finding 2013-001: Inadequate Controls over Reconciliation of the SEFA

Condition: See Finding 2013-01 above.

Status of Corrective Action: See Finding 2013-01 above.

Finding 2013-002: Inadequate Controls over Recording of Accounts Receivable

Condition: See Finding 2013-02 above.

Status of Corrective Action: See Finding 2013-02 above.

Finding 2013-003: Inadequate Segregation of Duties for the Payroll Function

Condition: See Finding 2013-03 above.

Status of Corrective Action: See Finding 2013-03 above.



Sangamon County Auditor's Office Andy Goleman, Auditor

Bradley W. Hammond
Chief Deputy Auditor

Terry P. Viar
Deputy Auditor

SANGAMON COUNTY, ILLINOIS SINGLE AUDIT REPORT YEAR ENDED NOVEMBER 30, 2014

CORRECTIVE ACTION PLAN

Finding 2014-001 and 2014-004: Inadequate Controls over Reconciliation of the SEFA

Condition: The County does not have adequate controls in place to reconcile their schedule of expenditures of federal awards to their general ledger.

Plan: The staff of the County Auditor's Office will continue to meet on an on-going basis with departments that participate in federal assistance programs to remind them of the financial requirements that apply to their federal programs and to assist the departments in using the County's project/grant accounting system to record, report and reconcile their federal program expenses. Departments will continue to be required to submit documentation to support the federal program expenditures reported for inclusion in the County's annual SEFA. The Auditor's Office also will coordinate additional training opportunities for grant staff and will begin to develop a County-wide database of all federal grant programs managed by the County's various departments. Information recorded in this database will be used to help ensure that all appropriate federal programs are included in the County's SEFA and that expense totals are correctly reported.

Responsible for the CAP: The Auditor's Office will work with the grant managers of each department receiving federal assistance to coordinate the implementation of this plan.

Planned Completion Dates for CAP: November 30, 2015

Finding 2014-002 and 2014-005: Inadequate Controls over Recording of Accounts Receivable

Condition: The County does not have adequate controls in place to ensure that all accounts receivable are recorded in their financial statements.

Plan: The Auditor's Office will continue to work with all departments that have accounts receivable to train them about accrual accounting and the requirements for recording accounts receivable. The revenue accounts where the auditors identified weaknesses in the reporting of receivables during the current audit will be closely monitored.

Sangamon County, Illinois

**Corrective Action Plan (Continued)
Year Ended November 30, 2014**

Responsible for the CAP: The Auditor's Office will work with the fiscal managers of each department with accounts receivable to coordinate the implementation of this plan.

Planned Completion Dates for CAP: November 30, 2015

Finding 2014-003 and 2014-006: Inadequate Segregation of Duties for the Payroll Function

Condition: One staff person at the County performs, or has access to, all aspects of the payroll function.

Plan: The Human Resources Department has implemented backup procedures for the County's payroll function. Under these procedures, an employee who is familiar with the County's payroll requirements has been designated to serve as the backup to the County's current payroll coordinator procedures, and this employee will continue to process the County's payrolls at least once each quarter. During the current year, the Director of the Human Resource Department will establish additional procedures to segregate the duties of the payroll function or will fully implement compensating controls, such as periodic reviews of payroll changes, which will be performed at least quarterly.

Responsible for the CAP: Director of the Human Resources Department

Planned Completion Dates for CAP: November 30, 2015