

SANGAMON COUNTY, ILLINOIS

SINGLE AUDIT REPORT

**FOR THE YEAR ENDED
NOVEMBER 30, 2011**

**Sangamon County, Illinois
Single Audit Report**

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Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance And Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

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

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 Sangamon County, Illinois (County) as of and for the year ended November 30, 2011, which collectively comprise the County's basic financial statements and have issued our report thereon dated July 27, 2012. We conducted our audit 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.

Internal Control Over Financial Reporting

Management of Sangamon County, Illinois is responsible for establishing and maintaining effective internal control over compliance financial reporting. In planning and performing our audit, we considered Sangamon County, Illinois' internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Sangamon County, Illinois' internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Sangamon County, Illinois' internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies, or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting 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 control 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 deficiency described in the accompanying schedule of findings and questioned costs 2011-01 to be a material weakness.

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 and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2011-01.

We noted certain other matters that we reported to management of Sangamon County, Illinois in a separate letter dated July 27, 2012.

Sangamon County, Illinois' response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit Sangamon County, Illinois' response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the management, members of the County Board, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Estes, Bridgewater & Ogden
Certified Public Accountants

July 27, 2012

Estes, Bridgewater & Ogden

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Independent Auditor's Report on Compliance With Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance and Schedule of Expenditures of Federal Awards in Accordance With OMB Circular A-133

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

Compliance

We have audited the compliance of the Sangamon County, Illinois (County) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended November 30, 2011. 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. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

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. Our audit does not provide a legal determination of the County's compliance with those requirements.

As described in item 2011-01 in the accompanying schedule of findings and questioned costs for Sangamon County, Illinois did not comply with requirements regarding financial reporting of approved costs that are applicable to the Edward Byrne Memorial Justice Grant Program. Compliance with such requirements is necessary, in our opinion, for Sangamon County, Illinois, to comply with the requirements applicable to that program.

In our opinion, except for the noncompliance described in the preceding paragraph, Sangamon County, Illinois complied, in all material respects, with the 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, 2011.

Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance 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 significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be a material weakness.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that a 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 item 2011-1 to be a material weakness.

Sangamon County, Illinois' responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit Sangamon County, Illinois' responses and, accordingly, we express no opinion on the responses.

Schedule of Expenditures of Federal Awards

We have audited the basic financial statements of the County as of and for the year ended November 30, 2011, and have issued our report thereon dated July 27, 2012. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. 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 has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information of the management, members of the County Board, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.


Certified Public Accountants

July 27, 2012

Sangamon County, Illinois
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended November 30, 2011

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures	Pass-Through To Subrecipients
U.S. DEPARTMENT OF AGRICULTURE				
Passed-Through Illinois State Board of Education:				
Child Nutrition Cluster:				
School Breakfast Program	10.553	51-084-011P-00	\$ 10,014	
National School Lunch Program	10.555	51-084-011P-00	15,474	
Summer Food Service Program for Children – Commodities	10.559	51-084-011P-00	<u>1,086</u>	
Total Passed-Through Illinois State Board of Education			<u>26,574</u>	
Passed-Through Illinois Department of Human Services:				
Special Supplemental Nutrition Program for Women, Infants and Children	10.557	11GM448000	236,200	
Special Supplemental Nutrition Program for Women, Infants and Children	10.557	11GQ01242	286,934	
Non-Cash Expenditures:				
Special Supplemental Nutrition Program for Women, Infants and Children	10.557	11GL448000	2,435,488	
WIC Farmers' Market Nutrition Program	10.572	11GL448000	<u>1,000</u>	
Total Passed-Through Illinois Department of Human Services			<u>2,959,622</u>	
TOTAL U.S. DEPARTMENT OF AGRICULTURE				
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Economic Development Initiative –				
Special Project, Neighborhood Initiative and Miscellaneous Grants	14.251	B-09-SP-IL-0403	<u>256</u>	
U.S. DEPARTMENT OF JUSTICE				
Drug Court Discretionary Grant Program				
	16.585	2010-DC-BX-0069	<u>135,517</u>	
Public Safety Partnership and Community Policing Grant *				
	16.710	2010-CK-WX0404	<u>382,458</u>	
Passed-Through National Children's Alliance:				
Missing Children's Assistance	16.543	SPRI-IL-SA11	<u>10,000</u>	

Sangamon County, Illinois
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended November 30, 2011

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures	Pass-Through To Subrecipients
U.S. DEPARTMENT OF JUSTICE (Continued)				
Passed-Through Illinois State's Attorney Appellate Prosecutor:				
Local Drug Prosecution Support Unit	16.000	FY12	\$ 6,667	
Local Drug Prosecution Support Unit	16.000	FY11	<u>30,833</u>	
Total Passed-Through Illinois State's Attorney Appellate Prosecutor			<u>37,500</u>	
Passed-Through Illinois Criminal Justice Information Authority:				
Crime Victims Assistance:				
Child Advocacy Center Services	16.575	210097	46,493	
Child Advocacy Center Services	16.575	210202	25,416	
Child Advocacy Center Services	16.575	211097	<u>9,079</u>	
Total Child Advocacy Center Services			<u>80,988</u>	
ARRA - Edward Byrne Memorial Justice Assistance Grant Program *	ARRA - 16.738	809101	89,075	
Edward Byrne Memorial Justice Assistance Grant Program *	16.738	409011	<u>19,577</u>	
Total Edward Byrne Memorial Justice Assistance Grant Program			<u>108,652</u>	
Total Passed-Through Illinois Criminal Justice Information Authority			<u>189,640</u>	
Passed-Through the City of Springfield:				
2009 ARRA - JAG Program	ARRA - 16.804	2009-SB-B9-1144	20,313	
Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program	16.580	2008-DJ-BX-0209	1,736	
Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program	16.580	2009-DJ-BX-0930	2,705	
Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program	16.580	2010-DJ-BX-1470	<u>84,001</u>	
Total Passed- Through the City of Springfield			<u>108,755</u>	
TOTAL U.S. DEPARTMENT OF JUSTICE			<u>863,870</u>	

Sangamon County, Illinois
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended November 30, 2011

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures	Pass-Through To Subrecipients
U.S. DEPARTMENT OF LABOR				
Passed-Through Illinois Department of Commerce and Economic Opportunity:				
Workforce Investment Act Cluster: *				
ARRA – WIA Adult Program	ARRA - 17.258	08-761020	\$ 133,014	
WIA Adult Program	17.258	08-677020	14,517	
WIA Adult Program	17.258	08-672020	914	
WIA Adult Program	17.258	09-672020	4,204	
WIA Adult Program	17.258	09-681020	37,036	
WIA Adult Program	17.258	10-632020	943	
WIA Adult Program	17.258	10-681020	506,069	
WIA Youth Activities	17.258	11-681020	85,239	
ARRA – WIA Youth Activities	ARRA - 17.259	08-762020	13,819	
WIA Youth Activities	17.259	08-677020	15,643	
WIA Youth Activities	17.259	08-672020	985	
WIA Youth Activities	17.259	09-672020	4,531	
WIA Youth Activities	17.259	09-681020	123,686	
WIA Youth Activities	17.259	10-632020	1,018	
WIA Youth Activities	17.259	10-681020	511,495	
WIA Youth Activities	17.259	11-681020	64,156	
ARRA – WIA Dislocated Workers	ARRA - 17.260	08-761020	290,135	
WIA Dislocated Workers	17.260	08-672020	1,118	
WIA Dislocated Workers	17.260	08-677020	17,752	
WIA Dislocated Workers	17.260	09-672020	6,140	
WIA Dislocated Workers	17.260	09-681020	23,517	
WIA Dislocated Worker Formula Grants	17.260	10-681020	442,617	
ARRA – Program for Competitive Grants for Worker Training and Placement in High Growth and Emerging industry Sectors	17.275	10-691007	102,938	
ARRA – Program for Competitive Grants for Worker Training and Placement in High Growth and Emerging industry Sectors	17.275	10-662020	295,158	

Sangamon County, Illinois
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended November 30, 2011

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures	Pass-Through To Subrecipients
U.S. DEPARTMENT OF LABOR (Continued)				
Passed-Through Illinois Department of Commerce and Economic Opportunity: (Continued)				
WIA Dislocated Worker Formula Grants	17.278	10-632020	\$ 1,278	
WIA Dislocated Worker Formula Grants	17.278	10-653020	31,898	
WIA Dislocated Worker Formula Grants	17.278	11-681020	<u>129,538</u>	
Total Passed-Through Illinois Department of Commerce and Economic Opportunity			<u>2,859,358</u>	
TOTAL U.S. DEPARTMENT OF LABOR			<u>2,859,358</u>	<u>\$692,653</u>
U.S. DEPARTMENT OF TRANSPORTATION				
Passed-Through Illinois Department of Transportation:				
State and Community Highway Safety:				
Highway Safety Project – Local Alcohol Program	20.601	AL1 0084 259	81,939	
Highway Safety Project – Local Alcohol Program	20.601	AL9 0084 090	<u>12,579</u>	
Total State and Community Highway Safety			<u>94,518</u>	
Metropolitan Transporting Planning Grant	20.505	FY12	28,865	
Metropolitan Transporting Planning Grant	20.505	FY11	<u>53,080</u>	
Total Technical Studies Grant			<u>81,945</u>	
ARRA – Highway Planning and Construction		ARRA - 20.205	125,098	
ARRA – Highway Planning and Construction		ARRA - 20.205	<u>191,550</u>	
Total Highway Planning and Construction			<u>316,648</u>	
Total Passed-Through Illinois Department of Transportation			<u>493,111</u>	
Passed-Through Illinois Emergency Management Agency: Hazardous Materials Emergency Preparedness Grant *	20.703	FY10	<u>22,000</u>	
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			<u>515,111</u>	

Sangamon County, Illinois
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended November 30, 2011

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	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	81.042	10-403038	\$ 11,725	
Weatherization Assistance for Low-Income Persons	81.042	10-402038	141,596	
ARRA – Weatherization Assistance for Low-Income Persons	ARRA - 81.042	09-491038	<u>1,477,522</u>	
Total Weatherization Assistance for Low-Income Persons			<u>1,630,843</u>	
Energy Efficiency & Conservation Block Grant *	81.128	09-451001	<u>245,506</u>	
TOTAL U.S. DEPARTMENT OF ENERGY			<u>1,876,349</u>	
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Medical Reserve Corps Small Grant Program	93.008	7MRC1179	<u>5,000</u>	
Passed-Through Illinois Department of Public Health:				
Food and Drug Safety Program	10.559	15200169	<u>1,300</u>	
Performance Partnership Grant	66.605	-	<u>975</u>	
Centers for Disease Control and Prevention:				
Public Health Emergency Preparedness – (Pandemic Flu)	93.069	07180030	66,875	
Public Health Emergency Preparedness – (Pandemic Flu)	93.069	07181077	167,520	
Public Health Emergency Preparedness – (Bio-T)	93.069	27181076	<u>33,838</u>	
Total Centers for Disease Control and Prevention			<u>268,233</u>	
Centers for Disease Control and Prevention-Investigation and Technical Assistance:				
Diabetes Program	93.283	13287022	5,475	
Breast and Cervical Cancer Program	93.283	26180028	53,511	
Breast and Cervical Cancer Program	93.283	16180028	<u>30,044</u>	
Total Centers for Disease Control and Prevention-Investigation and Technical Assistance			<u>89,030</u>	

Sangamon County, Illinois
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended November 30, 2011

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures	Pass-Through To Subrecipients
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONTINUED)				
Passed-Through Illinois Department of Public Health: (Continued)				
Programs for Prevention of AIDS/HIV	93.940	05780445	\$ 20,311	
Programs for Prevention of AIDS/HIV	93.940	15780445	<u>58,155</u>	
Total Programs for Prevention of AIDS/HIV			<u>78,466</u>	
Total Passed-Through Illinois Department of Public Health			<u>438,004</u>	
Passed-Through Illinois Department of Healthcare and Family Services:				
Child Support Enforcement – Title IV-D	93.563	2011-55-013-K2	75,785	
Child Support Enforcement – Title IV-D	93.563	2011-55-013-K	106,700	
Child Support Enforcement – Title IV-D	93.563	2011-55-007-KP	11,693	
Child Support Enforcement – Title IV-D	93.563	2011-55-007-K2P	<u>27,175</u>	
Total Child Support Enforcement			<u>221,353</u>	
Low Income Energy Assistance Program	93.568	10-221038	28,733	
Low Income Energy Assistance Program	93.568	11-221038	8,184	
Low Income Energy Assistance Program	93.568	10-224038	1,023,046	
Low Income Energy Assistance Program	93.568	11-224038	<u>2,177,027</u>	
Total Low Income Home Energy Assistance Program			<u>3,236,990</u>	
Medical Assistance Providers (FCM Matching)	93.778		210,023	
Medical Assistance Providers	93.778		81,963	
ARRA - Medical Assistance Providers		ARRA-93.778	<u>12,954</u>	
Total Medical Assistance Providers			<u>304,940</u>	
Total Passed-Through Illinois Department of Healthcare and Family Services			<u>3,763,283</u>	

Sangamon County, Illinois
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended November 30, 2011

<u>Federal Grantor/Pass-Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Expenditures</u>	<u>Pass-Through To Subrecipients</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONTINUED)				
Passed-Through Illinois Department of Commerce and Economic Opportunity:				
Community Services Block Grant	93.569	10-231018	\$ 37,495	
Community Services Block Grant	93.569	11-231018	<u>301,681</u>	
Total Community Services Block Grant			<u>339,176</u>	
Total Passed-Through Illinois Department of Commerce and Economic Opportunity				
			<u>339,176</u>	
Passed-Through Illinois Department of Human Services:				
Special Education – Grants for Infants and Families	84.181	M11GM448721	<u>103,323</u>	
Temporary Assistance for Needy Families	93.558	11GM448000	26,172	
Temporary Assistance for Needy Families	93.558	11GQ01578	<u>71,131</u>	
Total Temporary Assistance for Needy Families			<u>97,303</u>	
Maternal Child and Health Services Block Grant	93.994	11GM448000	<u>174</u>	
Social Services Block Grant	93.667	11GL448000	6,559	
Social Services Block Grant	93.667	11GM448000	<u>24,509</u>	
Total Social Services Block Grant			<u>31,068</u>	
Total Passed-Through Illinois Department of Human Services			<u>231,868</u>	
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>4,777,331</u>	

Sangamon County, Illinois
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended November 30, 2011

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures	Pass-Through To Subrecipients
U.S. DEPARTMENT OF HOMELAND SECURITY				
Passed-Through Illinois Emergency Management Agency:				
Emergency Management Performance Grant *	97.042	2011	\$ 63,428	
Emergency Management Performance Grant *	97.042	2010	27,738	
Emergency Management Performance Grant *	97.042	2010	<u>107,385</u>	
Total Passed-Through Illinois Emergency Management Agency			<u>198,551</u>	
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY			<u>198,551</u>	
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$14,077,022	\$692,653

* Major Programs

Sangamon County, Illinois
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended November 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying schedule of expenditures of federal awards is prepared on the accrual basis of accounting.

NOTE 2 – LOANS OUTSTANDING

Sangamon County, Illinois had the following loan balances outstanding at November 30, 2011:

<u>Program</u>	<u>CFDA Number</u>	<u>Amount Outstanding</u>
Community Services Block Grant Loan Program	93.569	<u>\$176,575</u>

NOTE 3 – 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 Number 10.557, as noted in the accompanying schedule of expenditures of federal awards.

In addition, during the year ended November 30, 2011, Sangamon County did not receive federal insurance coverage or federal loan guarantees.

NOTE 4 – SUMMARY OF CFDA TOTALS

<u>CFDA Number</u>	<u>Total Expenditures</u>
10.553	\$ 10,014
10.555	15,474
10.557	2,958,622
10.559	2,386
10.572	1,000
14.251	256
16.000	37,500
16.543	10,000
16.575	80,988
16.580	88,442
16.585	135,517
16.710	382,458
16.738	108,652
16.804	20,313
17.258	781,936
17.259	735,333

Sangamon County, Illinois
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
 For the Year Ended November 30, 2011

Identification of major programs:

<i>CFDA Number(s)</i>	<i>Name of Federal Program or Cluster</i>
16.710	Public Safety Partnership and Community Policing Grant
16.738	Edward Byrne Memorial Justice Assistance Grant Program
ARRA - 16.738 17.258, 17.259	ARRA - Edward Byrne Memorial Justice Assistance Grant Program
17.260, 17.275, 17.278	Workforce Investment Act Cluster
20.703	Hazardous Materials Emergency Preparedness Grant
81.128	Energy Efficiency & Conservation Block Grant
97.042	Emergency Management Performance Grant

**Dollar threshold used to distinguish between
 Type A and Type B programs:**

\$ 300,000

Auditee qualified as low-risk auditee?

X yes no

Sangamon County, Illinois
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
For the Year Ended November 30, 2011

Section II – Financial Statements Findings

Material Weakness:

Finding Number: 2011-01

Federal Department: U.S. Department of Justice
CFDA Number: ARRA - 16.738
Program Name: ARRA - Edward Byrne Memorial Justice Assistance Grant Program

1. Condition:

Expenditures incurred by a sub-recipient were not adequately reviewed and approved nor was detailed supporting documentation verified before such expenditures were reported by the sub-recipient to the grantor for reimbursement.

2. Criteria/specific requirement:

The Office of Management and Budget (OMB) Circular A-133 requires recipients of federal awards to maintain internal control over federal programs to provide reasonable assurance that the awards are managed in compliance with laws, regulations, and the provisions of the contracts of grant agreements that could have a material effect on each program. Circular A-133 also requires recipients who pass-through grant funds to other entities to monitor the activities of their sub-recipients as necessary to ensure that federal awards are used in compliance with the appropriate laws, regulations and provisions of grant agreements.

3. Questioned Costs:

Questioned costs are unknown.

4. Cause:

The established internal controls procedures of the sub-recipient over the review and reporting of federal program expenditures were ineffective, and sub-recipient monitoring procedures were not adequate to detect these control weaknesses.

5. Effect:

Because of the sub-recipient's failure to properly review detailed supporting documentation and reconcile costs reported to the grantor with actual expenditures paid for projects, unallowable costs were reported to the grantor. These reporting errors were not detected, and the entity was reimbursed for unauthorized transactions.

Sangamon County, Illinois
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
For the Year Ended November 30, 2011

Section II – Financial Statements Findings **FINDING NO. 2011-01** (Continued)

6. *Recommendation:*

We recommend that the County strengthen its internal controls for sub-recipient monitoring to ensure that procedures are in place to provide reasonable assurance that sub-recipients comply with appropriate grant requirements and properly report expenditures for grant activities. In addition, the County should work with the sub-recipient to ensure that it established adequate internal controls for the review and approval of grant expenditures and the reporting of grant program expenditures to the grantor.

7. *Management's Response:*

The County concurs with the auditor's recommendation. County staff has met with the sub-recipient to review the issues detailed in this finding. The sub-recipient previously has informed the grantor of the condition noted in the audit finding and is working to identify and resolve potential questioned costs. The sub-recipient's current program manager has enhanced the internal controls over grant activities by expanding his supervisory review and approvals of grant activities and the preparation of expenditure reports. To strengthen our monitoring controls, all expenses paid for this grant program by the County are now recorded and monitored using the County's project/grant accounting system. Additionally, a process for reviewing the quarterly grant reports prepared by the sub-recipient has been implemented. The County is currently evaluating the benefits of continuing its role as fiscal agent for this grant program. If the County decides to continue to serve as fiscal agent, the County will develop and implement additional program monitoring procedures by October 1, 2012, the grant's renewal date.

Sangamon County, Illinois
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
For the Year Ended November 30, 2011

Section III – Federal Award Findings and Questioned Costs

FINDING NO. 2011-01

See Section II – Financial Statement Findings No. 2011-01.

Sangamon County, Illinois
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended November 30, 2011

There were no findings reported for November 30, 2010.