

MONROE COUNTY, WISCONSIN
FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE REPORT
FOR THE YEAR ENDED DECEMBER 31, 2011

MONROE COUNTY, WISCONSIN
For the Year Ended December 31, 2011

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**REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT
AND MATERIAL EFFECT ON EACH MAJOR FEDERAL AND STATE PROGRAM,
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133
AND THE STATE SINGLE AUDIT GUIDELINES AND ON THE SCHEDULES OF
EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE**

To the County Board
Monroe County, Wisconsin

Compliance

We have audited Monroe County, Wisconsin's compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration that could have a direct and material effect on each of Monroe County, Wisconsin's major federal and state programs for the year ended December 31, 2011. Monroe County, Wisconsin's major federal and state programs are identified in the summary of auditors' 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 and state programs is the responsibility of Monroe County, Wisconsin's management. Our responsibility is to express an opinion on Monroe County, Wisconsin'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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration. Those standards, OMB Circular A-133 and the *State Single Audit Guidelines* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about Monroe County, Wisconsin'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 Monroe County, Wisconsin's compliance with those requirements.

In our opinion, Monroe County, Wisconsin 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 and state programs for the year ended December 31, 2011. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and the *State Single Audit Guidelines* and which is described in the accompanying schedule of findings and questioned costs as Finding 2011-03.

Internal Control Over Compliance

Management of Monroe County, Wisconsin is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal and state programs. In planning and performing our audit, we considered Monroe County, Wisconsin's internal control over compliance with the requirements that could have a direct and material effect on a major federal or state 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 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 Monroe County, Wisconsin'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 described below, we identified a certain deficiency in internal control over compliance that we consider to be a material weakness and another deficiency that we consider to be a significant deficiency.

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 combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2011-03 to be a material weakness.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2011-02 to be a significant deficiency.

Schedules of Expenditure of Federal Awards and State Financial Assistance

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Monroe County, Wisconsin as of and for the year ended December 31, 2011, and have issued our report thereon dated July 10, 2012, which contained an unqualified opinion on those financial statements. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise Monroe County, Wisconsin's financial statements. The accompanying schedules of expenditures of federal awards and state awards is presented for purposes of additional analysis as required by OMB Circular A-133 and the *State Single Audit Guidelines* and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain other procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of expenditures of federal awards and state awards is fairly stated in all material respects in relation to the financial statements taken as a whole.

Monroe County, Wisconsin's responses to the findings identified in our audit are described in the accompanying schedule of prior year audit findings and corrective action plan. We did not audit Monroe County, Wisconsin's responses and, accordingly, we express no opinion on the response.

This report is intended solely for the information and use of the County Board, management, others within the entity, and federal and state 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
Green Bay, Wisconsin

September 21, 2012 except for the Schedules of Expenditures of
Federal Awards and State Financial Assistance as to which the
date is July 10, 2012

MONROE COUNTY, WISCONSIN
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2011

Grantor Agency/Federal Program Title	Pass-through Agency	Federal CFDA Number	Revenues					Total Expenditures
			(Accrued) Deferred Revenue 1/1/11	Adjustments	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/11	Total Revenues	
U.S. DEPARTMENT OF AGRICULTURE								
Special Supplemental Food Program for Women, Infants, and Children	WI Department of Health Services	10.557	\$ (9,573)	\$ -	\$ 207,077	\$ 12,081	\$ 209,585	\$ 209,585
State Administrative Matching Grants for Food Stamp Program	WI Department of Health Services	10.561	(33,715)	-	195,411	20,639	182,335	182,335
WIC Farmers' Market Nutrition Program (FMNP)	WI Department of Health Services	10.572	-	-	134	44	178	178
Resources Aids - Payment in Lieu of Taxes (National Forest Lands)	WI Department of Natural Resources	10.665	-	-	129,241	-	129,241	129,241
Total U.S. Department of Agriculture			(43,288)	-	531,863	32,764	521,339	521,339
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT								
Community Development Block Grant Emergency Assistance Program #08-39	WI Department of Administration	14.228	-	-	-	179,195	179,195	179,195
U.S. DEPARTMENT OF JUSTICE								
State Criminal Alien Assistance Program	Direct Program	16.606	17,663	-	5,631	(22,055)	1,239	1,239
Bullet Proof Vests	Direct Program	16.607	(283)	-	1,756	599	2,072	2,072
National Criminal History Improvement Program (NCHIP)	WI Department of Administration	16.554	-	-	12,600	-	12,600	12,600
Total U.S. Department of Justice			17,380	-	19,987	(21,456)	15,911	15,911
U.S. DEPARTMENT OF TRANSPORTATION								
<i>Transit Services Programs Cluster</i>								
Capital Assistance for Elderly	WI Department of Transportation	20.513	-	-	79,302	-	79,302	79,302
<i>Highway Safety Cluster</i>								
Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grants	WI Department of Transportation	20.601	-	-	5,589	-	5,589	5,589
Child Safety and Child Booster Seat Incentive Grants	WI Department of Transportation	20.613	-	-	3,975	-	3,975	3,975
Total Highway Safety Cluster			-	-	9,564	-	9,564	9,564
Total U.S. Department of Transportation			-	-	88,866	-	88,866	88,866
ENVIRONMENTAL PROTECTION AGENCY								
Indoor Radon	WI Department of Health Services	66.032	(49)	-	49	-	-	-

(Continued)

MONROE COUNTY, WISCONSIN
Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended December 31, 2011

Grantor Agency/Federal Program Title	Pass-through Agency	Federal CFDA Number	Revenues					Total Expenditures
			(Accrued) Deferred Revenue 1/1/11	Adjustments	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/11	Total Revenues	
U.S. DEPARTMENT OF EDUCATION								
Early Intervention Services (IDEA) Cluster								
Special Education-Grants for Infants and Families with Disabilities	WI Department of Health Services	84.181	-	-	33,558	-	33,558	33,558
Special Education - Grants for Infants and Families Recovery Act	WI Department of Health Services	84.393	(2,332)	-	27,527	980	26,175	26,175
Total U.S. Department of Education			(2,332)	-	61,085	980	59,733	59,733
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES								
Health Promotion and Disease Prevention (Title III-D)								
<i>Aging Cluster</i>								
Grants for Supportive Services and Senior Centers (Title III-B)	Greater Wisconsin Agency on Aging	93.043	(80)	-	3,256	354	3,530	3,530
Nutrition Services (Title III-C)	Greater Wisconsin Agency on Aging	93.044	(1,370)	-	46,674	599	45,903	45,903
Nutrition Services Incentive Program	Greater Wisconsin Agency on Aging	93.045	-	-	72,862	1,081	73,943	73,943
<i>Total Aging Cluster</i>	Greater Wisconsin Agency on Aging	93.053	1,376	-	27,188	6,426	34,990	34,990
			6	-	146,724	8,106	154,836	154,836
National Family Caregiver Support Program (Title III-E)	Greater Wisconsin Agency on Aging	93.052	(4,455)	-	23,232	5,237	24,014	24,014
Public Health Emergency Preparedness	WI Department of Health Services	93.069	(2,929)	-	52,771	(1,065)	48,777	48,777
Enhance the Safety of Children Affected by Parental Substance Abuse	WI Department of Children and Families	93.087	-	-	19,250	1,750	21,000	21,000
<i>Immunization Cluster</i>								
Immunization Grants	WI Department of Health Services	93.268	-	-	14,315	-	14,315	14,315
ARRA-Immunization	WI Department of Health Services	93.712	(1,182)	-	1,182	-	-	-
<i>Total Immunization Cluster</i>			(1,182)	-	15,497	-	14,315	14,315
CDC Investigations & Technical Assistance	WI Department of Health Services	93.283	-	-	15,023	-	15,023	15,023
Strengthening Public Health Infrastructure	WI Department of Health Services	93.507	-	-	11,896	-	11,896	11,896
Patient Protection & Affordable Care Act	WI Department of Health Services	93.548	-	-	8,003	353	8,356	8,356
Promoting Safe and Stable Families	WI Department of Children and Families	93.556	(4,465)	-	49,987	828	46,350	46,350
Block Grants for Temporary Assistance for Needy Families (TANF)	WI Department of Health Services	93.558	-	-	70,018	-	70,018	70,018
Block Grants for Temporary Assistance for Needy Families (TANF)	WI Department of Children and Families	93.558	(8,286)	-	124,806	19,369	135,889	135,889
Total Block Grants for Temporary Assistance for Needy Families (TANF)			(8,286)	-	194,824	19,369	205,907	205,907

(Continued)

MONROE COUNTY, WISCONSIN
Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended December 31, 2011

Grantor Agency/Federal Program Title	Pass-through Agency	Federal CFDA Number	Revenues					Total Expenditures
			(Accrued) Deferred Revenue 1/1/11	Adjustments	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/11	Total Revenues	
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)								
Child Support Enforcement (Title IV-D)	WI Department of Children and Families	93.563	(59,591)	-	355,219	97,679	393,307	393,307
Low Income Energy Assistance	WI Department of Administration	93.568	(11,905)	-	62,112	2,763	52,970	52,970
Child Care Development Fund	WI Department of Children and Families	93.596	(11,191)	-	59,358	22,621	70,788	70,788
Chafee Education and Training Vouchers Program	WI Department of Children and Families	93.599	(1,207)	-	1,766	1,200	1,759	1,759
Child Welfare Services	WI Department of Children and Families	93.645	-	-	18,590	-	18,590	18,590
Child Welfare Services	WI Department of Corrections	93.645	(1,256)	(31)	7,927	212	6,852	6,852
Total Child Welfare Services			(1,256)	(31)	26,517	212	25,442	25,442
Foster Care (Title IV-E)	WI Department of Children and Families	93.658	(60)	-	253,717	-	253,657	253,657
Foster Care (Title IV-E)	WI Department of Corrections	93.658	(1,814)	(45)	12,188	329	10,658	10,658
Total Foster Care (Title IV-E)			(1,874)	(45)	265,905	329	264,315	264,315
Social Services Block Grant	WI Department of Health Services	93.667	-	-	137,070	-	137,070	137,070
Social Services Block Grant	LaCrosse County, Wisconsin	93.667	-	-	1,894	1,366	3,260	3,260
Social Services Block Grant	WI Department of Children and Families	93.667	-	-	28,281	-	28,281	28,281
Total Social Services Block Grant			-	-	167,245	1,366	168,611	168,611
Chafee Foster Care Independence Program	WI Department of Children and Families	93.674	-	-	16,539	1,207	17,746	17,746
State Children's Insurance Program	WI Department of Health Services	93.767	(4,840)	-	26,999	2,699	24,858	24,858
Medical Assistance Program		93.778						
Human Services	WI Department of Health Services		(96,906)	-	534,820	1,465	439,379	439,379
Aging and Disability Resource Center	LaCrosse County, Wisconsin		-	-	113,035	60,037	173,072	173,072
Public Health	WI Department of Health Services		-	-	1,591	-	1,591	1,591
Total Medical Assistance			(96,906)	-	649,446	61,502	614,042	614,042
State Health Insurance Program	Greater Wisconsin Agency on Aging	93.779	-	-	-	1,699	1,699	1,699
Block Grants for Community Mental Health Services	WI Department of Health Services	93.958	-	-	41,606	3,682	45,288	45,288
Block Grants for Prevention and Treatment of Substance Abuse	WI Department of Health Services	93.959	-	-	70,837	6,237	77,074	77,074
Preventive Health and Social Services Block Grant	WI Department of Health Services	93.991	(8)	-	5,800	-	5,792	5,792
Maternal and Child Health Services Block Grant to the States	WI Department of Health Services	93.994	(359)	-	21,578	-	21,219	21,219
Total U.S. Department of Health and Human Services			(210,528)	(76)	2,311,390	238,128	2,338,914	2,338,914

(Continued)

MONROE COUNTY, WISCONSIN
Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended December 31, 2011

Grantor Agency/Federal Program Title	Pass-through Agency	Federal CFDA Number	Revenues					Total Expenditures
			(Accrued) Deferred Revenue 1/1/11	Adjustments	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/11	Total Revenues	
U.S. DEPARTMENT OF HOMELAND SECURITY								
Emergency Management Performance Grants		97.042						
10/1/09-9/30/10	WI Department of Military Affairs		(5,798)	-	5,798	-	-	-
10/1/10-9/30/11	WI Department of Military Affairs		(10,526)	-	42,793	-	32,267	32,267
10/1/11-9/30/12	WI Department of Military Affairs		-	-	-	10,698	10,698	10,698
Total Emergency Management Performance Grants			(16,324)	-	48,591	10,698	42,965	42,965
Homeland Security Grant Program	WI Department of Administration	97.067	-	-	28,780	-	28,780	28,780
Total U.S. Department of Homeland Security			(16,324)	-	77,371	10,698	71,745	71,745
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ (255,141)	\$ (76)	\$ 3,090,611	\$ 440,309	\$ 3,275,703	\$ 3,275,703

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

MONROE COUNTY, WISCONSIN
Schedule of State Financial Assistance
For the Year Ended December 31, 2011

Grantor Agency/State Program Title	Pass-through Agency	State I.D. Number	Revenues					Total Expenditures
			(Accrued) Deferred Revenue 1/1/11	Adjustments	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/11	Total Revenues	
DEPARTMENT OF AGRICULTURE, TRADE AND CONSUMER PROTECTION								
County Staff and Support	Direct Program	115.15	\$ (55,164)	\$ -	\$ 140,928	\$ 47,380	\$ 133,144	\$ 133,144
Agriculture Resource Management	Direct Program	115.40	-	-	130,299	50,365	180,664	180,664
Total Department of Agriculture, Trade and Consumer Protection			<u>(55,164)</u>	<u>-</u>	<u>271,227</u>	<u>97,745</u>	<u>313,808</u>	<u>313,808</u>
DEPARTMENT OF SAFETY AND PROFESSIONAL SERVICES								
Private Sewage System Replacement and Rehabilitation Program	Direct Program	143.110	-	-	38,033	-	38,033	38,033
DEPARTMENT OF NATURAL RESOURCES								
Wildlife Damage Claims and Abatement	Direct Program	370.553	(3,082)	-	14,342	7,649	18,909	18,909
Recreational Aids - Snowmobile Trail and Area Aids		370.574 & 370.575						
S-3752	Direct Program		(39,862)	-	39,862	-	-	-
S-3879	Direct Program		37,288	-	99,669	13,293	150,250	150,250
S-3968	Direct Program		18,750	-	6,250	-	25,000	25,000
S-4012	Direct Program		-	-	37,288	(37,288)	-	-
S-4069	Direct Program		-	-	6,335	(6,285)	50	50
County Conservation Aids	Direct Program	370.563						
CC-8127			(2,500)	-	2,500	-	-	-
Recreational Aids - Fish, Wildlife & Forestry	Direct Program	370.564	-	-	358	-	358	358
Forest & Cropland Aids & Managed Forest Land Aids	Direct Program	370.566	-	-	20,538	-	20,538	20,538
Urban & Community Forestry	Direct Program	370.572	-	-	37,649	-	37,649	37,649
Nonpoint Source Water Pollution	Direct Program	370.662	-	-	1,148	25,228	26,376	26,376
Total Department of Natural Resources			<u>10,594</u>	<u>-</u>	<u>265,939</u>	<u>2,597</u>	<u>279,130</u>	<u>279,130</u>
DEPARTMENT OF TRANSPORTATION								
Elderly and Handicapped Transportation Aids	Direct Program	395.101	57,775	-	111,149	(39,025)	129,899	129,899
DEPARTMENT OF CORRECTIONS								
Community Intervention Program	Direct Program	410.302	(3,500)	3,500	23,490	-	23,490	23,490
Community Youth and Family Aids	Direct Program	410.313	(136,451)	(3,423)	860,701	22,985	743,812	743,812
Total Department of Corrections			<u>(139,951)</u>	<u>77</u>	<u>884,191</u>	<u>22,985</u>	<u>767,302</u>	<u>767,302</u>

(Continued)

MONROE COUNTY, WISCONSIN
Schedule of State Financial Assistance (Continued)
For the Year Ended December 31, 2011

Grantor Agency/State Program Title	Pass-through Agency	State I.D. Number	Revenues					Total Expenditures
			(Accrued) Deferred Revenue 1/1/11	Adjustments	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/11	Total Revenues	
DEPARTMENT OF HEALTH SERVICES								
Medicaid Personal Care Program (See Note D)	Direct Program	N/A						
Wisconsin Medicaid Cost Reporting (See Note D)	Direct Program	N/A						
Case Management Agency Providers (See Note D)	Direct Program	N/A						
Children's Long-term Support Program								
CLTS DD	Direct Program	435.460	(16,994)	-	92,321	(9,311)	66,016	66,016
CLTS MH	Direct Program	435.461	262	-	3,740	-	4,002	4,002
CLTS PD	Direct Program	435.462	-	-	12,296	-	12,296	12,296
Funeral & Cemetery - W-2 and Non W-2	Direct Program	435.105	(13,587)	-	87,856	4,510	78,779	78,779
MA Transportation	Direct Program	435.131	(28,498)	-	82,150	(2,508)	51,144	51,144
MA Transportation Admin	Direct Program	435.132	(1,993)	-	4,741	-	2,748	2,748
FSET Admin	Direct Program	435.231	(228)	-	3,732	2,730	6,234	6,234
FSET Transportation	Direct Program	435.233	224	-	417	282	923	923
FSET Retention	Direct Program	435.235	106	-	95	(84)	117	117
IMAA State Share	Direct Program	435.283	-	-	189,130	3,916	193,046	193,046
IMAA Federal Share	Direct Program	435.284	(3,763)	-	28,748	3,043	28,028	28,028
MA Subrogation Collection	Direct Program	435.291	352	-	(551)	(499)	(698)	(698)
APS Adult Protective Services	Direct Program	435.312	1	-	37,730	2	37,733	37,733
Community Options Program	Direct Program	435.367	(36,910)	-	172,865	39,206	175,161	175,161
Alzheimer's Family Support	Direct Program	435.381	-	-	4,416	(2,769)	1,647	1,647
CSP Wait List	Direct Program	435.504	-	-	20,653	83	20,736	20,736
Certified Mental Health Program	Direct Program	435.517	(20,181)	-	42,502	-	22,321	22,321
Non-Resident - 997	Direct Program	435.531	-	-	-	49,092	49,092	49,092
Birth to Three Initiative	Direct Program	435.550	-	-	32,087	-	32,087	32,087
Basic County Allocation	Direct Program	435.561	-	-	979,664	-	979,664	979,664
IDP Emergency Funds	Direct Program	435.567	(26,213)	-	26,213	17,219	17,219	17,219
Family Support Program	Direct Program	435.577	(8,759)	-	44,243	7,830	43,314	43,314
Community Services and Mental Health	Direct Program	435.681	(94,528)	-	126,038	94,528	126,038	252,076
Regional Radon Information Centers	Direct Program	435.103010	(250)	-	250	-	-	-
Coordinated Serv Chld Sed	Direct Program	435.81055	-	-	6,350	1,004	7,354	7,354
WIC Farmers' Market Nutrition	Direct Program	435.154720	-	-	943	313	1,256	1,256
WWWP-GPR SS.255.06(2)	Direct Program	435.157000	(7)	-	22,495	-	22,488	22,488
Lead Poisoning	Direct Program	435.157720	(8)	-	6,196	-	6,188	6,188

(Continued)

MONROE COUNTY, WISCONSIN
Schedule of State Financial Assistance (Continued)
For the Year Ended December 31, 2011

Grantor Agency/State Program Title	Pass-through Agency	State I.D. Number	Revenues					Total Expenditures
			(Accrued) Deferred Revenue 1/1/11	Adjustments	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/11	Total Revenues	
DEPARTMENT OF HEALTH SERVICES (Continued)								
Maternal & Child Health Svc. Block Grant	Direct Program	435.159320	-	-	1,591	-	1,591	1,591
Aging and Disability Resource Center	LaCrosse County, Wisconsin	435.560100	-	-	121,103	87,329	208,432	208,432
Elderly Benefit Specialist Program	Greater Wisconsin Agency on Aging	435.560320	-	-	25,960	2,255	28,215	28,215
EBS OCI Replacement	Greater Wisconsin Agency on Aging	435.560327	(1,248)	-	4,383	925	4,060	4,060
State Senior Community Services	Greater Wisconsin Agency on Aging	435.560330	-	-	7,335	-	7,335	7,335
Congregate Meal Program (Title III-C-1)	Greater Wisconsin Agency on Aging	435.560350	-	-	77,388	1,838	79,226	79,226
Home Delivered Meals (Title III-C-2)	Greater Wisconsin Agency on Aging	435.560360	-	-	3,523	-	3,523	3,523
Elder Abuse	Greater Wisconsin Agency on Aging	435.560490	1,445	-	7,672	8,588	17,705	17,705
Total Department of Health Services			(250,777)	-	2,276,275	309,522	2,335,020	2,461,058
DEPARTMENT OF CHILDREN AND FAMILIES								
AW DOJ Fingerprint Background	Direct Program	437.3324	(164)	-	519	-	355	355
Basic County Allocation	Direct Program	437.3561	-	-	205,812	-	205,812	205,812
Community Services and Mental Health	Direct Program	437.3681	-	-	42,010	-	42,010	84,020
Child Support Enforcement	Direct Program	437.7502	70,028	-	-	455	70,483	70,483
Total Department of Children and Families			69,864	-	248,341	455	318,660	360,670
DEPARTMENT OF JUSTICE								
DNA Sample Reimbursement	Direct Program	455.221	-	-	1,000	-	1,000	1,000
County Tribal Local Assistance	Direct Program	455.263	24,203	-	-	-	24,203	24,203
Victim and Witness Assistance Program - A Program Cluster	Direct Program	455.503, 455.532 & 455.539	(29,558)	-	60,126	13,374	43,942	43,942
Total Department of Justice			(5,355)	-	61,126	13,374	69,145	69,145
DEPARTMENT OF MILITARY AFFAIRS								
Emergency Planning Grant Program 2010-2011	Direct Program	465.337	(3,408)	-	13,633	-	10,225	10,225
2011-2012	Direct Program		-	-	-	3,247	3,247	3,247
Computer and Hazmat Equipment Grant	Direct Program	465.367	(3,269)	-	3,269	7,840	7,840	7,840
Total Department of Military Affairs			(6,677)	-	16,902	11,087	21,312	21,312

(Continued)

MONROE COUNTY, WISCONSIN
 Schedule of State Financial Assistance (Continued)
 For the Year Ended December 31, 2011

Grantor Agency/State Program Title	Pass-through Agency	State I.D. Number	Revenues				Total Revenues	Total Expenditures
			(Accrued) Deferred Revenue 1/1/11	Adjustments	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/11		
DEPARTMENT OF ADMINISTRATION								
Public Benefits	Direct Program	505.371	(14,446)	-	46,944	3,349	35,847	35,847
Land Information Grants	Direct Program	505.118	300	-	6,071	(300)	6,071	6,071
Forest Product Sales	Direct Program	505.127	-	-	23,235	-	23,235	23,235
Total Department of Administration			(14,146)	-	76,250	3,049	65,153	65,153
TOTAL STATE PROGRAMS			\$ (333,837)	\$ 77	\$ 4,211,400	\$ 421,789	\$ 4,299,429	\$ 4,467,477

The notes to the schedule of state financial assistance are an integral part of this schedule.

MONROE COUNTY, WISCONSIN

Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended December 31, 2011

NOTE A - BASIS OF PRESENTATION

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance for Monroe County, Wisconsin, are presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration.

NOTE B - SIGNIFICANT ACCOUNTING POLICIES

Revenues and expenditures in the schedules are presented in accordance with the modified accrual basis of accounting and are generally in agreement with revenues and expenditures reported in the County's 2011 basic financial statements. Accrued revenue at year-end consists of federal and state program expenditures scheduled for reimbursement to the County in the succeeding year while deferred revenue represents advances for federal and state programs that exceed recorded County expenditures.

Major federal and state financial assistance programs are identified in the Schedule of Findings and Questioned Costs and are determined as follows:

Federal Programs: Monroe County, Wisconsin, qualifies as a low risk auditee in accordance with paragraph 530 of OMB Circular A-133. Therefore major programs represent those with combined expenditures exceeding 25% of total federal awards that also were deemed major programs based on the auditor's risk assessment. All other federal programs are considered nonmajor programs.

State Programs: Monroe County, Wisconsin, qualifies as a low risk auditee in accordance with the *State Single Audit Guidelines*. Therefore major programs represent those with combined expenditures exceeding 25% of total state financial assistance that also were deemed major programs based on the auditor's risk assessment. In addition, certain state financial assistance programs were designated state major by the state granting agency and therefore considered state major. All other state financial assistance programs are considered nonmajor programs.

Certain programs administered by the Wisconsin Department of Natural Resources may have been included in the Schedule of State Financial Assistance for presentation purposes only and are not subject to audit as major programs by the *State Single Audit Guidelines*.

NOTE C - OVERSIGHT AGENCIES

The federal and state oversight agencies for the County are as follows:

Federal - U.S. Department of Justice
State - Wisconsin Department of Health Services

MONROE COUNTY, WISCONSIN

Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended December 31, 2011

NOTE D - TITLE 19 MEDICAL ASSISTANCE PAYMENTS

The Schedules of Expenditures of Federal Awards and State Financial Assistance does not include repayments received by the County's Human Service Department, Public Health Department and Rolling Hills Rehabilitation Center for various Title 19 Medical Assistance programs. The payments are considered a contract for services between the State and the County and therefore are not reported as federal awards or state financial assistance. Payments received under the Medicaid Personal Care Program, Wisconsin Medicaid Cost Reporting (WIMCR), and Case Management Agency Providers are included in the amount received from the Title 19 Medical Assistance program.

NOTE E - STATE DIRECT PAYMENTS

Payments made directly to recipients and vendors by the State of Wisconsin on behalf of the County under the food stamp program are not included in the Schedule of Expenditures of Federal Awards and Schedule of State Financial Assistance.

NOTE F - STATE OF WISCONSIN COMMUNITY AIDS REPORTING SYSTEM

The Wisconsin Department of Children and Families (DCF), Health Services (DHS) and Workforce Development (DWD) utilize the Community Aids Reporting System (CARS) and the Central Office Reporting System (CORE) for reimbursing the County for various federal and state program expenditures. The expenditures reported on the Schedule of Expenditures of Federal Awards and the Schedule of State Financial Assistance for various DCF, DHS and DWD programs agree with the expenditures reported on the April 17, 2012 CARS for the Human Services and Public Health departments and the December, 2011 CORE for Child Support and Human Service departments, with adjustments for anticipated receivables.

NOTE G - AMERICAN RECOVERY AND REINVESTMENT ACT

The Wisconsin Department of Health Services requires the following additional information be presented for each Recovery Act program with funding passed through that department:

Federal Grantor: U.S. Department of Education
 Program or Cluster Title: Early Intervention Services (IDEA) Cluster
 Federal CFDA Number: 84.393
 CARS profile name or purchase order description: ARRA BIRTH-3 NON CALENDAR
 CARS profile number or purchase order number: 81065
 CARS or invoice expenses and payments by contract year:

	CARS 603 Column H Actual CTD Expenses	CARS 603 Column K CTD pmts (Advances)
1/1/10 - 12/31/10	\$ 12,044	\$ 9,712
1/1/11 - 12/31/11	26,175	27,527
Total	<u>\$ 38,219</u>	<u>\$ 37,239</u>

1. Was the funding part of a Type A program or cluster?

No

MONROE COUNTY, WISCONSIN

Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended December 31, 2011

NOTE G - AMERICAN RECOVERY AND REINVESTMENT ACT (Continued)

Federal Grantor: U.S. Department of Health and Human Services
 Program or Cluster Title: Immunization Cluster
 Federal CFDA Number: 93.712
 CARS profile name or purchase order description: ARRA IMM FOR CHILD & ADULT
 CARS profile number or purchase order number: 71004
 CARS or invoice expenses and payments by contract year:

	CARS 603 Column H Actual CTD Expenses	CARS 603 Column K CTD pmts (Advances)
1/1/10 - 12/31/10	\$ 13,108	\$ 11,926
1/1/11 - 12/31/11	-	1,182
Total	\$ 13,108	\$ 13,108

1. Was the funding part of a Type A program or cluster? No

Federal Grantor: U.S. Department of Agriculture
 Program or Cluster Title: ARRA - State Administrative Matching Grants for the Supplemental
 Nutrition Assistance Program
 Federal CFDA Number: 10.561
 CARS profile name or purchase order description: IMAA FEDERAL SHARE
 CARS profile number or purchase order number: 284
 CARS or invoice expenses and payments by contract year:

	CARS 603 Column H Actual CTD Expenses	CARS 603 Column K CTD pmts (Advances)
1/1/10 - 12/31/10	\$ 21,259	\$ 21,259
1/1/11 - 12/31/11	-	-
Total	\$ 21,259	\$ 21,259

1. Was the funding part of a Type A program or cluster? No

MONROE COUNTY, WISCONSIN
 Schedule of Findings and Questioned Costs
 For the Year Ended December 31, 2011

Section I - Summary of Auditors' Results

Basic Financial Statements

Type of auditors' report issued:	Unqualified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified that is not considered to be a material weakness?	Yes
Noncompliance material to basic financial statements noted?	No

Federal and State Awards

Internal control over major programs:	
• Material weakness(es) identified?	Yes
• Significant deficiency(ies) identified that are not considered to be material weakness(es)?	Yes
Type of auditor's report issued on compliance for major programs	Unqualified
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?	Yes
Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Guidelines?	Yes
Identification of major federal and state programs:	

CFDA Number	Name of Federal Programs
93.563	Child Support Enforcement (Title IV-D)
93.778	Medical Assistance Program

State ID Number	Name of State Programs
	Children's Long-term Support Program
435.460	CLTS DD
435.461	CLTS MH
435.462	CLTS PD
435.367	Community Options Program
435.561	Basic County Allocation
435.681	Community Services and Mental Health
435.560100	Aging and Disability Resource Center
437.3561	Basic County Allocation
437.3681	Community Services and Mental Health
437.7502	Child Support Enforcement (Title IV-D)
N/A	Case Management

Audit threshold used to determine between Type A and Type B programs:	
Federal Awards	\$300,000
State Awards	\$100,000

Auditee qualified as low-risk auditee	Yes
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MONROE COUNTY, WISCONSIN
 Schedule of Findings and Questioned Costs (Continued)
 For the Year Ended December 31, 2011

Section II - Financial Statement Findings

Finding No.	Control Deficiency
2011-01	<p>Year End Closing and Financial Reporting</p> <p>Condition: While the current staff of the County maintain financial records which accurately report revenues and expenditures throughout the year, preparing GASB 34 conversion entries necessary to prepare financial statements, including related notes require additional expertise that would entail additional training and staff time to develop. The County contracts with Schenck and their knowledge of current accounting principles to prepare GASB 34 conversion entries and financial reports for the County in an efficient manner.</p> <p>Criteria: The review of financial statements by staff with expertise in financial reporting is an internal control intended to prevent, detect and correct a potential misstatement in the financial statements or notes.</p> <p>Cause: The additional costs associated with hiring staff experienced in preparing GASB 34 conversion entries and financial reports, including additional training time outweigh the derived benefits.</p> <p>Effect: The financial statements of the County could be misstated and not detected and corrected in a timely manner without our review and posting of adjusting and closing entries.</p> <p>Recommendation: We recommend the County continue reviewing the adjusting and GASB 34 conversion entries along with the financial reports prepared by Schenck. While it may not be cost beneficial to hire additional staff to prepare these items, a thorough review of this information by appropriate staff of the County is necessary to obtain an adequate understanding of the County's financial report.</p>

MONROE COUNTY, WISCONSIN
 Schedule of Findings and Questioned Costs (Continued)
 For the Year Ended December 31, 2011

Section III - Federal Award and State Financial Assistance Findings and Questioned Costs

Finding No.	Control Deficiency
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2011-02 Financial Reporting for Federal and State Financial Assistance

CFDA #: All federal programs
 State ID #: All state programs

Condition: OMB Circular A-133 and State Single Audit Guidelines require the County to prepare appropriate financial statements, including the schedules of expenditures of federal awards and state financial assistance. While the current staff of the County maintain financial records supporting amounts reported in the schedules of expenditures of federal awards and state financial assistance, the County contracts with Schenck to compile the data from these records and prepare the single audit report for the County.

Criteria: The review of federal and state financial assistance reports by staff with expertise in federal and state financial reporting is an internal control intended to prevent, detect and correct a potential misstatement in the schedule of expenditures of federal awards, schedule of state financial assistance or notes.

Cause: The additional costs associated with hiring staff experienced in preparing these schedules and notes, including additional training time outweigh the derived benefits.

Effect: The County could receive federal or state grant awards which are not included in the accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance.

Recommendation: We recommend the County continue reviewing the federal and state financial assistance reports prepared by Schenck. While it may not be cost beneficial to hire additional staff to prepare these items, a thorough review of this information by appropriate staff of the County is necessary to obtain an adequate understanding of the County's single audit report.

MONROE COUNTY, WISCONSIN
 Schedule of Findings and Questioned Costs (Continued)
 For the Year Ended December 31, 2011

Section III - Federal Award and State Financial Assistance Findings and Questioned Costs

Finding No.	OMB Circular A-133 and <i>State Single Audit Guidelines</i> Finding and Control Deficiency
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2011-03 Reporting - Expenditure Reconciliation Process

Funding: *Various federal and state programs passed through the Wisconsin Departments of Health Services and Children and Families*

Condition: The Human Services Department did not complete the required reconciliations between general ledger expenditures and revenue offsets and amounts claimed for certain programs or Department-wide until after final claim forms were submitted. Due to the lack of an official Department-wide reconciliation, auditors were not able to determine if certain reported costs were claimed in accordance with state and federal regulations. In addition, auditors were not able to determine the accuracy of certain programs' reported expenditures.

Criteria: State compliance regulations require the County's Human Services Department to prepare timely and accurate reconciliations of expenditures of revenue offsets recorded in the County's general ledger to amounts reported to the State of Wisconsin on the State's Human Services Reporting System (HSRS), the Community Aids Reporting System (CARS), Central Office Reporting (COrE) system, and through invoices. A final year-end reconciliation of the reported expenditures and the county's general ledger which support the audited financial statements is also required.

Cause: The Human Services Department had employee turnover within its financial unit. As a result, claim forms were prepared but monthly reconciliations were not completed. A final year-end reconciliation also was not completed prior to the audit. We also noted that the County did not have a formal review procedure related to the filing of grant claims or the reconciliations. Agency Management, Support and Overhead (AMSO) appeared to be under claimed for certain programs due to a spreadsheet error.

Effect: Reported expenditures do not reconcile to the County's recorded general ledger expenditures for certain programs.

Questioned Costs: Questioned costs were reported on the following CARS Profiles:

CARS Program Description	CARS Profile	Funding Profile	Questioned Costs
Community Options Program	367	435.367	\$ 40,106
IDP Emergency Funds	567	435.567	107,012
Family Support Program	577	435.577	4,613
Coordinated Services	81055	93.958	3,022
Coordinated Services	81055	93.959	667
Coordinated Services	81055	435.81055	823
Basic County Allocation	561/681	435.681	250,442
			<u>\$ 406,685</u>

Recommendation: We recommend the Human Services Department review its month-end and annual reporting and reconciliation procedures and consider adopting the following additional procedures:

- Develop written procedures for the completion of both monthly and year end expenditure reports and reconciliations.
- Require supervisory staff to review all claim forms prior to their submission and compare them to the related expenditure reconciliations.
- Restructure the procedures for the allocation of indirect and administrative costs (AMSO) and require a reconciliation of both the monthly and annual allocations.

MONROE COUNTY, WISCONSIN
 Schedule of Findings and Questioned Costs (Continued)
 For the Year Ended December 31, 2011

Section IV - Other Issues

Does the auditor's report of the notes to the financial statement include disclosure with regard to substantial doubt as to the auditee's ability to continue as a going concern? _____ Yes X No

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	<u> X </u>	Yes	_____	No
Department of Commerce	<u> X </u>	Yes	_____	No
Department of Natural Resources	<u> X </u>	Yes	_____	No
Department of Transportation	<u> X </u>	Yes	_____	No
Department of Corrections	<u> X </u>	Yes	_____	No
Department of Health Services	<u> X </u>	Yes	_____	No
Department of Children and Families	<u> X </u>	Yes	_____	No
Department of Justice	<u> X </u>	Yes	_____	No
Department of Military Affairs	<u> X </u>	Yes	_____	No
Department of Administration	<u> X </u>	Yes	_____	No

Was a Management Letter or other document conveying audit comments issued as a result of this audit? _____ X _____ Yes _____ No

Name and signature of shareholder



 David L. Maccoux, CPA

Date of report

September 21, 2012

MONROE COUNTY, WISCONSIN
 Schedule of Prior Year Audit Findings and Corrective Action Plan
 December 31, 2011

Prior Year Audit Findings

The findings noted in the 2010 Schedule of Findings and Questioned Costs have been reported to the proper federal and state agencies. Management continues to believe the cost to hire additional staff to eliminate the control deficiencies identified as 2010-01 and 2010-02 outweigh the benefits to be received. Management reviews the financial report and the single audit report prepared by Schenck.

Corrective Action Plan for Audit Findings

Finding No.	Corrective Action Plan
2011-01	<p>Year End Closing and Financial Reporting</p> <p>Management believes the cost for additional staff time and training to prepare year end closing entries and reports outweigh the benefits to be received. The County's finance director reviews and approves all reports before issuance.</p>
2011-02	<p>Financial Reporting for Federal and State Financial Assistance</p> <p>Management believes the cost of additional staff time and training to prepare these items outweigh the benefits to be received. The County's finance director reviews and approves all reports before issuance.</p>
2011-03	<p>Reporting - Expenditure Reconciliation Process</p> <p>New processes have been set up in 2012 to account for timely reconciliations. The required reconciliations between general ledger expenditures and revenue offsets and amounts reported to the State of Wisconsin for Human Services Reporting System (HSRS), the Community Aids Reporting System (CARS), Central Office Reporting (CORe) system, and through invoices will be reconciled monthly by the Assistant Finance Director/Human Services Business Administrator and reviewed by the Finance Director for accuracy.</p>

ADDITIONAL INDEPENDENT AUDITORS' REPORT



**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**

To the County Board
Monroe County, Wisconsin

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Monroe County, Wisconsin, as of and for the year ended December 31, 2011, which collectively comprise Monroe County, Wisconsin's basic financial statements and have issued our report thereon dated July 10, 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 Monroe County, Wisconsin is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Monroe County, Wisconsin's 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 Monroe County, Wisconsin's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Monroe County, Wisconsin's internal control over financial reporting.

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 County's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of the internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified a certain deficiency in internal control over financial reporting, described in the accompanying schedule of findings and responses that we consider to be a significant deficiency in internal control over financial reporting as described in the accompanying schedule of findings and questioned costs as item 2011-01. 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Monroe County, Wisconsin'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*.



We noted certain matters that we reported to management of Monroe County, Wisconsin in a separate letter dated July 10, 2012.

Monroe County, Wisconsin's responses to the findings identified in our audit are described in the accompanying schedule of prior year audit findings and corrective action plan. We did not audit Monroe County, Wisconsin's response and, accordingly, we express no opinion on it.

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



Certified Public Accountants
Green Bay, Wisconsin
July 10, 2012