

KENOSHA COUNTY

Kenosha, Wisconsin

REPORT ON FEDERAL AND STATE AWARDS

For the Year Ended December 31, 2008

KENOSHA COUNTY

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INDEPENDENT AUDITORS' 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 of Supervisors
Kenosha County
Kenosha, 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 Kenosha County, Wisconsin as of and for the year ended December 31, 2008, which collectively comprise Kenosha County's basic financial statements and have issued our report thereon dated July 24, 2009. 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

In planning and performing our audit, we considered Kenosha County's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Kenosha County's internal control over financial reporting.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, as discussed below, we identified deficiencies in internal control that we consider to be significant deficiencies.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects Kenosha County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of Kenosha County's financial statements that is more than inconsequential will not be prevented or detected by Kenosha County's internal control. We consider the deficiency described in the accompanying schedule of findings and questioned costs to be a significant deficiency in internal control over financial reporting. This deficiency is item 08-1.

To the County Board of Supervisors
Kenosha County

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by Kenosha County's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. We did not consider the deficiency described in the accompanying schedule of findings and questioned costs to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Kenosha County's basic 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 Kenosha County in a separate letter dated July 24, 2009.

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

This report is intended solely for the information and use of Kenosha County's management, others within the entity, 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.

Baker Tilly Virchow Krause, LLP

Madison, Wisconsin
July 24, 2009

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133
AND THE STATE SINGLE AUDIT GUIDELINES AND THE
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

To the County Board of Supervisors
Kenosha County
Kenosha, Wisconsin

Compliance

We have audited the compliance of Kenosha County, Wisconsin 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* that are applicable to each of its major federal and major state programs for the year ended December 31, 2008. Kenosha County's major federal and major 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 major state programs is the responsibility of Kenosha County's management. Our responsibility is to express an opinion on Kenosha 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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the *State Single Audit Guidelines*. Those standards, OMB Circular A-133 and the *State Single Audit Guidelines* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or major state program occurred. An audit includes examining, on a test basis, evidence about Kenosha 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 Kenosha County's compliance with those requirements.

In our opinion, Kenosha County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and major state programs for the year ended December 31, 2008.

To the County Board of Supervisors
Kenosha County

Internal Control Over Compliance

The management of Kenosha County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered Kenosha County's internal control over compliance with requirements that could have a direct and material effect on a major federal or major state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 Kenosha County's internal control over compliance.

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal or state program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal or state program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to material weaknesses, as defined above.

Schedule of Expenditures of Federal and State Awards

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Kenosha County, Wisconsin as of and for the year ended December 31, 2008, which collectively comprise Kenosha County's basic financial statements and have issued our report thereon dated July 24, 2009. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise Kenosha County's basic financial statements. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by OMB Circular A-133 and the *State Single Audit Guidelines* and is not a required part of the basic financial statements. Such information 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 taken as a whole.

To the County Board of Supervisors
Kenosha County

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

This report is intended solely for the information and use of Kenosha County's management, others within the entity, 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.

Baker Silly Veichow Krause, CPA

Madison, Wisconsin
September 2, 2009, except for the schedule of
expenditures of federal and state awards as to which the date is
July 24, 2009

KENOSHA COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS For the Year Ended December 31, 2008

Grantor Agency / Pass-Through Agency/ Program Title	Federal CFDA Number	Revenues					Total Revenues	Expenditures
		(Accrued) Deferred Beginning Balance	Adjustments	Cash Received (Refunded)	Accrued (Deferred) Ending Balance			
FEDERAL PROGRAMS								
U. S. Department of Agriculture								
Passed through Wisconsin Department of Health Services/Department of Children and Families Special Supplemental Food Program for Women, Infants, and Children	10.557	\$ -	\$ -	\$ 608,536	\$ -	\$ 608,536	\$ 608,536	
State Administration Matching Grants for Food Stamp Program	10.561	-	-	2,008,606	-	2,008,606	2,008,606	
Passed through Wisconsin Department of Workforce Development/Department of Children and Families State Administration Matching Grants for Food Stamp Program	10.561	-	-	246,972	-	246,972	246,972	
Total U.S. Department of Agriculture		-	-	2,864,114	-	2,864,114	2,864,114	
U.S. Department of Housing and Urban Development								
Direct Funding								
Lead Hazard Reduction Demonstration Grant	14.905	-	-	1,535,070	-	1,535,070	1,535,070	
Total U.S. Department of Housing and Urban Development		-	-	1,535,070	-	1,535,070	1,535,070	
U.S. Department of Justice								
Direct Funding								
State Criminal Alien Assistance Program	16.606	-	-	73,298	-	73,298	73,298	
Paul Coverdell Forensic Sciences & Improvement Grant	16.742	-	-	6,995	-	6,995	6,995	
Passed Through Wisconsin Department of Justice Cease Grant	16.595	-	-	-	2,321	2,321	2,321	
Passed Through Office of National Drug Control Policy Milwaukee HIDTA								
High Intensity Drug Trafficking Area (HDTA) (Grant Number 17PMLP54)	16.XXX	-	-	-	1,418	1,418	1,418	
High Intensity Drug Trafficking Area (HDTA) (Grant Number 7PMLP536)	16.XXX	(10,282)	-	18,993	-	8,711	8,711	
High Intensity Drug Trafficking Area (HDTA) (Grant Number 18PMLP53)	16.XXX	-	-	32,133	1,582	33,715	33,715	
Organized Crime Drug Enforcement Task Forces (Grant Number 18PMLP8)	16.XXX	-	-	13,816	-	13,816	13,816	
Passed Through City of Kenosha Edward Byrne Memorial Justice Assistance Grant	16.738	(9,800)	-	17,483	-	7,683	7,683	

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

KENOSHA COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS For the Year Ended December 31, 2008

Grantor Agency / Pass-Through Agency/ Program Title	Federal CFDA Number	Revenues					Total Revenues	Expenditures
		(Accrued) Deferred Beginning Balance	Adjustments	Cash Received (Refunded)	Accrued (Deferred) Ending Balance			
FEDERAL PROGRAMS (cont.)								
U.S. Department of Justice (cont.)								
Passed Through Wisconsin Department of Administration - Office of Justice Assistance								
Juvenile Accountability Incentive Block Grant	16.523	\$ (4,390)	\$ -	\$ 13,162	\$ 39,467	\$ 48,239	\$ 48,239	
Juvenile Justice and Delinquency Prevention	16.540	(65,586)	1,365	172,955	17,803	126,537	126,537	
Grants to Encourage Arrest Policies and Enforcement of Protective Orders	16.590	-	-	10,450	13,100	23,550	23,550	
Community Prosecution and Project Safe Neighborhoods	16.609	-	-	28,895	15,468	44,363	44,363	
Edward Byrne Memorial Justice Assistance Grant	16.738	(36,713)	-	130,437	30,912	124,636	124,636	
Total U.S. Department of Justice		(126,771)	1,365	518,617	122,071	515,282	515,282	
U.S. Department of Labor								
WIA Cluster								
WIA Adult Program	17.258	(135,351)	-	584,116	156,167	604,932	604,932	
WIA Youth Activities	17.259	(194,860)	-	872,475	252,784	930,399	930,399	
WIA Dislocated Workers	17.260	(189,272)	-	847,545	214,567	872,840	872,840	
Total WIA Cluster		(519,483)	-	2,304,136	623,518	2,408,171	2,408,171	
WIA Pilots, Demonstrations, and Research Projects	17.261	-	-	12,052	16,153	28,205	28,205	
Work Incentive Grants	17.266	(11,785)	-	76,001	11,285	75,501	75,501	
Total U.S. Department of Labor		(531,268)	-	2,392,189	650,956	2,511,877	2,511,877	
U.S. Department of Transportation								
Passed Through Wisconsin Department of Transportation								
Highway Planning and Construction	20.205	-	-	25,000	335,394	360,394	360,394	
Public Transit Aids - Non Urban Transportation	20.509	(158,413)	(2)	346,262	198,415	386,262	386,262	
Alcohol Traffic Safety and Drunk Driving Prevention Incentive	20.601	-	-	36,204	-	36,204	36,204	
Passed Through Wisconsin Department of Military Affairs								
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	-	-	8,174	-	8,174	8,174	
Total U.S. Department of Transportation		(158,413)	(2)	415,640	533,809	791,034	791,034	

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

KENOSHA COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended December 31, 2008

Grantor Agency / Pass-Through Agency/ Program Title	Federal CFDA Number	Revenues					Total Revenues	Expenditures
		(Accrued) Deferred Beginning Balance	Adjustments	Cash Received (Refunded)	Accrued (Deferred) Ending Balance			
FEDERAL PROGRAMS (cont.)								
U.S. Department of Education								
Passed through Wisconsin Department of Health Services/Department of Children and Families Birth to Three	84.181	\$ -	\$ -	\$ 155,148	\$ -	\$ 155,148	\$ 155,148	
Total U.S. Department of Education		-	-	155,148	-	155,148	155,148	
U.S. Environmental Protection Agency								
Passed through Wisconsin Department of Health Services/Department of Children and Families Indoor Radon Contract Service	66.032	-	-	8,106	-	8,106	8,106	
Passed through Wisconsin Department of Natural Resources Beach Monitoring and Notification Program Implementation Grants	66.472	-	-	9,325	-	9,325	9,325	
Total U.S. Environmental Protection Agency		-	-	17,431	-	17,431	17,431	
Election Assistance Commission								
Passed through Wisconsin Government Accountability Board - Elections Division Help America Vote Act Requirements Payments	90.401	-	-	690	-	690	690	
U. S. Department of Health and Human Services								
Direct Funding								
Drug Free Community Grants	93.276	(14,227)	-	68,448	23,654	77,875	77,875	
Passed through Wisconsin Department of Health Services/Department of Children and Families Title IV and Title II - Discretionary Projects	93.048	-	-	52,628	-	52,628	52,628	
Public Health Emergency Preparedness	93.069	-	-	312,354	-	312,354	312,354	
Cooperative Agreements to States/Territories for the Coordination and Development of Primary Care Offices	93.130	-	-	20,739	-	20,739	20,739	
Immunization Grants	93.268	-	-	42,700	-	42,700	42,700	
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283	-	-	53,224	-	53,224	53,224	
Family Preservation - Support	93.556	-	-	61,800	-	61,800	61,800	
Block Grants for Temporary Assistance for Needy Families	93.558	-	-	750,053	-	750,053	750,053	

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

KENOSHA COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended December 31, 2008

Grantor Agency / Pass-Through Agency/ Program Title	Federal CFDA Number	Revenues					Total Revenues	Expenditures							
		(Accrued) Deferred Beginning Balance	Adjustments	Cash Received (Refunded)	Accrued (Deferred) Ending Balance										
FEDERAL PROGRAMS (cont.)															
U. S. Department of Health and Human Services (cont.)															
Passed through Wisconsin Department of Health Services/Department of Children and Families															
Chafee Education and Training Vouchers Program	93.599	\$	-	\$	-	\$	23,550	\$	-	\$	23,550	\$	23,550	\$	23,550
Child Welfare Service Grants - State Grants	93.645		-		-		139,243		-		139,243		139,243		139,243
Foster Care - Title IV-E	93.658		-		-		707,824		-		707,824		707,824		707,824
Social Services Block Grant	93.667		-		-		1,085,247		-		1,085,247		1,085,247		1,085,247
Family Violence Prevention and Services/Grants for Battered															
Chafee Foster Care Independent Living	93.674		-		-		92,315		-		92,315		92,315		92,315
State Children's Insurance Program	93.767		-		-		505,048		-		505,048		505,048		505,048
Medicaid Infrastructure Grants to Support the Competitive															
Medical Assistance Program	93.778		-		-		4,762,078		-		4,762,078		4,762,078		4,762,078
Medical Assistance Program - WIMCR	93.778		-		-		992,962		-		992,962		992,962		992,962
Health Ins Information Shp	93.779		-		-		5,000		-		5,000		5,000		5,000
Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency															
Virus Syndrome (AIDS) Surveillance	93.944		-		-		8,207		-		8,207		8,207		8,207
Block Grants for Community Mental Health Services	93.958		-		-		202,353		-		202,353		202,353		202,353
Block Grants for Prevention and Treatment															
of Substance Abuse	93.959		-		-		810,303		-		810,303		810,303		810,303
Preventive Health and Health Services															
Block Grant	93.991		-		-		14,971		-		14,971		14,971		14,971
Maternal and Child Health Services Block Grant	93.994		-		-		69,326		-		69,326		69,326		69,326
Passed Through Southeastern WI Area Agency on Aging															
Special Programs for the Aging															
Title III, Part D - Preventive Health	93.043		-		-		8,071		-		8,071		8,071		8,071
Aging Cluster															
Title III, Part B - Grants for Supportive Services	93.044		-		-		113,506		-		113,506		113,506		113,506
Title III, Part C - Nutrition Services	93.045		-		-		200,617		-		200,617		200,617		200,617
Title III, Part E - National Family Support	93.052		-		-		58,127		-		58,127		58,127		58,127
Nutritional Services Incentive Program	93.053		-		-		37,131		-		37,131		37,131		37,131
Total Aging Cluster			-		-		409,381		-		409,381		409,381		409,381
Passed through Wisconsin Department of Workforce Development/Department of Children and Families															
Block Grants for Temporary Assistance for															
Needy Families	93.558		-		-		903,495		-		903,495		903,495		903,495
Child Support Enforcement - Medical Support Liability Incentive Even FFY	93.563		-		-		101,952		-		101,952		101,952		101,952
Child Support Enforcement - Medical Support Liability Incentive Odd FFY	93.563		-		-		6,865		-		6,865		6,865		6,865

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

KENOSHA COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS For the Year Ended December 31, 2008

Grantor Agency / Pass-Through Agency/ Program Title	Federal CFDA Number	Revenues					Total Revenues	Expenditures
		(Accrued) Deferred Beginning Balance	Adjustments	Cash Received (Refunded)	Accrued (Deferred) Ending Balance			
FEDERAL PROGRAMS (cont.)								
U. S. Department of Health and Human Services (cont.)								
Passed through Wisconsin Department of Workforce Development/Department of Children and Families Block Grants for Temporary Assistance for Needy Families (cont.)								
Child Support Enforcement - Indirect Cost 66% Federal Share	93.563	\$ -	\$ -	\$ 92,737	\$ -	\$ 92,737	\$ 92,737	\$ 92,737
Child Support Enforcement - All Other Exp 66% Federal Share	93.563	-	-	2,588,050	-	2,588,050	2,588,050	2,588,050
Child Support Enforcement - Fees 66% Federal Share	93.563	-	-	(14,956)	-	(14,956)	(14,956)	(14,956)
Child Support Enforcement - Performance Based	93.563	-	-	245,747	-	245,747	245,747	245,747
Child Support Enforcement - FPLS Fees	93.563	-	-	(8,028)	-	(8,028)	(8,028)	(8,028)
Child Support Enforcement - Special Improvements and FY 06 Incentives	93.563	-	-	574	-	574	574	574
Child Support Enforcement - CS Regular Expenses/GPR	93.563	-	-	195,684	-	195,684	195,684	195,684
Refugee and Entrant Assistance - State Administered Programs	93.566	-	-	1,476	-	1,476	1,476	1,476
Child Care Payments	93.596	-	-	885,752	-	885,752	885,752	885,752
Passed Through Wisconsin Department of Administration Low Income Home Energy Assistance Block Grant								
	93.568	(43,119)	-	222,313	9,807	189,001	189,001	189,001
Passed Through Wisconsin Department of Corrections Child Welfare Services Grant - State Grants								
	93.645	-	-	14,299	8,509	22,808	22,808	22,808
Foster Care Title - IV-E	93.658	-	-	11,440	6,807	18,247	18,247	18,247
Total U.S. Department of Health and Human Services		(57,346)	-	16,445,225	48,777	16,436,656	16,436,656	16,436,656
U.S. Department of Homeland Security								
Passed Through Wisconsin Department of Military Affairs Flood Mitigation Assistance								
	97.029	(3,991)	-	84,495	9,080	89,584	89,584	89,584
Disaster Grants - Public Assistance	97.036	-	-	94,859	17,898	112,757	112,757	112,757
Hazard Mitigation Grant Program	97.039	(11,897)	-	186,003	35,821	209,927	209,927	209,927
Emergency Management Performance Grants	97.042	(67,707)	-	92,530	54,320	79,143	79,143	79,143
Passed Through Wisconsin Department of Administration - Office of Justice Assistance Homeland Security Grant Program								
	97.067	(6,833)	(15,904)	128,814	3,741	109,818	109,818	109,818
Total U.S. Department of Homeland Security		(90,428)	(15,904)	586,701	120,860	601,229	601,229	601,229
TOTAL FEDERAL PROGRAMS		\$ (964,226)	\$ (14,541)	\$ 24,930,825	\$ 1,476,473	\$ 25,428,531	\$ 25,428,531	\$ 25,428,531

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

KENOSHA COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS For the Year Ended December 31, 2008

Grantor Agency / Pass-Through Agency / Program Title	State ID Number	Revenues					Expenditures
		(Accrued) Deferred Beginning Balance	Adjustments	Cash Received (Refunded)	Accrued (Deferred) Ending Balance	Total Revenues	
STATE PROGRAMS							
Wisconsin Department of Agriculture, Trade and Consumer Protection							
County Staff and Support	115.150	\$ (116,596)	\$ -	\$ 116,596	\$ 105,521	\$ 105,521	\$ 105,521
Land and Water Resource Management	115.400	(9,779)	-	30,736	40,658	61,615	61,615
Total Wisconsin Department of Agriculture, Trade, and Consumer Protection		(126,375)	-	147,332	146,179	167,136	167,136
Wisconsin Department of Public Instruction							
Public Library Systems Aid	255.002	321,411	-	441,403	(334,266)	428,548	428,548
Wisconsin Department of Natural Resources							
Snowmobile Enforcement	370.485	-	-	8,496	-	8,496	8,496
Recreational Aids - Snowmobile Trail and Area	370.485	9,612	(9,612)	19,225	-	19,225	19,225
All Terrain Vehicle Enforcement	370.485	-	-	10,791	-	10,791	10,791
Urban and Community Forestry	370.572	-	-	-	19,890	19,890	19,890
Transient Non-Community Water Sampling Contracts	370.XXX	-	(4,675)	20,020	5,115	20,460	20,460
Total Wisconsin Department of Natural Resources		9,612	(14,287)	58,532	25,005	78,862	78,862
Wisconsin Department of Transportation							
Pretrial Intoxicated Driver Intervention Grant (10938-50-10,27)	s20.395(5)(jr)	-	-	35,357	12,184	47,541	47,541
Elderly and Handicapped County Aids	395.101	50,597	-	318,028	(50,597)	318,028	318,028
Total Wisconsin Department of Transportation		50,597	-	353,385	(38,413)	365,569	365,569
Wisconsin Department of Corrections							
Community Corrections Program	410.111	-	-	60,000	-	60,000	60,000
Community Intervention	410.302	(14,618)	-	134,085	15,739	135,206	135,206
Youth Aids	410.313	-	-	927,560	551,964	1,479,524	1,479,524
Total Wisconsin Department of Corrections		(14,618)	-	1,121,645	567,703	1,674,730	1,674,730

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

KENOSHA COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS For the Year Ended December 31, 2008

Grantor Agency / Pass-Through Agency / Program Title	State ID Number	Revenues					Total Revenues	Expenditures
		(Accrued) Deferred Beginning Balance	Adjustments	Cash Received (Refunded)	Accrued (Deferred) Ending Balance			
STATE PROGRAMS (cont.)								
Wisconsin Department of Health and Family Services/Department of Children and Families								
Fraud - Contract Cont	435.950	\$ -	\$ -	\$ 34,804	\$ -	\$ 34,804	\$ 34,804	
Funeral/Cemetery W-2 & Non W-2	435.105	-	-	284,712	-	284,712	284,712	
Medicaid Transportation	435.131	-	-	771,813	-	771,813	771,813	
MA Transportation Administration	435.132	-	-	37,778	-	37,778	37,778	
IMAA State Share	435.283	-	-	789,332	-	789,332	789,332	
IMAA Federal Share	435.284	-	-	87,384	-	87,384	87,384	
Medicaid Subrogation Collection	435.291	-	-	(35,430)	-	(35,430)	(35,430)	
APS - Adult Protective Services	435.312	-	-	159,031	-	159,031	159,031	
AW DOJ Fingerprint Backgr	435.324	-	-	6,850	-	6,850	6,850	
Children and Family Services Incentive	435.342	-	-	239,804	-	239,804	239,804	
Children and Family Services Review Expenses	435.342	-	-	4,413	-	4,413	4,413	
Community Options Program	435.367	-	-	545,147	-	545,147	545,147	
Kinship Care Base Benefit	435.377	-	-	786,883	-	786,883	786,883	
Kinship Care Assessments	435.380	-	-	60,678	-	60,678	60,678	
CLTS GPR	435.450	-	-	395,163	-	395,163	395,163	
CLTS MH Non Federal	435.451	-	-	266,148	-	266,148	266,148	
CLTS Non Federal Other	435.460	-	-	13,865	-	13,865	13,865	
CLTS MH Non Fed Other	435.461	-	-	13,865	-	13,865	13,865	
PF Non Fed Prog Revenue	435.4xx	-	-	(11,948)	-	(11,948)	(11,948)	
Community Support Program Wait List	435.504	-	-	41,273	-	41,273	41,273	
Integrated Services for Children with Severe Disabilities	435.530	-	-	7,400	-	7,400	7,400	
Non-Resident Reimbursement	435.531	-	-	17,243	-	17,243	17,243	
Brighter Future Initiative	435.540	-	-	113,966	-	113,966	113,966	
Birth to Three Initiative	435.550	-	-	177,289	-	177,289	177,289	
Basic County Allocation	435.561	-	-	4,759,981	-	4,759,981	4,759,981	
IMD Continuing Placements	435.572	-	-	32,773	-	32,773	32,773	
Family Support	435.577	-	-	111,865	-	111,865	111,865	
Base County Allocation - State Match	435.681	-	-	851,815	-	851,815	851,815	

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

KENOSHA COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS For the Year Ended December 31, 2008

Grantor Agency / Pass-Through Agency / Program Title	State ID Number	Revenues					Total Revenues	Expenditures
		(Accrued) Deferred Beginning Balance	Adjustments	Cash Received (Refunded)	Accrued (Deferred) Ending Balance			
STATE PROGRAMS (cont.)								
Wisconsin Department of Health and Family Services/Department of Children and Families (cont.)								
Program Integrity	435.750	\$ -	\$ -	\$ 15,245	\$ -	\$ 15,245	\$ 15,245	
WIC Farmers Market Grant	435.154720	-	-	2,923	-	2,923	2,923	
WWWP-GPR SS.255.06(2)	435.157000	-	-	50,765	-	50,765	50,765	
Cons Contracts Lead Poisoning	435.157720	-	-	22,610	-	22,610	22,610	
TPCP - WI Wins Enforcement	435.158116	-	-	1,420	-	1,420	1,420	
TPCP - Com Interventions - LHD	435.158125	-	-	71,257	-	71,257	71,257	
TPCP - WI Wins	435.158127	-	-	17,750	-	17,750	17,750	
Cons Contracts Maternal and Child Health Services	435.159320	-	-	4,475	-	4,475	4,475	
Aging & Dis Resource Ctr	435.560100	-	-	1,035,397	-	1,035,397	1,035,397	
ADRC Prevention Grant	435.560104	-	-	33,241	-	33,241	33,241	
ADRC Prevention Extension	435.560204	-	-	72,527	-	72,527	72,527	
Environmental Monitoring of Nuclear Power Plants for Radiological Emissions	435.DPH 90013 DC	-	(1,362)	2,592	1,260	2,490	2,490	
HIV Counseling, Testing, and Referral Program	435.FAI10019	-	(375)	11,807	675	12,107	12,107	
Passed Through Southeastern Wisconsin Area Agency on Aging:								
Elderly Benefit Specialist Program	435.560320	-	-	33,438	-	33,438	33,438	
Elderly Benefit Specialist OCI	435.560327	-	-	9,291	-	9,291	9,291	
State Senior Community Services	435.560330	-	-	9,871	-	9,871	9,871	
Congregate Meals	435.560350	-	-	123,283	-	123,283	123,283	
Home Delivered Meals	435.560360	-	-	10,176	-	10,176	10,176	
Alzheimer's Family and Caregiver Support	435.560381	-	-	68,786	-	68,786	68,786	
Elder Abuse	435.560490	-	-	47,479	-	47,479	47,479	
Total State of Wisconsin Department of Health and Family Services/Department of Children and Families		-	(1,737)	12,208,230	1,935	12,208,428	12,208,428	

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

KENOSHA COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS For the Year Ended December 31, 2008

Grantor Agency / Pass-Through Agency / Program Title	State ID Number	Revenues					Total Revenues	Expenditures
		(Accrued) Deferred Beginning Balance	Adjustments	Cash Received (Refunded)	Accrued (Deferred) Ending Balance			
STATE PROGRAMS (cont.)								
Wisconsin Department of Workforce Development/Department of Children and Families								
W-2 Administration	445.315	\$ -	\$ -	\$ 207,136	\$ -	\$ 207,136	\$ 207,136	
W-2 Services	445.315	-	-	678,780	-	678,780	678,780	
RWRP Administration	445.315	-	-	939	-	939	939	
RWRP Services	445.315	-	-	6,296	-	6,296	6,296	
Children First	445.315	-	-	48,200	-	48,200	48,200	
W-2 Jobs Access Loans	445.323	-	-	37,640	-	37,640	37,640	
Job Access Loans Repayments	445.323	-	-	(3,656)	-	(3,656)	(3,656)	
Child Support Enforcement - Unemployment Insurance Fees 34	445.334	-	-	(452)	-	(452)	(452)	
Foodshare Employment and Training Administration Optional	445.367	-	-	220,373	-	220,373	220,373	
Foodshare Employment and Training	445.367	-	-	218,390	-	218,390	218,390	
Foodshare Employment and Training Participant Support	445.367	-	-	11,937	-	11,937	11,937	
W-2 Emergency Assistance	445.375	-	-	184,436	-	184,436	184,436	
Total Wisconsin Department of Workforce Development/Department of Children and Families		-	-	1,610,019	-	1,610,019	1,610,019	
Wisconsin Public Service Corporation								
Enhanced 911 Grant	XXX.XXX	(256,185)	-	247,408	748,369	739,592	739,592	
Wisconsin Department of Justice								
DNA Sample Reimbursement Grant	455.221	-	-	3,000	-	3,000	3,000	
Drug Crimes Enforcement	455.225	87,485	(1,418)	84,230	(84,230)	86,067	86,067	
Law Enforcement Training Fund Local Assistance	455.231	-	(30,376)	35,780	18,010	23,414	23,414	
Reimbursement for Victim and Witness Assistance Program	455.503	(96,402)	(7,561)	223,565	112,293	231,895	231,895	
Total Wisconsin Department of Justice		(8,917)	(39,355)	346,575	46,073	344,376	344,376	

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

KENOSHA COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS For the Year Ended December 31, 2008

Grantor Agency / Pass-Through Agency / Program Title	State ID Number	Revenues					Expenditures	
		(Accrued) Deferred Beginning Balance	Adjustments	Cash Received (Refunded)	Accrued (Deferred) Ending Balance	Total Revenues		
STATE PROGRAMS (cont.)								
Wisconsin Department of Military Affairs								
Public Safety - Emergency Government Disaster Assistance	465.305	\$ (1,985)	\$ -	\$ 44,174	\$ 8,212	\$ 50,401	\$ 50,401	
Emergency Government Response Equipment	465.308	(4,958)	-	4,958	5,999	5,999	5,999	
Emergency Planning Grant	465.337	(22,007)	-	29,389	22,518	29,900	29,900	
Total Wisconsin Department of Military Affairs		(28,950)	-	78,521	36,729	86,300	86,300	
Wisconsin Department of Veterans Affairs								
County Veterans Service Officer	485.001	-	-	13,000	-	13,000	13,000	
Wisconsin Department of Administration								
Land Information Board Grants	505.438	(60,667)	-	121,334	14,807	75,474	75,474	
Public Benefits	505.371	(11,271)	-	85,430	6,802	80,961	80,961	
Office of Justice Assistance								
Youth Diversion - Aids - Gang - PR	505.633	(75,098)	-	147,936	122,209	195,047	195,047	
Digital Recording of Custodial Interrogations Grant	505.636	-	-	-	6,500	6,500	6,500	
Total Wisconsin Department of Administration		(147,036)	-	354,700	150,318	357,982	357,982	
TOTAL STATE PROGRAMS		\$ (200,461)	\$ (55,379)	\$ 16,980,750	\$ 1,349,632	\$ 18,074,542	\$ 18,074,542	

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

KENOSHA COUNTY

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS For the Year Ended December 31, 2008

NOTE 1 – REPORTING ENTITY

This report on Federal and State Awards includes the federal and state awards of Kenosha County. The reporting entity for the county is based upon criteria established by the Governmental Accounting Standards Board.

The schedule includes only those programs required to be included in accordance with the *State Single Audit Guidelines*.

NOTE 2 – BASIS OF PRESENTATION

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

The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audit of States, Local Governments, and Non-Profit Organizations* and the *State Single Audit Guidelines*.

NOTE 3 – DIRECT PAYMENTS – STATE OF WISCONSIN

Direct aids to individuals from the State of Wisconsin on behalf of Kenosha County for the year ended December 31, 2008 included:

<u>Program</u>	<u>CFDA No.</u>	<u>Unaudited Amount</u>
Food Stamps	10.551	\$ 18,801,614
W-2 Program	93.558	<u>1,717,618</u>
Total		<u>\$ 20,519,232</u>

KENOSHA COUNTY

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS For the Year Ended December 31, 2008

NOTE 4 – REPORT DATES

The Schedule of Expenditures of Federal and State Awards includes adjustments through the Community Aids Reporting System reports dated May 1, 2009 and the CORE reports for December 2008.

NOTE 5 – DIRECT PAYMENTS – WISCONSIN MEDICAL ASSISTANCE

The county received the following payments from Wisconsin Medical Assistance through EDS Federal Corporation in 2008:

<u>County Department</u>	<u>Provider No.</u>	<u>Unaudited Amount</u>
Kenosha County Division of Disability Services	43072900	\$ 225,060
Kenosha County Division of Disability Services	43422900	298,805
Kenosha County Division of Health	41862400	322,925
Kenosha County Division of Children and Family Services	43073000	169,543
Kenosha County Division of Aging	43090400	2,045
Kenosha County Brookside	20130300	3,845,621
Kenosha County Division of Health	43835700	3,283
Kenosha County Division of Health	42010200	2,887
Kenosha County Division of Health	43084000	30,018
Total		<u>\$ 4,900,187</u>

KENOSHA COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended December 31, 2008

SECTION I – SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of auditors' report issued: *unqualified*

Internal control over financial reporting:

- > Material weakness(es) identified? Yes X No
- > Significant deficiencies identified that are not considered to be material weaknesses? X Yes None reported

Noncompliance material to basic financial statements noted?

 Yes X No

FEDERAL OR STATE AWARDS

Internal control over major programs:

- > Material weakness(es) identified? Yes X No
- > Significant deficiencies identified that are not considered to be material weakness(es)? Yes X None reported

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 X No

 Federal Programs

 State Programs

Auditee qualified as low-risk auditee?

 Yes X No Yes X No

Identification of major federal programs:

CFDA Number

Name of Federal Program or Cluster

10.561

State Administration Matching Grants for Food Stamp Program

14.905

Lead Hazard Reduction Demonstration Grant

93.563

Child Support

93.667

Social Services Block Grant

93.778

Medical Assistance Program

KENOSHA COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended December 31, 2008

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

Dollar threshold used to distinguish between
federal type A and type B programs: \$ 762,856

Dollar threshold used to distinguish between State
Department of Health and Family Services type A
and type B programs: \$ 366,173

Dollar threshold used to distinguish between other
state type A and type B programs: \$ 100,000

Identification of major state programs:

<u>State No.</u>	<u>Name of State Program</u>
115.150, 115.400	County Staff and Support/Land and Water Resource Management
410.302	Community Intervention
435.131	Medicaid Transportation
435.283	Income Maintenance Available Allocation
435.367	Community Options Program
435.450	CLTS GPR
435.560100	Family Care Resource Center
435.561, 435.681	Basic County Allocation/Basic County Allocation – State Match
445.367	Foodshare Employment and Training

SECTION II – FINANCIAL STATEMENT FINDINGS

FINDING 08-1: JOURNAL ENTRY REVIEW AND APPROVAL

Criteria: Journal entries are used to record financial activity that is not recorded through the cash receipts or disbursements processes and, without proper controls are considered to be a risky area with respect to errors that are both intentional and unintentional.

Condition: During the audit, we selected a sample of journal entries posted to the general ledger. Two entries out of twenty-five tested did not have evidence of any review and approval by someone other than the preparer. Our understanding is that certain journal entries, such as standard monthly journal entries and some year-end journal entries, are not necessarily reviewed by someone other than the preparer.

Effect: Errors could exist in the county's financial records, whether intentional or unintentional.

Recommendation: We recommend that all journal entries be reviewed and approved by someone other than the preparer. In addition it is important to ensure that all journal entries posted to the general ledger are accounted for. This may involve generating a periodic report of all posted journal entries and reviewing for proper approval of the population.

KENOSHA COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended December 31, 2008

SECTION II – FINANCIAL STATEMENT FINDINGS (cont.)

FINDING 08-1: JOURNAL ENTRY REVIEW AND APPROVAL (cont.)

Management's Response: The county implemented procedures in 2008 that required a second authorization on every journal entry. The position that oversees the journal entry process experienced turnover during the yearend closeout. This is the time period in which two journal entries were not signed by a second person. Both of these journal entries had been compiled by working with a second management level person. Prior to posting the entry, they were reviewed by management and verbally approved, but the written signature was not obtained.

In order to avoid this occurring in the future, the County has extended its procedures to include a monthly review by a supervisor of all journal entries entered into the system. The report used for review will be signed by the supervisor who will check that a second signature has been obtained for those entries and initiated and entered by the same person. Another important mitigating factor that reduces risk on journal entries is that that these monthly reoccurring journal entries affect accounts that are scrutinized by other departments after they are entered. That process provides another second check on journal entries.

SECTION III – FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AND STATE AWARD PROGRAMS AUDIT

None reported.

KENOSHA COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended December 31, 2008

SECTION IV – OTHER ISSUES

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

2. Does the audit report show audit issues (i.e., material non-compliance, non-material non-compliance, questioned costs, material weakness, reportable condition, management letter comment, excess revenue or excess reserve) related to grants/contracts with funding agencies that require audits to be in accordance with the *State Single Audit Guidelines*:

Department of Agriculture, Trade and Consumer Protection	_____ Yes	<u> X </u>	No
Department of Public Instruction	_____ Yes	<u> X </u>	No
Department of Natural Resources	_____ Yes	<u> X </u>	No
Department of Transportation	_____ Yes	<u> X </u>	No
Department of Corrections	_____ Yes	<u> X </u>	No
Department of Health and Family Services	_____ Yes	<u> X </u>	No
Department of Workforce Development	_____ Yes	<u> X </u>	No
Department of Justice	_____ Yes	<u> X </u>	No
Department of Military Affairs	_____ Yes	<u> X </u>	No
Department of Veterans Affairs	_____ Yes	<u> X </u>	No
Department of Administration	_____ Yes	<u> X </u>	No

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

4. Name and signature of partner

Thomas A. Scheidegger
Thomas A. Scheidegger

5. Date of report

September 2, 2009