

**KENOSHA COUNTY**

Kenosha, Wisconsin

**REPORT ON FEDERAL AND STATE AWARDS**

For the Year Ended December 31, 2009

## **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, 2009, and have issued our report thereon dated July 28, 2010. 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 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 Kenosha County's 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 was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses; and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified a deficiency in internal control over financial reporting that we consider to be a material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the schedule of findings and questioned costs to be a material weakness. This material weakness is item 09-1.

To the County Board of Supervisors  
Kenosha County

***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether Kenosha County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of Kenosha County in a separate letter dated July 28, 2010.

Kenosha County's response to the finding 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 Virchow Krause, LLP*

Madison, Wisconsin  
July 28, 2010



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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, 2009. 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, 2009. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements which is required to be reported in accordance with OMB Circular A-133 or the *State Single Audit Guidelines*, and which is described in the accompanying schedule of findings and questioned costs as item 09-2.

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 the 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 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 the internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Kenosha County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or 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.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be 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, 2009, which collectively comprise Kenosha County's basic financial statements and have issued our report thereon dated July 28, 2010. 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.

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.

To the County Board of Supervisors  
Kenosha County

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 Virchow Krause, UP*

Madison, Wisconsin  
September 21, 2010, except for the schedule of  
expenditures of federal and state awards as to which the date is  
July 28, 2010

**KENOSHA COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
For the Year Ended December 31, 2009

Grantor Agency / Pass-Through Agency/ Program Title	Federal CFDA Number	Pass Through Entity ID 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 Special Supplemental Food Program for Women, Infants, and Children	10.557	N/A	\$	-	\$	-	\$	725,172	\$	-	\$	725,172	\$	725,172
State Administration Matching Grants for Food Stamp Program	10.561	N/A		-		-		2,711,952		-		2,711,952		2,711,952
Passed through Wisconsin Department of Children and Families State Administration Matching Grants for Food Stamp Program	10.561	N/A		-		-		2,566		-		2,566		2,566
Total Food Stamp Program				-		-		2,714,518		-		2,714,518		2,714,518
Passed through Wisconsin Department of Health Services WIC Farmers Market Nutrition Program	10.572	N/A		-		-		268		-		268		268
Total U.S. Department of Agriculture				-		-		3,439,958		-		3,439,958		3,439,958
U.S. Department of Housing and Urban Development														
Direct Funding														
Lead Hazard Reduction Demonstration Grant	14.905	N/A		-		-		1,533,911		-		1,533,911		1,533,911
ARRA - Healthy Homes Demonstration Grant	14.910	N/A		-		-		121,856		-		121,856		121,856
Total U.S. Department of Housing and Urban Development				-		-		1,655,767		-		1,655,767		1,655,767
U.S. Department of Justice														
Direct Funding														
State Criminal Alien Assistance Program	16.606	N/A		-		-		57,547		-		57,547		57,547
Bulletproof Vest Partnership Program	16.607	N/A		-		-		2,958		-		2,958		2,958
Paul Coverdell Forensic Sciences & Improvement Grant	16.742	N/A		-		-		48,463		-		48,463		48,463
Organized Crime Drug Enforcement Task Forces	16.XXX	N/A		-		-		-		1,752		1,752		1,752
Passed Through Wisconsin Department of Justice Cease Grant	16.595	State of WI Approp #100.241		(2,321)		-		6,247		-		3,926		3,926
Passed Through Office of National Drug Control Policy Milwaukee HIDTA														
High Intensity Drug Trafficking Area (HDTA) (Grant Number 17PMLP54)	16.XXX	06.16PMLP545Z		(1,418)		-		1,418		-		-		-
High Intensity Drug Trafficking Area (HDTA) (Grant Number 18PMLP53)	16.XXX	08.18PMLP536Z		(1,582)		-		7,867		-		6,285		6,285
High Intensity Drug Trafficking Area (HDTA) (Grant Number 18PMLP53)	16.XXX	G09ML0008A		-		-		6,192		6,831		13,023		13,023
Passed Through Office of Community Oriented Policing Services Public Safety Partnership and Community Policing Grant	16.710	#2008CKWX0533		-		-		164,582		10,290		174,872		174,872
Passed Through City of Kenosha Edward Byrne Memorial Justice Assistance Grant	16.738	#2009-DJ-BX-0762/#2008-DJ-BX-0455		-		-		-		29,736		29,736		29,736
ARRA - Edward Byrne Memorial Justice Assistance Grant	16.804	#2009-SB-B9-3042		-		-		-		84,118		84,118		84,118
Passed Through Wisconsin Department of Administration - Office of Justice Assistance														
Juvenile Accountability Incentive Block Grant	16.523	2007-JB-11-3546		(39,467)		-		91,781		4,563		56,877		56,877
Juvenile Justice and Delinquency Prevention	16.540	2007-JB-15-3526		(17,803)		-		49,500		514		32,211		32,211

See 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, 2009

Grantor Agency / Pass-Through Agency/ Program Title	Federal CFDA Number	Pass Through Entity ID Number	Revenues						Total Revenues	Expenditures
			(Accrued) Deferred Beginning Balance	Adjustments	Cash Received (Refunded)	Accrued (Deferred) Ending Balance				
FEDERAL PROGRAMS										
U.S. Department of Justice (cont.)										
Passed through Wisconsin Department of Administration										
Office of Justice Assistance										
Grants to Encourage Arrest Policies and Enforcement of Protective Orders	16.590	#2005-ST-01-3080	\$ (13,100)	\$ -	\$ 32,550	\$ -	\$ 19,450	\$ 19,450		
Community Prosecution and Safe Project Neighborhoods	16.609	2006/2007-PE-01-3077	(15,468)	-	31,020	-	15,552	15,552		
Edward Byrne Memorial Justice Assistance Grant	16.738	#2007-DJ-01-3009	(30,912)	-	30,912	-	-	-		
Total U.S. Department of Justice			(122,071)	-	531,037	137,804	546,770	546,770		
U.S. Department of Labor										
Passed through Wisconsin Department of Workforce Development										
WIA Cluster										
WIA Adult Program	17.258	N/A	(156,167)	-	609,581	309,441	762,855	762,855		
ARRA - WIA Adult Program	17.258	N/A	-	-	23,596	91,963	115,559	115,559		
WIA Youth Activities	17.259	N/A	(252,784)	-	1,120,187	162,600	1,030,003	1,030,003		
ARRA - WIA Youth Activities	17.259	N/A	-	-	714,754	108,189	822,943	822,943		
WIA Dislocated Workers	17.260	N/A	(214,567)	-	1,409,921	202,417	1,397,771	1,397,771		
ARRA - WIA Dislocated Worker	17.260	N/A	-	-	110,469	226,363	336,832	336,832		
Total WIA Cluster			(623,518)	-	3,988,508	1,100,973	4,465,963	4,465,963		
WIA Pilots, Demonstrations, and Research Projects	17.261	N/A	(16,153)	-	45,876	18,110	47,833	47,833		
ARRA - WIA Pilots, Demonstrations, and Research Projects	17.261	N/A	-	-	2,724	-	2,724	2,724		
Total WIA Pilots, Demonstrations, and Research Projects			(16,153)	-	48,600	18,110	50,557	50,557		
Work Incentive Grants	17.266	N/A	(11,285)	-	58,827	-	47,542	47,542		
Total U.S. Department of Labor			(650,956)	-	4,095,935	1,119,083	4,564,062	4,564,062		
U.S. Department of Transportation										
Passed Through Wisconsin Department of Transportation										
Highway Planning and Construction	20.205	1693-25-74	(335,394)	-	335,394	5,038	5,038	5,038		
Public Transit Aids - Non Urban Transportation	20.509	N/A	(198,415)	-	481,547	157,461	440,593	440,593		
Rural & Small Urban Area Public Transportation Assistance Program	20.521	N/A	-	-	31,152	22,209	53,361	53,361		
Highway Safety Cluster										
Passed Through Wisconsin Department of Military Affairs										
State and Community Highway Safety	20.600	State Project ID#1035-01-92	-	-	52,656	12,437	65,093	65,093		
Passed Through Wisconsin Department of Transportation										
Alcohol Traffic Safety and Drunk Driving Prevention Incentive	20.601	St. Project ID# 0939-41-56	-	-	45,919	-	45,919	45,919		
Alcohol Traffic Safety and Drunk Driving Prevention Incentive	20.601	St. Project ID# 0939-04-38	-	-	21,966	-	21,966	21,966		
Alcohol Traffic Safety and Drunk Driving Prevention Incentive	20.601	St. Project ID# 0939-41-72	-	-	4,832	-	4,832	4,832		
Total Highway Safety Cluster			-	-	125,373	12,437	137,810	137,810		
Passed Through Wisconsin Department of Military Affairs										
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	N/A	-	-	6,960	-	6,960	6,960		
Total U.S. Department of Transportation			(533,809)	-	980,426	197,145	643,762	643,762		

See 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, 2009

Grantor Agency / Pass-Through Agency/ Program Title	Federal CFDA Number	Pass Through Entity ID Number	Revenues					Total Revenues	Expenditures	
			(Accrued) Deferred Beginning Balance	Adjustments	Cash Received (Refunded)	Accrued (Deferred) Ending Balance				
FEDERAL PROGRAMS										
U.S. Department of Education										
Passed through Wisconsin Department of Health Services										
Safe and Drug-Free Schools and Communities-National Program	84.181	N/A	\$ -	\$ -	\$ 148,980	\$ -	\$ -	148,980	\$	148,980
Passed through Wisconsin Department of Revenue										
ARRA - State Fiscal Stabilization Fund - Government Services	84.397	S397A090050	-	-	1,007,980	-	-	1,007,980		1,007,980
Passed through Wisconsin Department of Corrections										
ARRA - State Fiscal Stabilization Fund - Government Services	84.397	DOC-30999	-	-	431,223	-	-	431,223		431,223
Total ARRA - State Fiscal Stabilization Fund - Government Services			-	-	1,439,203	-	-	1,439,203		1,439,203
Total U.S. Department of Education			-	-	1,588,183	-	-	1,588,183		1,588,183
U.S. Environmental Protection Agency										
Passed through Wisconsin Department of Health Services/										
Department of Children and Family Services										
Indoor Radon Contract Service	66.032	N/A	-	-	8,106	-	-	8,106		8,106
Passed through Wisconsin Department of Natural Resources										
Beach Monitoring and Notification Program Implementation Grants	66.472	NM100001088	-	-	9,325	-	-	9,325		9,325
Total U.S. Environmental Protection Agency			-	-	17,431	-	-	17,431		17,431
U. S. Department of Health and Human Services										
Direct Funding										
Drug Free Community Grants	93.276	N/A	(23,654)	-	120,357	19,353	-	116,056		116,056
Passed through Wisconsin Department of Health Services										
Centers for Disease Control and Prevention -										
Investigations and Technical Assistance	93.283	N/A	-	-	25,000	-	-	25,000		25,000
Block Grants for Temporary Assistance for										
Needy Families	93.558	N/A	-	-	184,795	-	-	184,795		184,795
Passed through Wisconsin Department of Workforce Development										
Block Grants for Temporary Assistance for Needy Families	93.558	N/A	-	-	3,057,679	-	-	3,057,679		3,057,679
Total Block Grants for Temporary Assistance for Needy Families			-	-	3,242,474	-	-	3,242,474		3,242,474
Passed through Wisconsin Department of Health Services										
Block Grants for Community Mental Health Services	93.958	N/A	-	-	153,033	-	-	153,033		153,033
Preventive Health and Health Services Block Grant	93.991	N/A	-	-	14,603	-	-	14,603		14,603
Maternal and Child Health Services Block Grant	93.994	N/A	-	-	69,271	-	-	69,271		69,271
Passed Through Wisconsin Department of Children and Family Services										
Public Health Emergency Preparedness	93.069	N/A	-	-	237,027	-	-	237,027		237,027
Immunization Grants	93.268	N/A	-	-	42,700	-	-	42,700		42,700
Social Services Block Grant	93.667	N/A	-	-	771,016	-	-	771,016		771,016
Passed through Wisconsin Department of Workforce Development										
Social Services Block Grant	93.667		-	-	157,877	-	-	157,877		157,877
Total Social Services Block Grant			-	-	928,893	-	-	928,893		928,893

See 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, 2009

Grantor Agency / Pass-Through Agency/ Program Title	Federal CFDA Number	Pass Through Entity ID Number	Revenues						Expenditures							
			(Accrued) Deferred Beginning Balance	Adjustments	Cash Received (Refunded)	Accrued (Deferred) Ending Balance	Total Revenues									
FEDERAL PROGRAMS																
U. S. Department of Health and Human Services (cont.)																
Passed Through Wisconsin Department of Workforce Development																
Children's Health Insurance Program	93.767	N/A	\$	-	\$	-	\$	248,075	\$	-	\$	248,075	\$	248,075	\$	248,075
Medical Assistance Program	93.778	N/A		-		-		6,125,252		-		6,125,252		6,125,252		6,125,252
Medical Assistance Program - WIMCR	93.778	N/A		-		-		(14,434)		-		(14,434)		(14,434)		(14,434)
Passed through Wisconsin Department of Children and Families																
Medical Assistance Program	93.778	N/A		-		-		(1,937)		-		(1,937)		(1,937)		(1,937)
Total Medical Assistance Program				-		-		6,108,881		-		6,108,881		6,108,881		6,108,881
Passed Through Wisconsin Department of Health Services																
Block Grants for Prevention and Treatment of Substance Abuse	93.959	N/A		-		-		807,640		-		807,640		807,640		807,640
Passed Through Greater Wisconsin Agency on Aging Resources, Inc.																
Special Programs for the Aging																
Title III, Part D - Preventive Health	93.043	N/A		-		-		8,071		-		8,071		8,071		8,071
Aging Cluster																
Title III, Part B - Grants for Supportive Services	93.044	N/A		-		-		122,602		-		122,602		122,602		122,602
Title III, Part C - Nutrition Services	93.045	N/A		-		-		133,477		-		133,477		133,477		133,477
Nutritional Services Incentive program	93.053	N/A		-		-		51,151		-		51,151		51,151		51,151
ARRA Aging Congregate Nutritional Services for State	93.707	N/A		-		-		19,722		-		19,722		19,722		19,722
Total Aging Cluster				-		-		326,952		-		326,952		326,952		326,952
Title IV and Title II - Discretionary Projects	93.048	N/A		-		-		8,610		-		8,610		8,610		8,610
Title III, Part E - National Family Support	93.052	N/A		-		-		55,315		-		55,315		55,315		55,315
State Health Insurance Assistance Program	93.779	N/A		-		-		5,000		-		5,000		5,000		5,000
Passed through Wisconsin Department of Children and Families																
Promoting Safe and Stable Families	93.556	N/A		-		-		61,800		-		61,800		61,800		61,800
Family Support Payments to States - Assistance Payments	93.560	N/A		-		-		345		-		345		345		345
Child Support Enforcement	93.563	N/A		-		-		2,156,974		-		2,156,974		2,156,974		2,156,974
ARRA - Child Support Enforcement	93.563	N/A		-		-		1,172,893		-		1,172,893		1,172,893		1,172,893
Total Child Support Enforcement				-		-		3,329,867		-		3,329,867		3,329,867		3,329,867
Regional Training Facilities	93.588	N/A		-		-		(90)		-		(90)		(90)		(90)
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	N/A		-		-		886,675		-		886,675		886,675		886,675
Child Welfare Service Grants - State Grants	93.645	N/A		-		-		114,938		-		114,938		114,938		114,938
Chafee Education and Training Vouchers Program	93.599	N/A		-		-		19,154		-		19,154		19,154		19,154
Foster Care - Title IV-E	93.658	N/A		-		-		1,123,539		-		1,123,539		1,123,539		1,123,539
Chafee Foster Care Independence Program	93.674	N/A		-		-		78,145		-		78,145		78,145		78,145
Passed Through Wisconsin Department of Administration																
Low Income Home Energy Assistance Block Grant	93.568	AD089164.30		(9,807)		-		226,845		58,953		275,991		275,991		275,991
Passed Through Wisconsin Department of Corrections																
Child Welfare Services Grant - State Grants	93.645	313510009000160001		(8,509)		-		33,191		5,378		30,060		30,060		30,060
Foster Care Title - IV-E	93.658	313510009000881001		(6,807)		-		26,553		4,303		24,049		24,049		24,049
Total U.S. Department of Health and Human Services				(48,777)		-		18,302,864		87,987		18,342,074		18,342,074		18,342,074

See 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, 2009

Grantor Agency / Pass-Through Agency/ Program Title	Federal CFDA Number	Pass Through Entity ID Number	Revenues						Total Revenues	Expenditures
			(Accrued) Deferred Beginning Balance	Adjustments	Cash Received (Refunded)	Accrued (Deferred) Ending Balance				
FEDERAL PROGRAMS										
U. S. Department of Homeland Security										
Passed Through Wisconsin Department of Military Affairs										
Flood Mitigation Assistance	97.029	FFY 2007 FMA	\$ (9,080)	\$ -	\$ 9,080		\$ -		\$ -	
Disaster Grants - Public Assistance	97.036	N/A	(17,898)	-	68,318	(50,420)	-		-	
Hazard Mitigation Grant Program	97.039	FEMA 1526-DR-WI	(2,578)	2,572	10,844	-		10,838		10,838
Hazard Mitigation Grant Program	97.039	FEMA 1719-DR-WI	(33,243)		451,318	277,424		695,499		695,499
Total Hazard Mitigation Grant Program			(35,821)	2,572	462,162	277,424		706,337		706,337
Emergency Management Performance Grants	97.042	N/A	(54,320)	-	74,156	59,405		79,241		79,241
Homeland Security Grant Program	97.067	N/A	(3,741)	-	12,276	8,862		17,397		17,397
Passed Through Wisconsin Department of Administration - Office of Justice Assistance										
Homeland Security Grant Program	97.067	08-HS-04-6302	-	-	-	9,221		9,221		9,221
Homeland Security Grant Program	97.067	2007-HS-09-3890	-	-	5,488	13,833		19,321		19,321
Homeland Security Grant Program	97.067	#2006-HS-10A-6455	-	-	-	48,844		48,844		48,844
Homeland Security Grant Program	97.067	#2007-HS-10A-3935	-	-	54,230	-		54,230		54,230
Total Homeland Security Grant Program			-	-	59,718	71,898		131,616		131,616
Total U.S. Department of Homeland Security			(120,860)	2,572	685,710	367,169		934,591		934,591
TOTAL FEDERAL PROGRAMS			\$ (1,476,473)	\$ 2,572	\$ 31,297,311	\$ 1,909,188	\$ 31,732,598	\$ 31,732,598	\$ 31,732,598	

See 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, 2009

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	\$ (105,521)	\$ -	\$ 210,501	\$ -	\$ 104,980	\$ 104,980	
Land and Water Resource Management	115.400	(40,658)	13,398	60,034	28,203	60,977	60,977	
Total Wisconsin Department of Agriculture, Trade, and Consumer Protection		(146,179)	13,398	270,535	28,203	165,957	165,957	
Wisconsin Department of Public Instruction								
Public Library Systems Aid	255.002	334,266	-	433,379	(321,956)	445,689	445,689	
Wisconsin Department of Natural Resources								
Snowmobile Enforcement	370.485	-	-	8,006	-	8,006	8,006	
Recreational Aids - Snowmobile Trail and Area	370.485	-	-	19,225	-	19,225	19,225	
All Terrain Vehicle Enforcement	370.485	-	-	8,725	-	8,725	8,725	
Boating Enforcement Aids	370.550	-	-	6,865	-	6,865	6,865	
Urban and Community Forestry	370.572	(19,890)	-	19,890	-	-	-	
Transient Non-Community Water Sampling Contracts	370.XXX	(5,115)	-	19,690	-	14,575	14,575	
Total Wisconsin Department of Natural Resources		(25,005)	-	82,401	-	57,396	57,396	
Wisconsin Department of Transportation								
KRM Commuter Rail Grant (0400-42-13)	20.395(2)(03)(ct)	-	-	41,925	31,575	73,500	73,500	
Pretrial Intoxicated Driver Intervention Grant (10938-5010,27)	s20.395(5)(jr)	(12,184)	-	46,714	12,864	47,394	47,394	
Elderly and Handicapped County Aids	395.101	50,597	-	324,852	(73,597)	301,852	301,852	
Total Wisconsin Department of Transportation		38,413	-	413,491	(29,158)	422,746	422,746	
Wisconsin Department of Corrections								
Community Corrections Program	410.111	-	-	70,000	-	70,000	70,000	
Community Intervention	410.302	(15,739)	-	147,200	22,547	154,008	154,008	
Youth Aids	410.313	(551,964)	-	2,152,999	348,879	1,949,914	1,949,914	
Total Wisconsin Department of Corrections		(567,703)	-	2,370,199	371,426	2,173,922	2,173,922	

# KENOSHA COUNTY

## SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS For the Year Ended December 31, 2009

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										
Wisconsin Department of Health Services										
Funeral/Cemetery W-2 & Non W-2	435.105	\$	-	\$	-	\$ 283,654	\$	-	\$ 283,654	\$ 283,654
Medicaid Transportation	435.131		-		-	974,146		-	974,146	974,146
MA Transportation Administration	435.132		-		-	47,964		-	47,964	47,964
FSET Admin GPR/Fed Base	435.231		-		-	93,576		-	93,576	93,576
FSET Admin GPR/Fed Base	435.233		-		-	51,121		-	51,121	51,121
FSET Retent GPR/Fed Base	435.235		-		-	-		-	-	-
IMAA State Share	435.283		-		-	829,939		-	829,939	829,939
IMAA Federal Share	435.284		-		-	119,341		-	119,341	119,341
Medicaid Subrogation Collection	435.291		-		-	(65,175)		-	(65,175)	(65,175)
Adult Protective Services	435.312		-		-	159,031		-	159,031	159,031
Brighter Future Initiative	437.354		-		-	113,966		-	113,966	113,966
Community Options Program	435.367		-		-	511,549		-	511,549	511,549
CLTS GPR	435.450		-		-	498,447		-	498,447	498,447
CLTS MH Non Federal	435.451		-		-	286,457		-	286,457	286,457
CLTS Non Federal Other	435.460		-		-	15,862		-	15,862	15,862
CLTS MH Non Fed Other	435.461		-		-	32,460		-	32,460	32,460
CLTS PD Non Fed Other	435.462		-		-	4,829		-	4,829	4,829
Community Support Program Wait List	435.504		-		-	40,233		-	40,233	40,233
Integrated Services for Children with Severe Disabilities	435.530		-		-	7,400		-	7,400	7,400
Birth to Three Initiative	435.550		-		-	177,946		-	177,946	177,946
Basic County Allocation	435.561		-		-	4,035,096		-	4,035,096	4,035,096
IMD Continuing Placements	435.572		-		-	18,522		-	18,522	18,522
Family Support	435.577		-		-	111,865		-	111,865	111,865
Base County Allocation - State Match	435.681		-		-	613,350		-	613,350	613,350
Program Integrity	435.750		-		-	5,891		-	5,891	5,891
Fraud - Contract Cont	435.950		-		-	12,984		-	12,984	12,984
RTI HSRS AODA File Trans	435.810440		-		-	1,683		-	1,683	1,683
WIC Farmers Market Grant	435.154720		-		-	2,868		-	2,868	2,868
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		-		-	72,580		-	72,580	72,580
TPCP - WI Wins	435.158127		-		-	12,550		-	12,550	12,550
Cons Contracts Maternal and Child Health Services	435.159320		-		-	4,471		-	4,471	4,471
Aging & Dis Resource Ctr	435.560100		-		-	1,034,466		-	1,034,466	1,034,466
ADRC Prevention Grant	435.560104		-		-	64,248		-	64,248	64,248
Environmental Monitoring of Nuclear Power Plants for Radiological Emissions	435.DPH90013DC		(1,260)		-	2,520		-	1,260	1,260
HIV Counseling, Testing and Referral Program	435.FAI10019		(675)		-	11,222		-	10,547	10,547

See 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, 2009

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								
Wisconsin Department of Health Services (cont.)								
Passed Through Greater Wisconsin Agency on Aging Resources, Inc.							-	-
Elder Abuse	435.560490	\$ -	\$ -	\$ 47,479	\$ -	\$ 47,479	\$ 47,479	\$ 47,479
Elderly Benefit Specialist Program	435.560320	-	-	36,115	-	36,115	36,115	36,115
Elderly Benefit Specialist OCl	435.560327	-	-	9,291	-	9,291	9,291	9,291
Congregate Meals	435.560350	-	-	130,449	-	130,449	130,449	130,449
Home Delivered Meals	435.560360	-	-	77,985	-	77,985	77,985	77,985
Alzheimer's Family and Caregiver Support	435.560381	-	-	65,026	-	65,026	65,026	65,026
State Senior Community Services	435.560330	-	-	9,871	-	9,871	9,871	9,871
Total Wisconsin Department of Health Services		(1,935)	-	10,638,073	-	10,636,138	10,636,138	
Wisconsin Department of Children and Families								
CORE Plan Applications	435.700	-	-	23,793	-	23,793	23,793	23,793
W-2 Work experience	437.215	-	-	53,835	-	53,835	53,835	53,835
W-2 Other work activities	437.215	-	-	434,880	-	434,880	434,880	434,880
W-2 Education	437.215	-	-	7,351	-	7,351	7,351	7,351
W-2 Job Skills Training	437.215	-	-	4,913	-	4,913	4,913	4,913
W-2 Parenting and Life Skills Training	437.215	-	-	6,289	-	6,289	6,289	6,289
W-2 Retention and Advancement Services	437.215	-	-	20,864	-	20,864	20,864	20,864
W-2 Formal Assessments	437.215	-	-	14,622	-	14,622	14,622	14,622
W-2 SSI/SSDI Advocacy	437.215	-	-	15,911	-	15,911	15,911	15,911
W-2 Transportation	437.215	-	-	24,515	-	24,515	24,515	24,515
Real Work Real Pay (RWRP) Job Development and Job Retention	437.215	-	-	29,446	-	29,446	29,446	29,446
Real Work Real Pay (RWRP) Employer Subsidy	437.215	-	-	9,920	-	9,920	9,920	9,920
Real Work Real Pay (RWRP) Mentor Stipend	437.215	-	-	388	-	388	388	388
County Allocated Shared - W-2 Other Work Activities	437.215	-	-	50,532	-	50,532	50,532	50,532
W-2 Transition Benefits (W-2T)	437.215	-	-	358,701	-	358,701	358,701	358,701
W-2 Community Service Jobs	437.215	-	-	476,295	-	476,295	476,295	476,295
W-2 Custodial Parent of an Infant	437.215	-	-	250,258	-	250,258	250,258	250,258
W-2 No Slot Benefits	437.215	-	-	5,422	-	5,422	5,422	5,422
W-2 Administration	437.215	-	-	35,781	-	35,781	35,781	35,781
RWRP Administration	437.215	-	-	7,281	-	7,281	7,281	7,281

**KENOSHA COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
For the Year Ended December 31, 2009

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										
Wisconsin Department of Children and Families (cont.)										
W-2 Emergency Ass't	437.215	\$	-	\$	-	\$ 149,976	\$	-	\$ 149,976	\$ 149,976
County Allocated Shared - TANF Eligibility	437.215	-	-	-	-	19,990	-	-	19,990	19,990
County Allocated Shared - Refugee	437.215	-	-	-	-	96,870	-	-	96,870	96,870
W-2 Jobs Access Loans	437.223	-	-	-	-	23,655	-	-	23,655	23,655
Job Access Loan Rpmnt - Cash	437.223	-	-	-	-	(5,299)	-	-	(5,299)	(5,299)
W-2 Job Access Loan Paid Centrally	437.223	-	-	-	-	43,034	-	-	43,034	43,034
AFDC Agency Collection Take Back	437.238	-	-	-	-	(518)	-	-	(518)	(518)
AFDC Agency Incentive	437.238	-	-	-	-	789	-	-	789	789
Children First	437.265	-	-	-	-	98,200	-	-	98,200	98,200
Food Stamp Agency Collections Take Back	437.267	-	-	-	-	-	-	-	-	-
Food Stamp Agency Collections Take Back	437.267	-	-	-	-	-	-	-	-	-
MA Agency Incentive	437.267	-	-	-	-	9,920	-	-	9,920	9,920
MA Agency Collection Take Back	437.267	-	-	-	-	(2,466)	-	-	(2,466)	(2,466)
AW DOJ Fingerprint Backgr	437.332	-	-	-	-	6,850	-	-	6,850	6,850
Unemployment Ins Fees	437.334	-	-	-	-	(683)	-	-	(683)	(683)
Children and Family Services Incentive	437.334	-	-	-	-	203,985	-	-	203,985	203,985
Basic County Allocation	437.3561	-	-	-	-	777,672	-	-	777,672	777,672
F State/ County match	437.368	-	-	-	-	256,900	-	-	256,900	256,900
Total Wisconsin Department of Children and Families		-	-	-	-	3,503,047	-	-	3,503,047	3,503,047
Wisconsin Public Service Commission										
Enhanced 911 Grant	XXX.XXX		(748,369)	-	-	748,369	-	-	-	-
Wisconsin Department of Justice										
DNA Sample Reimbursement Grant	455.221	-	-	-	-	4,220	-	-	4,220	4,220
Drug Crimes Enforcement	455.225	84,230	-	-	-	-	-	-	84,230	84,230
Law Enforcement Training Fund Local Assistance	455.231	(18,010)	-	-	-	55,461	-	-	37,451	37,451
Reimbursement for Victim and Witness Assistance Program	455.503	(112,293)	212	-	-	241,033	118,650	-	247,602	247,602
Passed through Walworth County										
Drug Crimes Enforcement	455.225	-	-	-	-	31,364	-	-	31,364	31,364
Total Wisconsin Department of Justice		(46,073)	212	-	-	332,078	118,650	-	404,867	404,867
Wisconsin Department of Military Affairs										
Public Safety - Emergency Government Disaster Assistance	465.305	(8,212)	436	-	-	87,993	37,363	-	117,580	117,580
Emergency Planning Grant	465.337	(22,518)	-	-	-	22,518	25,185	-	25,185	25,185
Emergency Government Response Equipment	465.308	(5,999)	-	-	-	13,653	7,866	-	15,520	15,520
Total Wisconsin Department of Military Affairs		(36,729)	436	-	-	124,164	70,414	-	158,285	158,285

See 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, 2009

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								
Wisconsin Department of Veteran Affairs								
County Veterans Service Officer	485.001	\$ -	\$ -	\$ 13,000	\$ -	\$ 13,000	\$ 13,000	
Wisconsin Department of Administration								
Land Information Board Grants	505.116	(14,807)	(1)	15,108	-	300	300	
Public Benefits	505.371	(6,802)	-	87,663	30,295	111,156	111,156	
Office of Justice Assistance								
Youth Diversion - Aids - Gang	505.101	-	(50,052)	100,000	-	49,948	49,948	
Youth Diversion - Aids - Gang - PR	505.629	(122,209)	50,052	146,066	50,454	124,363	124,363	
Digital Recording of Custodial Interrogations Grant	505.636	(6,500)	-	6,500	-	-	-	
Total Wisconsin Department of Administration		(150,318)	(1)	355,337	80,749	285,767	285,767	
TOTAL STATE PROGRAMS		\$ (1,349,632)	\$ 14,045	\$ 19,284,073	\$ 318,328	\$ 18,266,814	\$ 18,266,814	

## KENOSHA COUNTY

### NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS For the Year Ended December 31, 2009

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#### NOTE 1 – REPORTING ENTITY

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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*.

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#### NOTE 2 – BASIS OF PRESENTATION

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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*.

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#### NOTE 3 – SPECIALIZED TRANSPORTATION ASSISTANCE MATCH

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Kenosha County has complied with the 20 percent match of state funds as is required by the Specialized Transportation Assistance Program – Elderly and Handicapped Aids (State ID No. 395.101).

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#### NOTE 4 – DIRECT PAYMENTS – STATE OF WISCONSIN

---

Direct payments to individuals from the State of Wisconsin on behalf of Kenosha County for the year ended December 31, 2009 included:

<u>Program</u>	<u>CFDA No.</u>	<u>Unaudited Amount</u>
W-2 Benefits	93.558	\$ 2,181,350
Food Stamp Program	10.561	<u>29,409,978</u>
Total		<u>\$ 31,591,328</u>

## KENOSHA COUNTY

### NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS For the Year Ended December 31, 2009

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#### NOTE 5 – DIRECT PAYMENTS – WISCONSIN MEDICAL ASSISTANCE

---

The County received the following payments from Wisconsin Medical Assistance through EDS Federal Corporation in 2009:

<u>County Department</u>	<u>Provider No.</u>	<u>Unaudited Amount</u>
Kenosha County Division of Disability Services	43072900	\$ 87,916
Kenosha County Division of Disability Services	43422900	909,137
Kenosha County Division of Health	41862400	10,584
Kenosha County Division of Children and Family Services	43073000	136,363
Kenosha County Brookside	20130300	4,243,272
Kenosha County Division of Health	43835700	4,075
Kenosha County Division of Health	42010200	4,863
Kenosha County Division of Health	43084000	87,265
Total		<u>\$ 5,483,475</u>

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#### NOTE 6 – CARS/CORE REPORT DATES

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The Schedule of Expenditures of Federal and State Awards includes adjustments through the following Community Aids Reporting System reports dated May 1, 2010 and the CORE reports for December 2009.

## KENOSHA COUNTY

### SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended December 31, 2009

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#### SECTION I – SUMMARY OF AUDITORS' RESULTS

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##### *FINANCIAL STATEMENTS*

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

> Material weakness(es) identified?	<u>  X  </u> yes	<u>      </u> no
> Significant deficiency(ies) identified?	<u>      </u> yes	<u>  X  </u> none reported

Noncompliance material to financial statements noted?

       yes   X   no

##### *FEDERAL OR STATE AWARDS*

Internal control over major programs:

> Material weakness(es) identified?	<u>      </u> yes	<u>  X  </u> no
> Significant deficiency(ies) identified?	<u>      </u> yes	<u>  X  </u> 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

	Workforce Investment Act Cluster
17.258	WIA – Adult Program
17.258	ARRA – WIA – Adult Program
17.259	WIA – Youth Activities
17.259	ARRA – WIA – Youth Activities
17.260	WIA – Dislocated Workers
17.260	ARRA – WIA – Dislocated Workers
84.397	ARRA – State Fiscal Stabilization Fund – Government Services, Recovery Act
93.563	Child Support Enforcement
93.563	ARRA – Child Support Enforcement
93.558	Block Grants for Temporary Assistance for Needy Families
93.658	Foster Care – Title IV-E
93.778	Medical Assistance Program

# KENOSHA COUNTY

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended December 31, 2009

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

	Federal	State	
		DHS	All Others
Dollar threshold used to distinguish between type A and type B programs:	\$ 951,978	\$ 319,084	\$ 100,000

Identification of major state programs:

<u>State Number</u>	<u>Name of State Program</u>
395.101	Elderly and Handicapped County Aids
410.313	Youth Aids
435.131	Medicaid Transportation
435.283, 435.284	Income Maintenance Available Allocation
435.367	Community Options Program
435.560100	Aging and Disability Resource Center
435.561, 435.681,	Basic County Allocation/Basic County Allocation – State Match/
437.368, 437.3561	F State/County Match
435.450, 435.451, 435.460,	CLTS GPR
435.461, 435.462	
437.215	W-2
437.334	Children and Family Services Incentive
455.503	Reimbursement for Victim Witness Assistance Program
505.629	Youth Diversion – Gang Prevention

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

<u>CFDA Nos.</u>	<u>Name of Federal Program</u>
93.778	Case Management
93.558	Block Grants for Temporary Assistance for Needy Families – Kinship Care

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

#### ***FINDING 09-1: INTERNAL CONTROL OVER FINANCIAL REPORTING***

**Criteria:** Statement on Auditing Standards (SAS) No. 115 requires us to report a material weakness for Kenosha County if material changes are made to the County's financial statements.

**Condition:** During our audit of the County's financial statements, material changes were identified by the auditors.

**Effect:** Kenosha County's financial statements required material changes to them in order to be presented in accordance with accounting principles generally accepted in the United States of America.

## KENOSHA COUNTY

### SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended December 31, 2009

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

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##### *FINDING 09-1: INTERNAL CONTROL OVER FINANCIAL REPORTING (cont.)*

**Questioned Costs:** None.

**Recommendation:** We recommend that the County consider implementing additional procedures to produce accurate financial statements which would eliminate the need for auditor changes to those financial statements.

**Management's Response:** The county continues to compile its own financial statements and notes for the audit report. The process of doing our own statements serves to strengthen the internal controls of the county. It improves the ability to mitigate risk in other areas. The changes referred to above were not items that were omitted from the statements but rather classification issues. For the reporting year of 2009, the county experienced some unique accounting situations such as the transfer of jurisdiction over various highways.

In order to strengthen the controls in the area of compiling the financial statements and notes, the statements will be compared in more detail with the prior year to ascertain differences in classifications and expose possible corrections. We will remain diligent by staying abreast of changes in governmental accounting guidelines, by raising the level of review for the draft, and thereby eliminate the need for future reclassifications.

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

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##### *FINDING 09-2: STATE SINGLE AUDIT GENERAL REQUIREMENTS-RANDOM MOMENT SAMPLING*

**Criteria:** Department of Children and Family General Requirements require we test that Random Moment Sampling (RMS) responses are supported by adequate documentation and the reported program and activity are reasonable for the circumstance.

**Condition:** There was one occurrence in which an employee's case notes did not contain evidence for the specific case documented by the state.

**Effect:** The random sampling is used to calculate percentages to distribute expenditures to programs for federal reporting. If the information provided by the County is wrong, the percentages could be incorrect.

**Recommendation:** A system should be put in place to monitor and ensure that all case workers are properly documenting all work on case files in the case notes.

**Management's Response:** Kenosha County Department of Human Services (DHS) Economic Support employees are required to participate in the Random Moment Sampling (RMS) and respond with what they were working on at the time of inquiry. The State does not require any documentation to be completed after responding to the RMS. In the future, DHS will require Economic Support workers to document in the comment section of the CARES system regarding the case or client that they are working on when contacted by the RMS State staff.

## KENOSHA COUNTY

### SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended December 31, 2009

#### SECTION IV – OTHER ISSUES

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

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

Department of Agriculture, Trade and Consumer Protection	_____ 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 Services	_____ yes	<u>  X  </u> no
Department of Children and Families	_____ yes	<u>  X  </u> no
Wisconsin Public Service Commission	_____ 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, CPA, Partner

5. Date of report

September 21, 2010