

**POLK COUNTY, WISCONSIN**  
**FEDERAL AND STATE SINGLE AUDIT REPORTS**  
**DECEMBER 31, 2009**



POLK COUNTY, WISCONSIN  
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## INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

Honorable Members  
of the Board of Supervisors  
Polk County, Wisconsin

We have audited the basic financial statements of Polk County, Wisconsin (County) for the year ended December 31, 2009 and have issued our report thereon dated July 13, 2010. These financial statements are the responsibility of County management. Our responsibility is to express opinions on these financial statements based on our audit.

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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

Our audit was made for the purpose of forming opinions on the basic financial statements of the County taken as a whole. The accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations* and the *State Single Audit Guidelines*, issued by the Wisconsin Department of Administration, respectively, and are not a required part of the basic financial statements. The information in those schedules 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.



**LarsonAllen LLP**

Eau Claire, Wisconsin  
July 13, 2010

(1)



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**POLK COUNTY, WISCONSIN  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 2009**

Federal Grantor Agency/Pass-Through Agency/ Program Title and Year	Federal CFDA #	Accrued (Deferred) 1/1/09	Prior Years Adjustments	Expenditures		Receipts		Accrued (Deferred) Reimbursements 12/31/09
				Federal	Local	Grant Reimburse- ments	Local Share	
<b>Department of Agriculture</b>								
Passed through Wisconsin Department of Health and Family Services:								
Special Supplemental Food Program for								
Women, Infants and Children:								
2008	10.557	\$ 7,944	\$ -	\$ -	\$ -	\$ 7,944	\$ -	\$ -
2009		-	-	162,435	-	158,245	-	4,190
WIC Peer Counseling:								
2008		3,073	-	-	-	3,073	-	-
2009		-	-	8,893	-	6,422	-	2,471
State Matching Grant for Food Stamp Program:								
Income Maintenance Contract:								
2008		9,880	-	-	-	9,880	-	-
2009		-	-	171,621	46,363	141,747	46,363	29,874
Passed through Wisconsin Department of Workforce Development:								
State Matching Grant for Food Stamp Program:								
W-2 Program:								
2008		(497)	-	-	-	(497)	-	-
Passed through Wisconsin Department of UW Extension:								
Soil and Water Conservation								
2009		-	-	12,264	-	12,264	-	-
Total Department of Agriculture		20,400	-	355,213	46,363	339,078	46,363	36,535
<b>Department of Transportation</b>								
Passed through Wisconsin Department of Transportation:								
Click it or Ticket:								
Project 0939-02-52								
20.600		-	-	9,371	-	9,371	-	-
Passed through Wisconsin Department of Military Affairs:								
Hazmat Training								
20.703		-	-	7,100	-	7,100	-	-
Total Department of Transportation		-	-	16,471	-	16,471	-	-

**POLK COUNTY, WISCONSIN  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2009**

Federal Grantor Agency/Pass-Through Agency/ Program Title and Year	Federal CFDA #	Accrued (Deferred) Reimbursements 1/1/09	Prior Years Adjustments	Expenditures		Receipts		Accrued (Deferred) Reimbursements 12/31/09
				Federal	Local	Grant Reimburse- ments	Local Share	
<u>Environmental Protection Agency</u>								
Passed Through Wisconsin Department of Family Services: Indoor Radon Program:	66.032							
1/1/08-12/31/08		\$ 1	(1)	\$ -	\$ -	\$ -	\$ -	\$ -
1/1/09-12/31/09		-	-	7,636	-	7,636	-	-
Total Environmental Protection Agency		1	(1)	7,636	-	7,636	-	-
<u>Department of Education</u>								
Passed Through Wisconsin Department of Health and Family Services: Grants for Infants and Families with Disabilities: Birth-to-Three Initiative:	84.181							
2009		-	-	44,248	-	44,248	-	-
Passed through Wisconsin Department of Corrections: State Fiscal Stabilization Fund (SFSF) - Government Services, Recovery Act Non-CARS Reporting:	84.397*							
2009		-	-	29,937	-	29,937	-	-
Passed Through Wisconsin Department of Revenue: ARRA								
2009		-	-	306,379	-	306,379	-	-
Total Department of Education		-	-	380,564	-	380,564	-	-
<u>Department of Health and Human Services</u>								
Passed through Area Agency on Aging: Preventive Health - Title III-D:	93.043							
2008		676	-	-	-	676	-	-
2009		-	-	4,216	5,524	3,456	5,524	760
Supportive Services - Title III B:	93.044							
2008		507	-	-	-	507	-	-
2009		-	-	52,352	333,629	52,352	333,629	-
Title III - Part C - Nutrition Services: Congregate Nutrition - Title III C-1:	93.045							
2008		13,370	-	-	-	13,370	-	-
2009		-	-	71,648	39,524	56,320	39,524	15,328
ARRA		-	-	6,922	-	-	-	6,922

\*Major Federal Program Awards.

**POLK COUNTY, WISCONSIN  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2009**

Federal Grantor Agency/Pass-Through Agency/ Program Title and Year	Federal CFDA #	Accrued (Deferred) Reimbursements 1/1/09	Prior Years Adjustments	Expenditures		Receipts		Accrued (Deferred) Reimbursements 12/31/09
				Federal	Local	Grant Reimburse- ments	Local Share	
				\$	\$	\$	\$	
<u>Department of Health and Human Services (Continued)</u>								
Passed through Wisconsin Department of Corrections (Continued):								
Home Delivered Nutrition - Title III C-2:								
2009	93.045	-	\$ -	\$ 32,384	\$ 95,919	\$ 32,017	\$ 95,919	\$ 367
ARRA		-	-	4,626	-	-	-	4,626
Title III-E National Family Caregiver:								
2008	93.052	4,353	-	-	-	4,353	-	-
2009		-	-	23,378	14,282	17,322	14,282	6,056
NSIP III-C-1:								
2009	93.053	-	-	5,818	-	5,818	-	-
NSIP III-C-2:								
2009		-	-	12,363	-	12,363	-	-
State Pharmaceutical Assistance Program:								
7/1/09-6/30/10	93.786	-	-	5,171	-	3,484	-	1,687
Passed through Wisconsin Department of Health and Family Services:								
Public Health Preparedness:								
2008	93.069	48,249	-	-	-	48,249	-	-
2009		-	-	9,799	-	9,799	-	-
Bioterrorism Focus A Planning:								
2009	93.087	-	-	194,918	-	200,472	-	(5,554)
Enhance the Safety of Children Affected by Parental Methamphetamine or Other Substance Abuse:								
2009		-	-	16,179	(207)	12,933	(207)	3,246
Cooperative Agreements to States/Territories for the Coordination and Development of Primary Care Offices:								
2008		(758)	-	-	-	(758)	-	-

**POLK COUNTY, WISCONSIN  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2009**

Federal Grantor Agency/Pass-Through Agency/ Program Title and Year	Federal CFDA #	Accrued (Deferred) Reimbursements 1/1/09	Prior Years Adjustments	Expenditures		Receipts		Accrued (Deferred) Reimbursements 12/31/09
				Federal	Local	Grant Reimburse- ments	Local Share	
<b>Department of Health and Human Services (Continued)</b>								
Passed through Wisconsin Department of Health and Family Services (Continued):								
Substance Abuse and MH Services (SBIRT-WIPHL):								
2009		\$ -	\$ -	\$ 169,159	\$ -	\$ 134,892	\$ -	\$ 34,267
2008		26,062	-	-	-	26,062	-	-
2009		-	-	3,961	3,515	(1,113)	3,515	5,074
Childhood Immunization Grants:								
Consolidated Contract - Immunization:								
2008	93.268	3	(3)	-	-	-	-	-
2009		-	-	13,032	-	13,032	-	-
CDC Investigation and Technical Assistance:								
CQI Review Expenses:								
2008	93.283	2,091	-	-	-	2,091	-	-
2009		-	-	2,091	-	2,091	-	-
Local Plan Implement								
2009		-	-	17,736	-	15,236	-	2,500
Family Preservation and Support:								
Human Services Contract:								
2009	93.556	-	-	46,350	-	46,350	-	-
Temporary Assistance for Needy Families:								
Human Services Contract:								
Base Allocation:								
2009		-	-	119,771	1,720	115,346	1,720	4,425
Chafee Education and Training Vouchers Program (ETV)								
Human Service Contract:								
Youth Independent Living:								
2008		(90)	-	90	-	-	-	-
2009		-	-	-	-	98	-	(98)

**POLK COUNTY, WISCONSIN  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2009**

Federal Grantor Agency/Pass-Through Agency/ Program Title and Year	Federal CFDA #	Accrued (Deferred)		Prior Years Adjustments	Expenditures		Receipts		Accrued (Deferred) Reimbursements 12/31/09
		1/1/09	1/1/09		Federal	Local	Grant Reimburse- ments	Local Share	
<b>Department of Health and Human Services (Continued)</b>									
Passed through Wisconsin Department of Health and Family Services (Continued):									
Child Welfare Services:									
Base Allocation:									
2009	93.658	\$ -	\$ -	\$ 27,388	\$ -	\$ 27,388	\$ -	\$ -	\$ -
Foster Care - Title IV-E:									
Human Services Contract:									
Foster Parent Preservice - Federal:									
2008		1,087	-	-	-	1,087	-	-	-
2009		-	-	8,088	12,132	4,490	12,132	-	3,598
Comp Based Training:									
Base Allocation:									
2009		-	-	454	681	-	681	-	454
WISACWIS - Federal:									
Base Allocation:									
2009		-	-	247,522	-	247,522	-	-	-
2008		(120)	-	-	-	(120)	-	-	-
AW DOJ Fingerprint Background:									
Base Allocation:									
2008		18	-	-	-	18	-	-	-
2009		-	-	231	-	211	-	-	20
Human Services Block Grant:									
Human Services Contract:									
Base Allocation:									
2009		-	-	146,717	-	146,602	-	-	115
Child Care Expansion:									
Youth Independent Living:									
Base Allocation:									
2009		-	-	12,379	30	12,379	30	-	-
State Children's Insurance Program:									
IM Allocation:									
2008		2,391	-	-	-	2,391	-	-	-
2009		-	-	17,151	-	13,606	-	-	3,545

**POLK COUNTY, WISCONSIN  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2009**

Federal Grantor Agency/Pass-Through Agency/ Program Title and Year	Federal CFDA #	Accrued (Deferred)		Prior Years Adjustments	Expenditures		Receipts		Accrued (Deferred) Reimbursements 12/31/09		
		1/1/09	Reimbursements		Federal	Local	Grant Reimburse- ments	Local Share			
										\$	\$
<b>Department of Health and Human Services (Continued)</b>											
Passed through Wisconsin Department of Health and Family Services (Continued):											
Medical Assistance Program:											
Human Services Contract**:											
2008	*	\$	11,660	\$	-	\$	-	\$	11,660	\$	-
2009			-		-	1,516,559	(37,859)		1,526,618		(37,859)
Personal Care Program**:											
2008			44,716		3,840				48,556		
2009			-		-	248,404			218,514		29,890
Medicaid Program Integrity**:											
2009	*		-		-	737	1,303		82		1,303
Wisconsin Medicaid Cost Reporting**:											
2009	*		-		-	1,106,259			1,106,259		
Consolidated Contract - MCH**:											
2009	*		-		-	2,063			2,063		
Income Maintenance Contract**:											
2008			21,063		-				21,063		
2009	*		-		-	324,174	47,824		267,472		47,824
Case Management**:											
2008			-		16,714				16,714		
2009			-		-	84,412	168,011		69,235		168,011
HIV/AIDS Surveillance:											
WISACWIS - Federal:											
2008	*		(170)		-				(170)		
Block Grant for Community Health:											
Human Services Contract:											
2009	93.958		-		-	21,244			21,244		
Block Grant - Prevention and Treatment:											
Human Services Contract:											
2008			(762)		762				-		
2009			-		-	141,616	3,891		138,169		3,891
2009	93.991		-		-	7,482			7,482		

\*Major Federal Program Awards.  
\*\*Major State Financial Assistance Program.

**POLK COUNTY, WISCONSIN  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2009**

Federal Grantor Agency/Pass-Through Agency/ Program Title and Year	Federal CFDA #	Accrued (Deferred)		Prior Years Adjustments	Expenditures		Receipts		Accrued (Deferred) Reimbursements 12/31/09
		1/1/09	1/1/09		Federal	Local	Grant Reimburse- ments	Local Share	
Department of Health and Human Services (Continued)									
Passed through Wisconsin Department of Health and Family Services (Continued):									
Maternal and Child Health Services Block Grant:	93.994								
Consolidated Contracts - MCH:									
2008		\$	1	\$	(1)	\$	-	\$	-
2009			-		-	17,763	-	17,763	-
Reproductive Health:									
2008			3		(3)	-	-	-	-
2009			-		-	26,208	-	24,780	1,428
Fluoride Rinse:									
2008			265		-	-	-	265	-
Family Planning:									
2008			1,606		-	-	-	1,606	-
2009			-		-	2,142	-	2,142	-
Temporary Assistance for Needy Families:									
Human Services Contract:	93.558								
W-2 Program:									
1/1/08-12/31/08			20,043		-	-	-	20,043	-
Child Support Enforcement Program (Title IV-D):	93.563*								
Regular Program:									
2008			39,901		-	-	-	39,901	-
2009			-		-	270,345	135,624	240,180	30,165
ARRA			-		-	147,135	-	147,135	-
Child Care and Development:	93.596*								
W-2 Program:									
1/1/08-12/31/08			261		-	-	-	261	-
Passed through Wisconsin Department of Administration:									
Low-Income Home Energy Assistance:	93.568								
Crisis Grants:									
10/1/08-9/30/09			9,100		-	40,403	-	49,503	-
10/1/09-9/30/10			-		-	9,288	-	3,033	6,255
Operations:									
10/1/08-9/30/09			4,138		-	8,392	-	12,530	-
10/1/09-9/30/10			-		-	6,521	-	2,174	4,347
WX Operations									
5/16/10-9/30/09			-		-	8,019	-	8,019	-
10/1/09-9/30/10			-		-	3,600	-	1,336	2,264

\*Major Federal Program Awards.

**POLK COUNTY, WISCONSIN  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2009**

Federal Grantor Agency/Pass-Through Agency/ Program Title and Year	Accrued (Deferred)		Expenditures		Receipts		Accrued (Deferred) Reimbursements 12/31/09
	Federal CFDA #	1/1/09	Federal	Local	Grant Reimbursements	Local Share	
<b>Department of Health and Human Services (Continued)</b>							
Passed through Wisconsin Department of Corrections:							
Child Welfare Services:							
Youth Aids Community:							
Non-CARS Reporting:							
2008	\$	(672)	\$	-	\$	(672)	\$
2009				7,496		6,881	
Foster Care-Title IV-E:							615
Youth Aids Community:							
Non-CARS Reporting:		(672)		-		(672)	
2008							
2009				7,496		6,881	615
Passed through Department of Children and Families:							
Human Services:							
W-2 FSET Admin/Program:							
2009				1,588		1,588	18,587
W-2 FSET Services:							
2009				30,346		30,355	30,043
W-2 FSET Emergency Assistance							(9)
2009				18,636		16,064	2,572
Child Care and Development Fund							
2009				31,571		31,571	
Total Department of Health and Human Services				5,361,793		5,400,020	909,762
Total Department of Health and Human Services		248,320		21,309		35,589	231,402
<b>Department of Homeland Security</b>							
Direct Grant:							
Emergency Food and Shelter Program:							
Phase 27							
2009				6,219		6,219	
Passed Through Wisconsin Department of Military Affairs:							
Emergency Management Performance Grants:							
Emergency Government:							
10/1/09-9/30/09		11,216		29,423		20,320	32,235
Total Department of Homeland Security							20,319

**POLK COUNTY, WISCONSIN  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2009**

Federal Grantor Agency/Pass-Through Agency/ Program Title and Year	Federal CFDA #	Accrued (Deferred) Reimbursements 1/1/09	Prior Years Adjustments	Expenditures		Receipts		Accrued (Deferred) Reimbursements 12/31/09
				Federal	Local	Grant Reimburse- ments	Local Share	
<b>Department of Homeland Security (Continued)</b>								
Passed Through Wisconsin Office of Justice Assistance:								
Homeland Security LETPP/Mutual Aid Interoperability Round Four: 10/1/08-3/31/09	97.067	\$ 7,265	\$ -	\$ 14,891	\$ 7,119	\$ 22,156	\$ 7,119	\$ -
Homeland Security LETPP/Mutual Aid Interoperability Round Five: 10/1/08-3/31/09		-	-	800	216	-	216	800
Homeland Security Training: 3/1/09-9/30/09		-	-	808	-	808	-	-
Emergency Food and Shelter Program: 2009	97.114	-	-	1,701	-	1,701	-	-
Total Department of Homeland Security		18,481	-	53,842	39,570	51,204	39,570	21,119
<b>TOTAL FEDERAL AWARDS</b>		\$ 287,202	\$ 21,308	\$ 6,175,519	\$ 995,695	\$ 6,194,973	\$ 995,695	\$ 289,056

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**POLK COUNTY, WISCONSIN  
SCHEDULE OF STATE FINANCIAL ASSISTANCE  
YEAR ENDED DECEMBER 31, 2009**

State Grantor Agency/ Program Title and Year	State I.D. Number	Accrued (Deferred) Reimbursements 1/1/2009	Prior Years Adjustments	Receipts		Accrued (Deferred) Reimbursements 12/31/2009
				Grant Reimburse- ments	Local Share	
<u>Department of Agriculture, Trade and Consumer Protection</u>						
Soil and Water Resource Management Program:						
Soil and Water Resource Management Program:						
Agricultural Clean Sweep:						
2008	115.04	\$ 26,887	\$ -	\$ 26,887	\$ -	\$ -
2009		-	-	-	21,957	-
Basic Allocation:	115.150**	-	-	-	5,501	16,456
2009		-	-	184,498	52,642	-
LWRM Plan Implementation:						
2008	115.40	54,577	1	54,578	-	-
2009		-	-	-	18,063	18,063
Total Department of Agriculture, Trade and Consumer Protection		81,464	1	213,321	58,143	34,519
<u>Department of Commerce</u>						
Environmental Aids - Private Sewage System:	143.110					
Private Sewage System Grants:						
1/1/09-12/31/09		-	-	16,217	-	-
<u>Department of Natural Resources</u>						
Boating Enforcement Aids:						
2009	370.550	-	-	5,641	2,452	-
All-Terrain Vehicle Enforcement Aids:						
5/1/08-4/30/09	370.551	-	-	3,572	223	-
Snowmobile Enforcement Aids:						
5/1/08-4/30/09	370.552	-	-	2,189	785	-
Wildlife Damage Claims and Abatement:						
Wildlife Damage Program:						
2008		19,070	-	19,070	-	-
2009		-	-	27,894	-	8,330

\*\*Major State Financial Assistance Program.

**POLK COUNTY, WISCONSIN  
SCHEDULE OF STATE FINANCIAL ASSISTANCE (CONTINUED)  
YEAR ENDED DECEMBER 31, 2009**

State Grantor Agency/ Program Title and Year	State I.D. Number	Accrued (Deferred) Reimbursements 1/1/2009	Prior Years Adjustments	Receipts		Accrued (Deferred) Reimbursements 12/31/2009
				Grant Reimburse- ments	Local Share	
<u>Department of Natural Resources (Continued)</u>						
<u>Resource Aids:</u>						
County Conservation Aids:						
4/1/05-12/31/07	370.563	\$ -	\$ -	\$ 2,624	\$ 746	\$ -
1/1/09-12/30/09	CC-4553	-	-	4,556	2,278	2,278
County Forest Wildlife Habitat Improvement Program:						
2008	370.564	-	-	1,714	1,714	-
County Forest Loans:						
2008	370.567	-	-	8,223	-	-
Urban and Community Forestry:						
2008	370.572	-	-	43,210	21,605	-
Snowmobile Trails and Areas (Transportation Fund):						
7/1/07-6/30/08	S-3501	2,068	(17)	2,051	-	-
7/1/08-6/30/09	S-3632	16,332	-	64,895	-	7,139
7/1/09-6/30/10	S-3774	-	-	42,925	-	(42,925)
1/1/09-12/31/09	RTA236 S-3141	-	-	205,099	55,399	124,700
All-Terrain Vehicles:						
7/1/08-6/30/09	ATV-1794	150	-	2,410	-	-
7/1/08-6/30/09	ATV-1752	30	-	14,227	-	-
7/1/08-6/30/09	ATV-1824	-	-	12,150	-	12,150
7/1/09-6/30/10	ATV-1925	-	-	329	-	329
Nonpoint Source Grant:						
12/23/99-12/31/09	HSC-49000-N-99	46,183	-	117,145	-	-
Lakes Management Grants:						
10/1/06-12/31/07	LPL-1113-07	1,331	-	-	-	1,331
10/1/06-12/31/07	LPL-1114-07	2,500	-	-	-	2,500
10/1/06-12/31/07	LPL-1117-07	(639)	-	4,791	-	4,152
10/1/06-12/31/07	LPL-1118-07	2,500	-	-	-	2,500
4/1/07-6/30/08	LPL-1173-07	1,379	-	1,379	-	-
4/1/07-6/30/08	LPL-1174-07	1,019	-	1,019	-	-
4/1/08-12/31/09	LPL-1229-08 - Wild Goose Lake	(6,632)	-	-	-	(6,632)
4/1/08-12/31/09	LPL-1229-08 - Ward Lake	(7,487)	-	-	-	(7,487)
10/1/08-12/31/10	AAPP-174-10	-	-	16,866	-	6,010
4/1/09-12/31/10	LPL-1297-09	-	-	7,500	-	(7,500)
4/1/09-12/31/10	LPL-1298-09	-	-	7,500	-	(7,500)
10/1/09-12/31/10	AIRR-073-10	-	-	4,971	-	(4,971)

**POLK COUNTY, WISCONSIN  
SCHEDULE OF STATE FINANCIAL ASSISTANCE (CONTINUED)  
YEAR ENDED DECEMBER 31, 2009**

State Grantor Agency/ Program Title and Year	State I.D. Number	Accrued (Deferred) Reimbursements 1/1/2009	Prior Years Adjustments	Expenditures	Receipts		Accrued (Deferred) Reimbursements 12/31/2009
					Grant Reimburse- ments	Local Share	
<u>Department of Natural Resources (Continued)</u>							
Trail Engineering Grant:	370.TA2						
1/1/09-12/31/09 S-ADLP2-1037		\$ -	\$ -	\$ 9,000	\$ 9,000	\$ -	\$ -
Municipal and County Recycling Grants:	370.670**						
2009		-	(17)	469,062	217,278	251,784	-
Total Department of Natural Resources		77,804		980,301	626,698	336,986	94,404
<u>Department of Transportation</u>							
Elderly and Handicapped County Aids:	395.101**						
Elderly and Handicapped Transportation:							
2009		-	-	138,521	115,434	23,087	-
<u>Department of Corrections</u>							
Community Intervention:	410.302						
7/1/08-6/30/09		2,057	-	6,170	8,227	-	-
7/1/09-6/30/10		-	-	5,600	2,705	-	2,895
Community Youth and Family Aids:	410.313**						
2008		(43,441)	-	-	(43,441)	-	-
2009		-	-	454,869	415,101	-	39,768
Total Department of Corrections		(41,384)	-	466,639	382,592	-	42,663
<u>Department of Health and Family Services</u>							
Funeral/Cemetery W-2 and Non W-2:	435.105						
2008		49,024	-	-	49,024	-	-
2009		-	-	93,506	9,278	25,289	58,939
MA Transportation:	435.131						
2008		7,560	-	-	7,560	-	-
2009		-	-	99,262	89,343	-	9,919
MA Transportation Admin:	435.132						
2008		1,689	-	-	1,689	-	-
2009		-	-	7,825	5,877	-	1,948
Fluoride Supplement:	435.151734						
2008		1,650	-	-	1,650	-	-
2009		-	-	1,872	550	-	1,322
Fluoride Mouthrinse:	435.151735						
2008		1,141	-	-	1,141	-	-
2009		-	-	1,593	398	-	1,195

\*\*Major State Financial Assistance Program.

**POLK COUNTY, WISCONSIN  
SCHEDULE OF STATE FINANCIAL ASSISTANCE (CONTINUED)  
YEAR ENDED DECEMBER 31, 2009**

State Grantor Agency/ Program Title and Year	State I.D. Number	Accrued (Deferred)		Prior Years Adjustments	Receipts			Accrued (Deferred) Reimbursements 12/31/2009	
		Reimbursements 1/1/2009	1/1/2009		Expenditures	Grant Reimburse- ments	Local Share		
<u>Department of Health and Family Services (Continued)</u>									
WWWP-GPR:	435.157000	\$	4	\$	(4)	\$	-	\$	-
2008									
2009			-		-	18,822	-	18,822	-
Consolidated Contract - CHHD LD:									
2008	435.157720		1		(1)	-	-	-	-
2009			-		-	4,529	-	4,529	-
TCPC - Wisconsin Wins Enforcement:									
2009	435.158116		-		-	644	-	644	-
TPCP-Com. Interventions - LHD:									
2009	435.158125		-		-	50,596	-	50,596	-
TCPC - Wisconsin Wins:									
2009	435.158127		-		-	4,150	-	4,150	-
Consolidated Contract - MCH:									
2009	435.159320		-		-	1,295	-	1,295	-
Reproductive Health:									
2008	435.159321		1		(1)	-	-	-	-
2009			-		-	21,602	-	21,602	-
Low Income Child Admin:									
2009	435.231		-		-	5,669	-	5,669	-
FSET Transportation:									
2009	435.233		-		-	556	-	556	(570)
FSET Retention:									
2009	435.235		-		-	713	-	621	92
IM Available Allocation State Share:									
2009	435.283**		-		-	349,715	-	201,827	657
IM Available Allocation Federal Share:									
2008	435.284**		413		-	-	-	413	-
2009			-		-	8,232	-	6,530	1,702
Medicaid Subrogation Collections:									
2008	435.291		(450)		-	-	-	(450)	-
2009			-		-	(45,344)	-	(38,378)	(473)
Adult Protective System:									
2009	435.312		-		-	19,085	-	5,521	16,562
AW DOJ Fingerprint:									
2008	435.3324		50		-	-	-	50	-
2009			-		-	589	-	568	55

\*\*Major State Financial Assistance Program.

**POLK COUNTY, WISCONSIN  
SCHEDULE OF STATE FINANCIAL ASSISTANCE (CONTINUED)  
YEAR ENDED DECEMBER 31, 2009**

State Grantor Agency/ Program Title and Year	State I.D. Number	Accrued (Deferred)		Prior Years Adjustments	Receipts		Accrued (Deferred) Reimbursements 12/31/2009
		Reimbursements 1/1/2009	Expenditures		Grant Reimburse- ments	Local Share	
<u>Department of Health and Family Services (Continued)</u>							
COP-W GPR:							
2008	435.338**	\$ (6,499)	\$ -	\$ -	\$ (6,499)	\$ -	\$ -
2009		-	-	97,880	123,611	2,121	(27,852)
Children and Families Incentive:							
2008	435.3342	(8,763)	-	-	(8,763)	-	-
2009		-	-	85,000	92,706	(30,965)	23,259
CQI Review Expenses:							
2008	435.346	7,409	-	-	7,409	-	-
2009		-	-	7,409	7,409	-	-
CIP-II GPR:							
2008	435.348**	1,505	-	-	1,505	-	-
2009		-	-	53,815	48,943	4,872	-
Community Options Program:							
2009	435.367**	-	-	277,516	349,969	615	(73,068)
CIP-II Community Relocate:							
2008	435.369	7,092	-	-	7,092	-	-
2009		-	-	19,906	39,384	(14,924)	(4,554)
CIP-II Diversion Non-Fed:							
2008	435.375	1,907	-	-	1,907	-	-
2009		-	-	9,647	11,290	3,548	(5,191)
Kinship Care Base Benefit:							
2008	435.3377	292	-	-	292	-	-
Alzheimer's Family Support:							
2008	435.381	1,917	-	-	1,917	-	-
2009		-	-	17,622	17,310	312	-
ICFMR Nonfed:							
2008	435.407	800	-	-	800	-	-
2009		-	-	24,112	83,997	(59,306)	(579)
Outreach:							
2009	435.445455	-	-	767	767	-	-
Children Long Term Support GPR:							
2009	435.450**	-	-	28,645	40,854	(12,209)	-
Children Long Term Support MH Non-Federal:							
2009	435.451**	-	-	8,649	-	1,034	7,615
Children Long Term Support DD Non-Federal Other:							
2008	435.460**	(7,612)	-	-	(7,612)	-	-
2009		-	-	26,270	33,378	(9,515)	2,407

\*\*Major State Financial Assistance Program.

**POLK COUNTY, WISCONSIN  
SCHEDULE OF STATE FINANCIAL ASSISTANCE (CONTINUED)  
YEAR ENDED DECEMBER 31, 2009**

State Grantor Agency/ Program Title and Year	State I.D. Number	Accrued (Deferred)		Prior Years Adjustments	Receipts			Accrued (Deferred) Reimbursements 12/31/2009
		Reimbursements 1/1/2009	Reimbursements 1/1/2009		Grant Reimburse- ments	Local Share	Expenditures	
<b>Department of Health and Family Services (Continued)</b>								
Children Long Term Support MH Non-Federal Other:								
2008	435.461**	\$ (6,547)	\$ -	\$ -	\$ (6,547)	\$ -	\$ -	\$ -
2009		-	-	11,580	26,031	(14,451)	-	-
Children Long Term Support PD Non-Federal Other:								
2008	435.462**	(6,547)	-	-	(6,547)	-	-	-
2009		-	-	4,484	15,260	(10,776)	-	-
Brain Injury Waiver:								
2009	435.506**	-	-	21,826	29,078	(7,252)	-	-
Nonresident:								
2008	435.531	1,882	-	-	1,882	-	-	-
2009		-	-	6,834	7,604	(1,882)	1,112	1,112
Birth-to-three Initiative:								
2009	435.550	-	-	-	52,851	-	-	-
Basic Allocation:								
2009	435.5601	-	-	265,509	251,579	1,915	12,015	12,015
Base Allocation:								
2009	435.561**	-	-	1,035,130	1,035,130	-	-	-
CIP I-B:								
2009	435.564**	-	-	36,463	36,463	-	-	-
IDP Emergency Funds:								
2008	435.567	-	-	-	-	-	-	-
2009		9,794	-	-	9,794	-	-	-
CIP I-A:								
2009	435.580**	-	-	197,824	94,899	(94,899)	13,927	13,927
Community Services and MH Services:								
IMD-OBRA Relocations:								
2008	435.571	17,731	-	-	17,731	-	-	-
2009		-	-	23,641	5,910	-	17,731	17,731
Family Support Program:								
2008	435.577	1,880	-	-	1,880	-	-	-
2009		-	-	29,920	26,994	(2,944)	5,870	5,870
State/County Match:								
2009	435.681**	-	-	2,700,104	142,292	2,557,812	-	-
Program Integrity:								
2009	435.750	-	-	2,074	2,074	-	-	-

\*\*Major State Financial Assistance Program.

**POLK COUNTY, WISCONSIN  
SCHEDULE OF STATE FINANCIAL ASSISTANCE (CONTINUED)  
YEAR ENDED DECEMBER 31, 2009**

State Grantor Agency/ Program Title and Year	State I.D. Number	Accrued (Deferred) Reimbursements 1/1/2009	Prior Years Adjustments	Expenditures	Receipts		Accrued (Deferred) Reimbursements 12/31/2009
					Grant Reimburse- ments	Local Share	
<u>Department of Health and Family Services (Continued)</u>							
CST - Expansion 2	435.81027	\$ -	\$ -	\$ 99,822	\$ 45,081	\$ 54,741	\$ -
2009							
Fraud Contract:	435.950	-	-	60	60	-	-
2009							
Community Services and MH Services (Continued):							
Elder Abuse Services:	435.560490	-	-	18,206	8,523	-	9,683
2009							
Passed thru Area Agency on Aging:							
Elderly Benefit Specialist Program:	435.560320	-	-	35,879	27,498	7,664	717
2009							
Benefit Specialist Program (OC) Assistance Activities:	435.560327	2,650	-	-	2,650	-	-
2008							
State Senior Community Services:	435.560330	-	-	28,350	8,302	20,048	-
2009							
Ill-C-1 Congregate Meal Program:	435.560350	12,682	-	105,074	53,231	37,356	14,487
2008							6,543
2009							
Stimulus							
Ill-C-2 Home Delivered Program:	435.560360	-	-	16,754	4,181	12,525	48
2009							604
Stimulus				604	-	-	-
Basic County Allocation	437.3561	-	-	185,358	185,358	-	-
2009							
State/County Match	437.3561	-	-	1,839,819	60,495	1,779,324	-
2009							
Total Department of Health and Family Services		92,656	(6)	8,040,785	3,649,554	4,387,759	96,122
<u>Department of Children and Families</u>							
W-2 FSET Admin/Program:	437.215	-	-	20,175	1,588	18,587	-
1/1/09-12/31/09							
W-2 FSET Admin:		-	-	60,389	30,355	30,043	(9)
1/1/09-12/31/09							
W-2 FSET Emergency Assistance		-	-	18,636	16,064	-	2,572
1/1/09-12/31/09							
Total Department of Children and Families		-	-	99,200	48,007	48,630	2,563

**POLK COUNTY, WISCONSIN  
SCHEDULE OF STATE FINANCIAL ASSISTANCE (CONTINUED)  
YEAR ENDED DECEMBER 31, 2009**

State Grantor Agency/ Program Title and Year	State I.D. Number	Accrued (Deferred) Reimbursements 1/1/2009	Prior Years Adjustments	Expenditures	Receipts		Accrued (Deferred) Reimbursements 12/31/2009
					Grant Reimburse- ments	Local Share	
<u>Department of Workforce Development</u>							
Temporary Assistance for Needy Families:							
W-2 Program:	445.315	\$ 14,029	\$ -	\$ -	\$ 14,029	\$ -	\$ -
1/1/08-12/31/08							
JOB Access Grants:	445.367	(497)	-	497	-	-	-
W-2 FSET Admin/Program:							
1/1/08-12/31/08							
W-2 Emergency Assistance:	445.375	6,014	-	-	6,014	-	-
1/1/08-12/31/08		19,546	-	497	20,043	-	-
Total Department of Workforce Development							
<u>Department of Justice</u>							
Justice Assistance (JAG):	455.###	-	-	25,754	25,754	-	-
2009							
DNA Sample Reimbursement:	455.221	-	-	640	640	-	-
2009							
Law Enforcement Training:	455.231	-	-	15,860	15,860	-	-
2009							
County Tribal Law Enforcement:	455.263	-	-	14,246	14,246	-	-
2009							
Victim and Witness Assistance Program - A Program Cluster:	455.532	26,220	-	-	26,220	-	-
2008							
2009				129,841	33,454	62,035	34,352
Total Department of Justice		26,220	-	186,341	116,174	62,035	34,352
<u>Department of Military Affairs</u>							
Emergency Planning Grant Program:	465.337	4,729	-	-	4,729	-	-
LEPC Emergency Planning Grant:		2,387	-	6,458	4,774	-	4,071
10/1/07-9/30/08							
10/1/08-9/30/09							
Hazmat Training:	465.310	384	-	1,010	1,394	-	-
2009							
Total Department of Military Affairs		7,500	-	7,468	10,897	-	4,071

**POLK COUNTY, WISCONSIN  
SCHEDULE OF STATE FINANCIAL ASSISTANCE (CONTINUED)  
YEAR ENDED DECEMBER 31, 2009**

State Grantor Agency/ Program Title and Year	State I.D. Number	Accrued (Deferred) Reimbursements 1/1/2009	Prior Years Adjustments	Expenditures	Receipts		Accrued (Deferred) Reimbursements 12/31/2009
					Grant Reimburse- ments	Local Share	
<u>Department of Administration</u>							
<u>Land Information Grants:</u>							
Comprehensive Planning:							
2008	505.116	\$ 40,821	\$ (10,142)	\$ -	\$ 30,679	\$ -	\$ -
2009		-	-	131,411	53,599	-	77,812
Land Information Training:							
2009	505.118	-	-	300	300	-	-
Utility Public Benefits - Low Income Assistance:							
10/1/08-9/30/09	505.371	1,970	-	8,864	10,834	-	-
10/1/09-9/30/10		-	-	3,192	928	-	2,264
Outreach:							
10/1/08-9/30/09		1,865	-	18,658	20,523	-	-
10/1/09-9/30/10		-	-	2,794	931	-	1,863
Total Department of Administration		44,656	(10,142)	165,219	117,794	-	81,939
<u>Public Service Commission</u>							
Wireless 911 (E-911):							
9/30/03-1/31/09		134,351	60,302	-	194,653	-	-
Total State Financial Assistance		\$ 442,813	\$ 50,138	10,325,706	\$ 5,511,384	\$ 4,916,640	\$ 390,633
Deduct: Local Share of Expenditures				(4,916,640)			
<b>TOTAL STATE FINANCIAL ASSISTANCE EXPENDITURES</b>				<b>\$ 5,409,066</b>			

**POLK COUNTY, WISCONSIN  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE  
DECEMBER 31, 2009**

**NOTE 1 REPORTING ENTITY**

Polk County is governed by a board of supervisors consisting of twenty-three elected members.

The financial reporting entity for the County is based upon criteria set forth in generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The financial reporting entity is defined by GASB to consist of (a) the Primary Government; (b) organizations for which the Primary Government is financially accountable; and (c) other organizations for which the nature and significance of their relationship with the Primary Government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The basic financial statements of the County consist solely of the Primary Government. No other organizations were identified for inclusion in the financial reporting entity of the County.

**NOTE 2 BASIS OF PRESENTATION**

The schedules of expenditures of federal awards and state financial assistance have been presented on a basis to reflect the flow of available funds in the individual programs as follows:

**Expenditures** – Expenditures are presented on the accrual basis of accounting. Grant expenditures represent the amount of program funds expended during the year.

**Receipts** – Receipts recorded under the Grant Reimbursement category represent actual program funds received by the County during the year. Receipts recorded under the Local Share category represent the amounts of local funds used to finance the County's share of program expenditures.

**Accrued Reimbursement** – Amounts recorded as accrued reimbursements represent the excess of program funds expended over available program funds. Such amounts represent program funds receivable by the County.

**Deferred Reimbursement** – Amounts recorded as deferred reimbursements represent available (unexpended) program funds held by the County.

**NOTE 3 ADJUSTMENTS TO BEGINNING ACCRUED (DEFERRED) REIMBURSEMENT**

Prior year adjustments included in the schedules of expenditures of federal awards and state financial assistance represent adjustments to the January 1, 2009 accrued (deferred) reimbursement balances of the individual programs based on subsequent funding of the programs in 2009 and/or adjustment of accruals resulting from prior year audit findings.

**POLK COUNTY, WISCONSIN  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2009**

**A. MAJOR FEDERAL PROGRAM AWARDS**

The Auditor had no prior year findings relating to major federal program awards.

**B. MAJOR STATE FINANCIAL ASSISTANCE PROGRAMS**

The Auditor had no prior year findings relating to major state financial assistance programs.

## 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

Honorable Members  
of the Board of Supervisors  
Polk County, Wisconsin

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Polk County, Wisconsin (County) as of and for the year ended December 31, 2009, which collectively comprise the County's basic financial statements and have issued our report thereon dated July 13, 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 Polk 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 Polk County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses, and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and a deficiency that we consider to be a significant deficiency.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 2006-01, 2006-02 and 2006-03 to be material weaknesses.

Honorable Members  
of the Board of Supervisors  
Polk County, Wisconsin

Internal Control Over Financial Reporting (Continued)

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompany schedule of findings and questioned costs as item 2009-01 to be significant deficiency.

Compliance and Other Matters

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

Polk County's written responses to the findings identified in our audit have been included in the Schedule of Findings and Questioned Costs. We did not audit the County's responses and, accordingly, we express no opinion on them.

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



**LarsonAllen LLP**

Eau Claire, Wisconsin  
July 13, 2010

**REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL  
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133  
AND STATE SINGLE AUDIT GUIDELINES**

Honorable Members  
of the Board of Supervisors  
Polk County, Wisconsin

## **Compliance**

We have audited the compliance of the Polk County, Wisconsin (County) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2009. We have also audited the County's compliance with types of compliance requirements described in the *State Single Audit Guidelines*, issued by the Wisconsin Department of Administration that are applicable to each of its major state programs (including federal programs required to be tested as major state programs) for the same period. The County's major federal programs and major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the County's compliance with those requirements.

In our opinion the County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2009.

Honorable Members  
of the Board of Supervisors  
Polk County, Wisconsin

### **Internal Control Over Compliance**

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major federal 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*, 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 Polk 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 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 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. However, we identified a deficiency in internal control over compliance that we consider to be a significant deficiency as described in the accompanying schedule of findings and questioned costs as item 2009-02. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

This report is intended solely for the information and use of the board and management of the County, and the 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.



**LarsonAllen LLP**

Eau Claire, Wisconsin  
July 13, 2010

**POLK COUNTY, WISCONSIN  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
DECEMBER 31, 2009**

**PART I: SUMMARY OF AUDITOR'S RESULTS**

1. The auditors' report expresses an unqualified opinion on the basic financial statements of the County.
2. A significant deficiency in internal control was disclosed by the audit of the basic financial statements of Polk County and is reported in the "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*" as finding 2009-1. Findings 2006-1, 2006-2 and 2006-3 are considered material weaknesses.
3. No instances of noncompliance material to the financial statements of the County were disclosed during the audit.
4. A matter involving internal control over compliance relating to the audit of the major federal award programs was reported in the "Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133." We do not consider the finding to be a material weakness.
5. The auditors' report on compliance for the major federal award programs and the major state financial assistance programs for the County expresses an unqualified opinion.
6. No audit findings relative to the major federal award programs for the County were disclosed during the audit that are required to be reported in accordance with Section 510(a) of OMB Circular A-133.
7. The federal programs tested as major programs and the state programs tested as major programs, including federal programs tested as state major programs, are presented in the "Summary of Federal and State Programs Tested as Major Programs" which follows this schedule.
8. The threshold for distinguishing Types A and B programs was \$300,000 for federal award programs and \$100,000 for non-DHFS state financial assistance programs and \$120,000 for DHFS programs.
9. The County did not qualify as a low-risk auditee as defined in OMB Circular A-133.

**POLK COUNTY, WISCONSIN**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**DECEMBER 31, 2009**

**PART II: FINDINGS RELATED TO THE FINANCIAL STATEMENTS:**

**FINDING: 2006-1      Annual Financial Reporting Under Generally Accepted Accounting Principles (GAAP)**

**Criteria:**            It is the County's responsibility to have controls in place to prevent or detect a material misstatement in the annual financial statements, including footnote disclosures.

**Condition:**        The County does not have an internal control policy in place over annual financial reporting under GAAP, therefore, the potential exists that a material misstatement of the annual financial statements could occur and not be prevented or detected by the County's internal controls.

**Cause:**             The County relies on the audit firm to prepare the annual financial statements and related footnote disclosures. However, County management staff have reviewed and approved the annual financial statements and the related footnote disclosures.

**Effect:**             No effect on the financial statements.

**Recommendation:** The County should continue to evaluate its internal staff and expertise to determine if an internal control policy over the annual financial reporting is beneficial.

**Management Response:**    The County intends to continually assess the cost benefit of adding additional staff and or providing additional training to existing staff to assist with the preparation of the financial statements.

**FINDING: 2006-2      Material Audit Adjustments**

**Criteria:**            The County should have controls in place to prevent or detect a material misstatement in the financial statements in a timely manner.

**Condition:**        The audit firm proposed and the County posted to its general ledger accounts adjusting journal entries for correcting certain misstatements. These adjustments were considered to be material for the fair presentation of the financial statements.

**Cause:**             Limited staff available.

**Effect:**             The County's financial records were materially adjusted during the audit to produce financial statements in accordance with Generally Accepted Accounting Principles (GAAP).

**POLK COUNTY, WISCONSIN  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
DECEMBER 31, 2009**

**PART II: FINDINGS RELATED TO THE FINANCIAL STATEMENTS: (CONTINUED)**

**FINDING: 2006-2    Material Audit Adjustments (Continued)**

**Recommendation:** The County should continue to evaluate its internal control processes to determine if additional internal control procedures should be implemented to ensure that accounts are adjusted to their appropriate year end balances in accordance with GAAP.

**Management  
Response:**

The County intends to continually address audit adjustments and tries to improve on the prior year's adjustments so the auditors continue to have fewer and fewer adjustments.

**FINDING: 2006-3    Limited Segregation of Duties**

**Criteria:** Generally, a system of internal control contemplates separation of duties such that no individual has responsibility to execute a transaction, have physical access to the related assets, and have responsibility or authority to record the transaction.

**Condition:** In some of the smaller County offices (i.e., register of probate, lime fund, zoning and aging) the available staff precludes a proper separation of duties to assure adequate internal control.

**Cause:** Limited staff available.

**Effect:** The impact on the financial statements has not been determined.

**Recommendation:** The County should continue to evaluate its staffing in order to segregate incompatible duties whenever possible.

**Management  
Response:**

The County will continue to review the accounting functions of the applicable departments and where cost beneficial to the County make changes within the department accounting functions.

**POLK COUNTY, WISCONSIN  
SUMMARY OF FEDERAL AND STATE PROGRAMS TESTED AS MAJOR PROGRAMS  
DECEMBER 31, 2009**

**PART II: FINDINGS RELATED TO THE FINANCIAL STATEMENTS: (CONTINUED)**

**FINDING: 2009-1      Timely Deposits**

**Criteria:**            The County's internal controls and accounting policies require departments to make deposits within two days of receipt at the departmental level.

**Condition:**        In our internal control work during the 2009 audit, we noted the highway department, public health, and the sheriff's department were not making deposits in compliance with the County's policy.

**Cause:**             Unknown.

**Effect:**            Accounting policies are developed to strengthen the internal controls of the county and should be followed to help mitigate the possibility of misappropriation of the County's assets.

**Recommendation:** We recommend the County's management work with the applicable departments to ensure deposits are made on a timely basis and in compliance with County policy.

**Management Response:**      County management will work with the County's finance committee to determine ways to enforce this policy.

**PART III: FINDINGS RELATED TO MAJOR FEDERAL AWARD PROGRAMS:**

**FINDING: 2009-2      Child Support Enforcement (CFDA#93.563)**

**Criteria:**            Standard internal control procedures recommend that reports should be reviewed by a supervisory level person at the County.

**Condition:**        During our testing of controls over the Child Support Enforcement program we were not provided with documentation that the reports related to these programs were reviewed by a supervisor.

**Cause:**             Past practice.

**Effect:**            If reports are not properly reviewed it allows the possibility that inaccurate information may be reported to state and federal authorities

**Recommendation:** We recommend the County implement procedures to ensure that supervisors review reports before they are submitted to state authorities.

**Correction Action Planned:**      The Child Support department will implement a policy to ensure reports are reviewed prior to submission.

**Contact Person:**    Jeff Fuge

**Anticipated Completion Date:** 12/31/10

**POLK COUNTY, WISCONSIN  
SUMMARY OF FEDERAL AND STATE PROGRAMS TESTED AS MAJOR PROGRAMS  
DECEMBER 31, 2009**

**PART IV: FINDINGS RELATED TO MAJOR STATE FINANCIAL ASSISTANCE PROGRAMS:**

**FINDING: 2009-3      Child Support Program**

**Criteria:**                Wisconsin State Single Audit Guidelines requires that programs administered through the Wisconsin Department of Children and Families at the County to maintain a receipt and case log book to ensure child support payments are properly and appropriately logged in for tracking and reconciling purposes.

**Condition:**             During our testing of the child support program, we noted that the County does not maintain a receipt book or a case receipt log to ensure payments are receipted and logged appropriately according to Department of Children and Families procedures.

**Cause:**                    Past practice.

**Effect:**                    The County is not in compliance with Wisconsin State Single Audit Guidelines for the child support program.

**Recommendation:**    We recommend the County implement procedures and processes to ensure the County is in compliance with all state single audit guidelines for the child support program.

**Correction Action**

**Planned:**                The Child Support department will implement policies and procedures to ensure the County is in compliance with the receipt and case logging procedures.

**Contact Person:**      Jeff Fuge

**Anticipated  
Completion  
Date:**

12/31/10

**POLK COUNTY, WISCONSIN  
SUMMARY OF FEDERAL AND STATE PROGRAMS TESTED AS MAJOR PROGRAMS  
DECEMBER 31, 2009**

**PART V: FINDINGS RELATED TO STATE GENERAL REQUIREMENTS:**

**FINDING: 2009-4      Wisconsin State Single Audit General Requirements -**

**Criteria:**            The Department of Human Services general requirements state that Wisconsin State Statute 51.61 and administrative code DHS 94 require an annual re-notification of rights and an annual written informed consent to be signed each year.

**Condition:**         During our testing of this requirement, we were not presented with documentation for two of sixteen cases had the annual re-notification of rights and one of sixteen cases did not have the written informed consent documentation.

**Cause:**                Unknown.

**Effect:**                The County is not in compliance with Wisconsin Department of Human Services general requirements.

**Recommendation:** We recommend the County implement procedures and processes to ensure all required notifications and informed consents are obtained and distributed each year.

**Correction Action**

**Planned:**            The County will develop procedures to ensure all required forms and notifications are completed on an annual basis.

**Contact Person:**    Pat Kirkwood

**Anticipated  
Completion**

**Date:**                 12/31/10

**POLK COUNTY, WISCONSIN  
SUMMARY OF FEDERAL AND STATE PROGRAMS TESTED AS MAJOR PROGRAMS  
DECEMBER 31, 2009**

**FEDERAL PROGRAMS**

The following federal programs were tested as major programs:

CFDA #	Program Title	Amount
84.397	ARRA - State Fiscal Stabilization Fund - Government Services Recovery Act	\$ 336,316
93.563	Child Support Title IV-D	417,480
93.778	Medical Assistance Program	3,282,608
		<u>\$ 4,036,404</u>

**STATE PROGRAMS**

The following federal and state programs were tested as major state programs:

CFDA # State ID #	Program Title	Amount
State Programs on Schedule of State Financial Assistance:		
115.150	Soil and Water Resource Management - Basic Annual Staffing Grant	184,498
370.670	Municipal and County Recycling Grants:	469,062
395.101	Elderly and Handicapped Transportation	138,521
410.313	Youth Aids Community	454,869
435.283	IM Available Allocation-State Share	349,715
435.284	IM Available Allocation-Fed Share	8,232
435.338	COP-W GPR	97,880
435.348	CIP II	53,815
435.367	Community Options Program	277,516
435.450	CIP I	28,645
435.451	Children Long Term Support MH Non-Federal	8,649
435.460	Children Long Term Support DD Non-Federal Other	26,270
435.461	Children Long Term Support MH Non-Federal Other	11,580
435.462	Children Long Term Support PD Non-Federal Other	4,484
435.506	Brain Injury Waiver	21,826
435.561	Basic County Allocation	1,035,130
435.564	CIP 1B	36,463
435.580	CIP 1A	197,824
435.681	Community Services and MH Services - State/County Match	2,700,104 \$ 6,105,083
Federal Programs on Schedule of Expenditures of Federal Awards:		
93.778	Medical Assistance Program - Human Services Contract	1,516,559
93.778	Medical Assistance Program - Personal Care Program	248,404
93.778	Medical Assistance Program - Income Maintenance	324,174
93.778	Medical Assistance Program - Consolidated Contract	2,063
93.778	Medical Assistance Program - Case Management	84,412
93.778	Medical Assistance Program - Medicaid Program Integrity	737
93.778	Medical Assistance Program - WI Medicare Cost Reporting	1,106,259
		<u>3,282,608</u>
		<u>\$ 9,387,691</u>