

POLK COUNTY, WISCONSIN
FEDERAL AND STATE SINGLE AUDIT REPORTS
DECEMBER 31, 2012

POLK COUNTY, WISCONSIN
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**POLK COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2012**

<u>Federal Grantor Agency/Pass-Through Agency/ Program Title and Year</u>	Federal CFDA #	Accrued (Deferred) Reimbursements 1/1/12	Prior Years Adjustments	Federal Expenditures	Receipts Grant Reimburse- ments	Accrued (Deferred) Reimbursements 12/31/12
<u>Department of Agriculture</u>						
Passed through Wisconsin Department of Health Services: Special Supplemental Food Program for Women, Infants and Children:	10.557					
2011		\$ 51,404	\$ -	\$ -	\$ 51,404	\$ -
2012		-	-	158,592	177,137	(18,545)
WIC Infrastructure Grant:						
2012		-	-	2,308	957	1,351
WIC Peer Counseling:						
2011		4,370	-	-	4,370	-
2012		-	-	9,622	6,724	2,898
State Matching Grant for Food Stamp Program: Human Services Contract (SNAP Cluster)	10.561					
2011		23,580	-	-	23,580	-
2012		-	-	6,127	8,286	(2,159)
Passed through Wisconsin Department of Health Services and Great Rivers Income Maintenance Consortium: State Matching Grant for Food Stamp Program: (SNAP Cluster) Income Maintenance Contract:	10.561					
2012		-	-	143,419	105,889	37,530
Passed through Wisconsin Department of UW Extension: Soil and Water Conservation	10.902					
2011		-	-	-	-	-
Total Department of Agriculture		79,354	-	320,068	378,347	21,075
<u>Department of Housing and Urban Development</u>						
Passed through Wisconsin Department of Administration Community Development Block Grant	14.228*					
		-	-	456,000	456,000	-
<u>Department of Transportation</u>						
Hazmat Training	20.703					
		-	-	5,314	4,734	580
<u>Environmental Protection Agency</u>						
Passed Through Wisconsin Department of Health Services: Indoor Radon Program:	66.032					
1/1/11-12/31/11		1,909	-	-	1,909	-
1/1/12-12/31/12		-	-	7,055	7,635	(580)
Total Environmental Protection Agency		1,909	-	7,055	9,544	(580)

*Major Federal Program Awards.

POLK COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2012

<u>Federal Grantor Agency/Pass-Through Agency/ Program Title and Year</u>	<u>Federal CFDA #</u>	<u>Accrued (Deferred) Reimbursements 1/1/12</u>	<u>Prior Years Adjustments</u>	<u>Federal Expenditures</u>	<u>Receipts Grant Reimburse- ments</u>	<u>Accrued (Deferred) Reimbursements 12/31/12</u>
<u>Department of Energy</u>						
Passed through Wisconsin Department of Administration: Energy Efficiency and Conservation Block Grant Program: ARRA 07/2/2011-8/31/2012	81.128	\$ -	\$ -	\$ 7,000	\$ 7,000	\$ -
<u>Department of Education</u>						
Passed Through Wisconsin Department of Health Services: Special Education - Grants for Infants and Families (IDEA Cluster) 2011	84.181	5,730	-	-	5,730	-
2012		-	-	40,255	40,483	(228)
<u>Department of Health and Human Services</u>						
Passed through Area Agency on Aging: Preventive Health - Title III-D: 2011	93.043	648	-	-	648	-
2012		-	-	4,240	1,721	2,519
Supportive Services - Title III B: (Aging Cluster) 2011	93.044	343	-	-	343	-
2012		-	-	51,401	25,148	26,253
Title III - Part C - Nutrition Services: (Aging Cluster) Congregate Nutrition - Title III C-1: 2011	93.045	11,432	-	-	11,432	-
2012		-	-	38,910	13,393	25,517
Home Delivered Nutrition - Title III C-2: (Aging Cluster) 2012	93.045	-	-	31,520	13,039	18,481
Title III-E National Family Caregiver: 2011	93.052	7,568	-	-	7,568	-
2012		-	-	22,631	9,935	12,696
NSIP III-C-1: (Aging Cluster) 2011	93.053	-	-	-	-	-
2012		-	-	18,012	13,593	4,419

**POLK COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2012**

<u>Federal Grantor Agency/Pass-Through Agency/ Program Title and Year</u>	<u>Federal CFDA #</u>	<u>Accrued (Deferred) Reimbursements 1/1/12</u>	<u>Prior Years Adjustments</u>	<u>Federal Expenditures</u>	<u>Receipts Grant Reimburse- ments</u>	<u>Accrued (Deferred) Reimbursements 12/31/12</u>
<u>Department of Health and Human Services (Continued)</u>						
Passed through Area Agency on Aging: (Continued)						
Social Services Block Grant						
Congregate Nutrition - Title III C-1:						
2012	93.667 (*)	\$ -	\$ -	\$ 2,240	\$ 771	\$ 1,469
Medical Assistance Program: (Medicaid Cluster)						
Elderly Benefit Specialists						
2012	93.778 (*) (**)	-	-	37,324	24,773	12,551
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations						
Congregate Nutrition - Title III C-1:						
2012	93.779	-	-	33,192	11,425	21,767
Ship Original						
2012		-	-	3,000	-	3,000
Passed through Wisconsin Department of Health Services:						
Bioterrorism Focus A Planning:						
2011	93.069	26,648	-	-	26,648	-
2012		-	-	206,833	206,833	-
Childhood Immunization Grants: (Immunization Cluster)						
Consolidated Contract - Immunization:						
2010		-	-	-	-	-
2011		3,141	-	-	3,141	-
2012		-	-	11,965	12,017	(52)
Preventative Wellness Component: (Immunization Cluster)						
ARRA	93.712	-	-	-	-	-
IMM For Children and Adults						
ARRA	93.717	1,206	-	4,811	6,017	-
Strengthening Public Health Infrastructure for Improved Health Outcomes						
2012	93.507	-	-	3,750	3,750	-
Health Care Infrastructure						
2012		-	-	10,000	3,180	6,820

*Major Federal Program Awards.

** Major State Program Awards.

**POLK COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2012**

<u>Federal Grantor Agency/Pass-Through Agency/ Program Title and Year</u>	<u>Federal CFDA #</u>	<u>Accrued (Deferred) Reimbursements 1/1/12</u>	<u>Prior Years Adjustments</u>	<u>Federal Expenditures</u>	<u>Receipts Grant Reimburse- ments</u>	<u>Accrued (Deferred) Reimbursements 12/31/12</u>
<u>Department of Health and Human Services (Continued)</u>						
Passed through Wisconsin Department of Health Services (Continued):						
Affordable Care Act - Aging and Disability Resource Center: ADRC Special Projects 2012	93.517	\$ -	\$ -	\$ 13,276	\$ 1,105	\$ 12,171
Temporary Assistance for Needy Families: (TANF Cluster) Human Services Contract: Base Allocation: 2012	93.558	-	-	67,324	67,324	-
Human Services Block Grant: Human Services Contract: Base Allocation: 2012	93.667 (*)	-	-	131,902	131,902	-
Aging & Disability Recourse Center: 2012		-	-	9,469	8,432	1,037
State Children's Insurance Program: IM Allocation: 2011 2012	93.767	3,620	-	-	3,620	-
		-	-	31	31	-
Medical Assistance Program: (Medicaid Cluster) ADRC Contract 2012	93.778 (*) (**)	*	-	351,313	188,409	162,904
Human Services Contract**: (Medicaid Cluster) 2011 2012		(28,062)	-	-	(28,062)	-
		-	-	44,763	34,972	9,791
Personal Care Program**: (Medicaid Cluster) 2011 2012		3,807	-	-	3,807	-
		-	-	25,333	17,448	7,885
Medicaid Program Integrity**: 2012		-	-	-	-	-
Wisconsin Medicaid Cost Reporting**: (Medicaid Cluster) 2011 2012		10,183	-	-	10,183	-
		-	-	465,234	561,951	(96,717)
Consolidated Contract - MCH**: (Medicaid Cluster) 2011 2012		306	-	-	306	-
		-	-	1,224	1,224	-

*Major Federal Program Awards.

** Major State Program Awards.

**POLK COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2012**

<u>Federal Grantor Agency/Pass-Through Agency/ Program Title and Year</u>	<u>Federal CFDA #</u>	<u>Accrued (Deferred) Reimbursements 1/1/12</u>	<u>Prior Years Adjustments</u>	<u>Federal Expenditures</u>	<u>Receipts Grant Reimburse- ments</u>	<u>Accrued (Deferred) Reimbursements 12/31/12</u>
Department of Health and Human Services (Continued)						
Passed through Wisconsin Department of Health Services (Continued):						
Income Maintenance Contract**: (Medicaid Cluster)	93.778 (*) (**)					
2011		\$ 22,998	\$ -	\$ -	\$ 22,998	\$ -
Income Maintenance Outreach (Medicaid Cluster)	*					
2012		-	-	22,020	22,020	-
Case Management**: (Medicaid Cluster)	*					
2011		19,589	-	-	19,589	-
2012		-	-	64,134	46,515	17,619
Block Grant for Community Health:	93.958					
Human Services Contract:						
2012		-	-	17,164	17,164	-
Block Grant - Prevention and Treatment:	93.959					
Human Services Contract:						
2012		-	-	132,031	128,849	3,182
Preventive Health and Health Service Block Grant:	93.991					
2012		-	-	732	732	-
Maternal and Child Health Services Block Grant:	93.994					
Consolidated Contracts - MCH:						
2011		4,197	-	-	4,197	-
2012		-	-	16,786	16,786	-
Reproductive Health:						
2011		5,802	-	-	5,802	-
2012		-	-	23,210	23,210	-
Child Support Enforcement Program (Title IV-D):	93.563 (*)					
Regular Program:						
2011		106,781	-	-	106,781	-
2012		-	-	399,300	297,477	101,823

*Major Federal Program Awards.

** Major State Program Awards.

POLK COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2012

<u>Federal Grantor Agency/Pass-Through Agency/ Program Title and Year</u>	Federal CFDA #	Accrued (Deferred) Reimbursements 1/1/12	Prior Years Adjustments	Federal Expenditures	Receipts Grant Reimburse- ments	Accrued (Deferred) Reimbursements 12/31/12
<u>Department of Health and Human Services (Continued)</u>						
Passed through Wisconsin Department of Health Services and Great Rivers Income Maintenance Consortium:						
Temporary Assistance for Needy Families: (TANF Cluster)	93.558					
Income Maintenance Contract:						
2012		\$ -	\$ -	\$ 4,635	\$ 3,422	\$ 1,213
Children's Health Insurance Program	93.767					
Income Maintenance Contract:						
2012				26,837	19,814	7,023
Medical Assistance (Medicaid Cluster)	93.778 (*) (**)					
Income Maintenance Contract:						
2012				198,888	146,842	52,046
Passed through Wisconsin Department of Administration:						
Low-Income Home Energy Assistance:	93.568					
Crisis Grants:						
10/1/11-9/30/12		3,278	-	23,564	26,842	-
10/1/12-9/30/13		-	-	7,000	3,412	3,588
Operations:						
10/1/11-9/30/12		4,375	-	19,690	24,065	-
10/1/12-9/30/13		-	-	6,642	1,870	4,772
Child Welfare Services:	93.645					
Youth Aids Community:						
Non-CARS Reporting:						
2011		899	-	-	899	-
2012		-	-	3,837	3,813	24
Foster Care-Title IV-E: **	93.658 (*)					
Youth Aids Community:						
Non-CARS Reporting:						
2011		899	-	-	899	-
2012		-	-	6,261	6,222	39

*Major Federal Program Awards.

** Major State Program Awards.

**POLK COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2012**

<u>Federal Grantor Agency/Pass-Through Agency/ Program Title and Year</u>	<u>Federal CFDA #</u>	<u>Accrued (Deferred) Reimbursements 1/1/12</u>	<u>Prior Years Adjustments</u>	<u>Federal Expenditures</u>	<u>Receipts Grant Reimburse- ments</u>	<u>Accrued (Deferred) Reimbursements 12/31/12</u>
<u>Department of Health and Human Services (Continued)</u>						
Passed through Wisconsin Department of Children and Families:						
Enhance the Safety of Children Affected by Parental Methamphetamine or Other Substance Abuse: 2012	93.087	\$ -	\$ -	\$ 15,000	\$ 15,000	\$ -
Promoting Safe and Stable Families: CW Promoting Safe and Stable Families 2012	93.556			46,350	46,350	
Temporary Assistance to Needy Families: (TANF Cluster) Base Allocation: (TANF Cluster) 2012	93.558			46,236	46,236	
W-2 FSET Admin/Program: (TANF Cluster) 2012				13,834	13,834	
W-2 FSET Services: (TANF Cluster) 2011				-	-	
2012				21,942	21,942	
W-2 FSET Emergency Assistance: (TANF Cluster) 2011				-	-	
2012				6,580	6,580	
CW Kinship Care Program - Benefits: (TANF Cluster) 2012				49,940	49,940	
CW Kinship Care Program - Assessments: (TANF Cluster) 2012				6,940	6,940	
Fraud Prevention and Investigation: (TANF Cluster) 2012				350	350	
Child Care and Development Fund: (CCDF Cluster) 2012	93.596			79,216	79,216	
Chafee Education and Training Vouchers Program (ETV): Youth Independent Living: 2012	93.599			1,538	1,538	
Stephanie Tubbs Jones Child Welfare Services: Base Allocation: 2012	93.645			149,742	149,742	

POLK COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2012

<u>Federal Grantor Agency/Pass-Through Agency/ Program Title and Year</u>	<u>Federal CFDA #</u>	<u>Accrued (Deferred) Reimbursements 1/1/12</u>	<u>Prior Years Adjustments</u>	<u>Federal Expenditures</u>	<u>Receipts Grant Reimburse- ments</u>	<u>Accrued (Deferred) Reimbursements 12/31/12</u>
<u>Department of Health and Human Services (Continued)</u>						
Passed through Wisconsin Department of Children and Families (Continued):						
Foster Care - Title IV-E:	93.658					
Base Allocation **						
2012		\$ -	\$ -	\$ 24,169	\$ 24,169	\$ -
CW Adam Walsh Foster/Adoptive Parents **						
2012		-	-	182	182	-
CW Foster Parent Competency Based Training						
2012		-	-	147	147	-
CW TPR Adoption Services						
2012		-	-	1,321	1,321	-
Human Services Block Grant:	93.667 (*)					
Base Allocation:						
2012		-	-	66,202	66,202	-
Child Care Expansion:	93.674					
Youth Independent Living:						
2012		-	-	18,023	18,023	-
Total Department of Health and Human Services		209,658	-	3,110,141	2,895,959	423,840
<u>Department of Homeland Security</u>						
Passed Through Wisconsin Department of Military Affairs						
Emergency Management Performance Grants:	97.042					
Emergency Government:						
10/1/11-9/30/12		-	21,490	-	21,490	-
10/1/12-9/30/13		-	-	44,087	22,043	22,044
Pre-Disaster Mitigation						
10/1/11-9/30/12	EMC-2009-PC-0003-POLK 97.047	-	-	8,294	8,294	-
Total Department of Homeland Security		-	21,490	52,381	51,827	22,044
TOTAL FEDERAL AWARDS		\$ 296,651	\$ 21,490	3,998,214	\$ 3,393,624	\$ 466,731
<u>Claims Paid to Providers Via Third Party Administrator</u>						
Medical Assistance: (Medicaid Cluster)	93.778 (A) (*) (**)			224,483		
TOTAL FEDERAL AWARD EXPENDITURES				\$ 4,222,697		

*Major Federal Program Awards.

** Major State Program Awards.

(A) See Note 4

**POLK COUNTY, WISCONSIN
SCHEDULE OF STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2012**

<u>State Grantor Agency/ Program Title and Year</u>	<u>State I.D. Number</u>	<u>Accrued (Deferred) Reimbursements 1/1/2012</u>	<u>Prior Years Adjustments</u>	<u>Expenditures</u>	<u>Receipts Grant Reimburse- ments</u>	<u>Accrued (Deferred) Reimbursements 12/31/2012</u>
<u>Department of Agriculture, Trade and Consumer Protection</u>						
Soil and Water Resource Management:						
Soil and Water Resource Management Program:						
Agricultural Clean Sweep:	115.04					
2012		\$ -	\$ -	\$ 14,020	\$ 14,020	\$ -
Basic Allocation:	115.150					
2012		-	-	124,506	124,506	-
LWRM Plan Implementation:	115.40					
2011		3,591	-	-	3,591	-
2012		-	-	28,445	-	28,445
Total Department of Agriculture, Trade and Consumer Protection		3,591	-	166,971	142,117	28,445
<u>Department of Commerce</u>						
Environmental Aids - Private Sewage System:	143.110					
Private Sewage System Grants:						
2012		-	-	12,695	12,695	-
<u>Department of Natural Resources</u>						
Boating Enforcement Aids:	370.550					
2011		-	-	10,210	10,210	-
All-Terrain Vehicle Enforcement Aids:	370.551					
5/1/11-4/30/12		-	-	2,613	2,613	-
Snowmobile Enforcement Aids:	370.552					
5/1/11-4/30/12		-	-	997	997	-
Wildlife Damage Claims and Abatement:	370.553					
Wildlife Damage Program:						
2011		19,625	-	-	19,625	-
2012		-	-	37,542	20,829	16,713

**POLK COUNTY, WISCONSIN
SCHEDULE OF STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED DECEMBER 31, 2012**

<u>State Grantor Agency/ Program Title and Year</u>	<u>State I.D. Number</u>	<u>Accrued (Deferred) Reimbursements 1/1/2012</u>	<u>Prior Years Adjustments</u>	<u>Expenditures</u>	<u>Receipts Grant Reimburse- ments</u>	<u>Accrued (Deferred) Reimbursements 12/31/2012</u>
<u>Department of Natural Resources (Continued)</u>						
Resource Aids:						
County Conservation Aids:	370.563					
2012		\$ -	\$ -	\$ 2,389	\$ 2,389	\$ -
County Forest Wildlife Habitat Improvement Program:	370.564					
2012		-	-	857	857	-
County Forest Loans:	370.567					
2012		-	-	8,223	8,223	-
Urban and Community Forestry:	370.572					
2012		-	-	35,690	35,690	-
Snowmobile Trails and Areas (Transportation Fund):	370.575					
7/1/11-6/30/12	S-4034	(42,925)	-	85,791	42,866	-
7/1/11-6/30/12	S-3901 Supplemental	12,384	-	-	12,384	-
Supplemental Payable	370.TL1					
2012	SAD 48.23	-	-	-	-	-
7/2/12-6/30/13	S-4158	-	-	-	42,925	(42,925)
All-Terrain Vehicles:	370.577					
7/1/11-6/30/12	ATV-2121	-	-	14,085	14,085	-
7/1/11-6/30/12	ATV-2163	-	-	2,430	2,430	-
11/28/11-6/30/14	ATV-2194	-	-	-	4,375	(4,375)
Targeted Runoff Management Program	370.602					
3/26/09-12/31/12	TRC-SC07-48000-09 B	-	-	11,502	11,502	-

**POLK COUNTY, WISCONSIN
SCHEDULE OF STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED DECEMBER 31, 2012**

State Grantor Agency/ Program Title and Year	State I.D. Number	Accrued (Deferred) Reimbursements 1/1/2012	Prior Years Adjustments	Expenditures	Receipts Grant Reimburse- ments	Accrued (Deferred) Reimbursements 12/31/2012
<u>Department of Natural Resources (Continued)</u>						
Lakes Management Grants:	370.663					
10/1/08-12/31/10	AEPP-174-10	\$ 38,098	\$ -	\$ -	\$ 38,098	\$ -
4/1/09-12/31/10	LPL-1297-09	2,500	(2,500)	-	-	-
4/1/09-12/31/10	LPL-1298-09	2,500	-	-	2,500	-
10/1/09-12/31/10	AIRR-073-10	4,136	(150)	-	3,986	-
4/1/10-6/30/11	LPL-1340-10	2,381	-	-	2,381	-
4/1/10-6/30/11	LPL-1341-10	2,290	(258)	-	2,032	-
3/15/11-12/31/12	AIRR-102-11	-	-	5,962	-	5,962
4/1/12-12/31/14	AEPP-352-12	-	-	19,518	12,494	7,024
4/1/12-6/30/13	LPL-1474-12	-	-	13,844	14,543	(699)
4/1/12-6/30/13	LPL-1473-12	-	-	16,081	16,369	(288)
Municipal and County Recycling Grants: 2012	370.670	-	-	159,674	159,674	-
Total Department of Natural Resources		40,989	(2,908)	427,408	484,077	(18,588)
<u>Department of Transportation</u>						
Elderly and Handicapped County Aids:	395.101 (**)					
Elderly and Handicapped Transportation: 2012		-	-	122,320	122,320	-
<u>Department of Corrections</u>						
Community Intervention:	410.302					
7/1/11-6/30/12		1,518	-	3,035	4,553	-
7/1/12-6/30/12		-	-	3,085	2,057	1,028
Community Youth and Family Aids:	410.313					
2011		76,378	-	-	76,378	-
2012		-	-	378,282	375,915	2,367
Total Department of Corrections		77,896	-	384,402	458,903	3,395

**Major State Financial Assistance Program.

**POLK COUNTY, WISCONSIN
SCHEDULE OF STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED DECEMBER 31, 2012**

<u>State Grantor Agency/ Program Title and Year</u>	<u>State I.D. Number</u>	<u>Accrued (Deferred) Reimbursements 1/1/2012</u>	<u>Prior Years Adjustments</u>	<u>Expenditures</u>	<u>Receipts Grant Reimburse- ments</u>	<u>Accrued (Deferred) Reimbursements 12/31/2012</u>
Department of Health Services						
Funeral/Cemetery W-2 and Non W-2:	435.105					
2011		\$ 114,438	\$ -	\$ -	\$ 114,438	\$ -
2012		-	-	(1,507)	(1,507)	-
MA Transportation:	435.131					
2011		(1,111)	-	-	(1,111)	-
Fluoride Supplement:	435.151734					
2011		541	-	-	541	-
2012		-	-	543	1,084	(541)
Fluoride Mouthrinse:	435.151735					
2011		380	-	-	380	-
2012		-	-	1,519	1,519	-
WIC Farmers Market:	435.154720					
2012		-	-	1,484	1,484	-
WWWP-GPR:	435.157000					
2011		4,940	-	-	4,940	-
2012		-	-	19,352	19,759	(407)
Consolidated Contract - CHHD LD:	435.157720					
2011		1,110	-	-	1,110	-
2012		-	-	4,438	4,438	-
TPCP-Com. Interventions - LHD:	435.158125					
2011		52,556	-	-	52,556	-
2012		-	-	95,761	114,660	(18,899)
TCPC - Wisconsin Wins:	435.158127					
2011		15,763	-	-	15,763	-
2012		-	-	12,935	9,234	3,701
Consolidated Contract - MCH:	435.159320					
2011		306	-	-	306	-
2012		-	-	1,224	1,224	-

**POLK COUNTY, WISCONSIN
SCHEDULE OF STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED DECEMBER 31, 2012**

<u>State Grantor Agency/ Program Title and Year</u>	<u>State I.D. Number</u>	<u>Accrued (Deferred) Reimbursements 1/1/2012</u>	<u>Prior Years Adjustments</u>	<u>Expenditures</u>	<u>Receipts Grant Reimburse- ments</u>	<u>Accrued (Deferred) Reimbursements 12/31/2012</u>
<u>Department of Health Services (Continued)</u>						
Reproductive Health:	435.159321					
2011		\$ 5,582	\$ -	\$ -	\$ 5,582	\$ -
2012		-	-	22,327	22,327	-
Low Income Child Admin:	435.231					
2011		(874)	-	-	(874)	-
2012		-	-	661	2,169	(1,508)
FSET Transportation:	435.233					
2011		(662)	-	-	(662)	-
2012		-	-	22	684	(662)
FSET Retention:	435.235					
2011		(178)	-	-	(178)	-
2012		-	-	-	178	(178)
IM Available Allocation State Share:	435.283 (**)					
2012		-	-	140,558	140,558	-
IM Available Allocation Federal Share:	435.284 (**)					
2011		4,082	-	-	4,082	-
Medicaid Subrogation Collections:	435.291					
2011		(9,244)	-	-	(9,244)	-
Adult Protective System:	435.312					
2011		1,981	-	-	1,981	-
2012		-	-	40,136	40,136	-
Community Options Program:	435.367 (**)					
2011		50,098	-	-	50,098	-
2012		-	-	181,826	178,865	2,961
Alzheimer's Family Support:	435.381					
2011		(965)	-	-	(965)	-
2012		-	-	10,655	9,961	694

**Major State Financial Assistance Program.

**POLK COUNTY, WISCONSIN
SCHEDULE OF STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED DECEMBER 31, 2012**

<u>State Grantor Agency/ Program Title and Year</u>	<u>State I.D. Number</u>	<u>Accrued (Deferred) Reimbursements 1/1/2012</u>	<u>Prior Years Adjustments</u>	<u>Expenditures</u>	<u>Receipts Grant Reimburse- ments</u>	<u>Accrued (Deferred) Reimbursements 12/31/2012</u>
<u>Department of Health Services (Continued)</u>						
Children Long Term Support GPR:	435.450 (**)					
2011		\$ 11,390	\$ -	\$ -	\$ 11,390	\$ -
2012		-	-	4,980	4,980	-
Children Long Term Support MH Non-Federal:	435.451 (**)					
2011		(3,576)	-	-	(3,576)	-
2012		-	-	257	257	-
Certified Mental Health Program:	435.517 (**)					
2011		43,128	-	-	43,128	-
2012		-	-	23,084	-	23,084
Children Long Term Support DD Non-Federal Other:	435.460 (**)					
2010		5,059	-	-	5,059	-
2011		-	-	2,881	2,881	-
Children Long Term Support MH Non-Federal Other:	435.461 (**)					
2011		2,028	-	-	2,028	-
2012		-	-	(980)	(980)	-
Children Long Term Support PD Non-Federal Other:	435.462 (**)					
2011		(537)	-	-	(537)	-
2012		-	-	579	579	-
Birth-to-three Initiative:	435.550					
2011		-	6,843	-	6,843	-
2012		-	-	48,082	48,354	(272)
Basic County Allocation:	435.561 (**)					
2012		-	-	990,160	990,160	-
IDP Emergency Funds:	435.567					
2012		-	-	78,454	-	78,454
Community Services and MH Services:						
IMD-OBRA Relocations:	435.571					
2011		23,286	-	-	23,286	-
2012		-	-	21,064	5,266	15,798

**Major State Financial Assistance Program.

**POLK COUNTY, WISCONSIN
SCHEDULE OF STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED DECEMBER 31, 2012**

State Grantor Agency/ Program Title and Year	State I.D. Number	Accrued (Deferred) Reimbursements 1/1/2012	Prior Years Adjustments	Expenditures	Receipts Grant Reimburse- ments	Accrued (Deferred) Reimbursements 12/31/2012
<u>Department of Health Services (Continued)</u>						
Family Support Program:	435.577					
2011		\$ 7,588	\$ -	\$ -	\$ 7,588	\$ -
2012		-	-	41,518	41,518	-
State/County Match:	435.681 (**)					
2012		-	-	130,468	130,468	-
Elder Abuse Services:	435.560490					
2012		-	-	18,024	16,547	1,477
Aging & Disability Resource Center	435.560100 (**)					
2012		-	-	441,419	393,075	48,344
Children Long Term Support DD OTH CWA Admin	435.835 (**)					
2012		-	-	3,573	2,679	894
Children Long Term Support MH AUT CWA Admin	435.838 (**)					
2012		-	-	1,433	-	1,433
Children Long Term Support MH OTH CWA Admin	435.841 (**)					
2012		-	-	3,836	2,877	959
Children Long Term Support PD OTH CWA Admin	435.847 (**)					
2012		-	-	867	650	217
Passed thru Area Agency on Aging:						
State Senior Community Services:	435.560330					
2012		-	-	7,896	5,456	2,440
III-C-1 Congregate Meai Program:	435.560350					
2011		19,440	-	-	19,440	-
2012		-	-	64,771	22,294	42,477
II-C-2 Home Delivered Program:	435.560360					
2012		-	-	3,370	1,394	1,976
Total Department of Health Services		346,549	6,843	2,417,670	2,568,620	202,442

**Major State Financial Assistance Program.

**POLK COUNTY, WISCONSIN
SCHEDULE OF STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED DECEMBER 31, 2012**

<u>State Grantor Agency/ Program Title and Year</u>	<u>State I.D. Number</u>	<u>Accrued (Deferred) Reimbursements 1/1/2012</u>	<u>Prior Years Adjustments</u>	<u>Expenditures</u>	<u>Receipts Grant Reimburse- ments</u>	<u>Accrued (Deferred) Reimbursements 12/31/2012</u>
<u>Department of Children and Families</u>						
W-2 FSET Admin/Program: 1/1/12-12/31/12	437.215	\$ -	\$ -	\$ 13,834	\$ 13,834	\$ -
W-2 FSET Admin: 1/1/12-12/31/12		-	-	21,942	21,942	-
W-2 FSET Emergency Assistance 1/1/12-12/31/12		-	-	6,580	6,580	-
CW Adam Walsh Foster/Adoptive Parents 1/1/12-12/31/12	437.332	-	-	492	492	-
Basic County Allocation 2012	437.3561 (**)	-	-	239,062	239,062	-
Basic County Allocation 2012	437.3681	-	-	42,182	42,182	-
CW WSACWIS Annual Op Maint Fee 2012	437.3604	-	-	(5,619)	(5,619)	-
Child Support Enforcement 2012	437.7502	-	-	26,638	26,638	-
Total Department of Children and Families		-	-	345,111	345,111	-
<u>Department of Justice</u>						
DNA Sample Reimbursement: 2012	455.221	-	-	1,140	1,140	-
Law Enforcement Training: 2012	455.231	-	-	12,594	12,594	-
County Tribal Law Enforcement: 2012	455.263	-	-	14,888	14,888	-
Victim and Witness Assistance Program - A Program Cluster: 2011	455.532	21,207	-	-	21,207	-
2012		-	-	55,309	26,732	28,577
Total Department of Justice		21,207	-	83,931	76,561	28,577

**Major State Financial Assistance Program.

**POLK COUNTY, WISCONSIN
SCHEDULE OF STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED DECEMBER 31, 2012**

<u>State Grantor Agency/ Program Title and Year</u>	<u>State I.D. Number</u>	<u>Accrued (Deferred) Reimbursements 1/1/2012</u>	<u>Prior Years Adjustments</u>	<u>Expenditures</u>	<u>Receipts Grant Reimburse- ments</u>	<u>Accrued (Deferred) Reimbursements 12/31/2012</u>
<u>Department of Military Affairs</u>						
Emergency Planning Grant Program:	465.337					
LEPC Emergency Planning Grant:						
1/1/12-12/31/12		\$ -	\$ -	\$ 1,567	\$ -	\$ 1,567
10/1/10-9/30/11		4,790	-	-	4,790	-
10/1/11-9/30/12		-	-	9,645	4,823	4,822
Total Department of Military Affairs		<u>4,790</u>	<u>-</u>	<u>11,212</u>	<u>9,613</u>	<u>6,389</u>
<u>Department of Veteran Affairs</u>						
County Veterans Services Grant						
2012	485.001	-	-	15,036	10,000	5,036
<u>Department of Administration</u>						
Land Information Training:	505.118					
2012		-	-	300	300	-
Utility Public Benefits - Low Income Assistance:	505.371 (**)					
10/1/11-9/30/12		1,947	-	8,762	10,709	-
10/1/12-9/30/13		-	-	4,921	1,657	3,264
Outreach:	**					
10/1/11-9/30/12		1,863	-	8,386	10,249	-
10/1/12-9/30/13		-	-	4,717	1,381	3,336
WX Operations	**					
10/1/11-9/30/12		2,670	-	12,016	14,686	-
10/1/12-9/30/13		-	-	5,907	1,401	4,506
Crisis Client Services	**					
10/1/11-9/30/12		-	-	4,568	4,568	-
Total Department of Administration		<u>6,480</u>	<u>-</u>	<u>49,577</u>	<u>44,951</u>	<u>11,106</u>
Total State Financial Assistance		<u>\$ 501,502</u>	<u>\$ 3,935</u>	<u>4,036,333</u>	<u>\$ 4,264,968</u>	<u>\$ 261,766</u>
<u>Claims Paid to Providers Via Third Party Administrator</u>						
Children's Long Term Support	(A) (**)			149,157		
TOTAL STATE FINANCIAL ASSISTANCE EXPENDITURES				<u><u>\$ 4,185,490</u></u>		

**Major State Financial Assistance Program.
(A) See Note 4

**POLK COUNTY, WISCONSIN
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
DECEMBER 31, 2012**

NOTE 1 REPORTING ENTITY

Polk County (the 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 PASSED THROUGH TO SUBRECIPIENTS

During 2012, the County passed through a Community Development Block Grant to the Regional Business Fund who administered the program to the subrecipient, Engineered Plastic Components, Inc., in the amount of \$456,000. The County did not pass any other federal awards through to subrecipients.

**POLK COUNTY, WISCONSIN
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
DECEMBER 31, 2012**

NOTE 4 CLAIMS PAID VIA THRID PARTY ADMINISTRATOR

Amounts shown as paid via Third Party Administrator (TPA) are payments made by a TPA for County authorized services. The TPA makes payments directly to service providers, and receives reimbursement for these services directly from the Wisconsin Department of Health Services (DHS). The activity between the TPA and service providers is not recorded in the County's financial accounting system; however, DHS guidance dictates that these transactions are to be included in the Schedules of Expenditures of Federal Awards and State Financial Assistance.

NOTE 5 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, 2012 accrued (deferred) reimbursement balances of the individual programs based on subsequent funding of the programs in 2012 and/or adjustment of accruals resulting from prior year audit findings.

NOTE 6 REPORT REISSUANCE

The schedule of expenditures of federal awards and the Independent Auditors' Report On Compliance With Requirements That Could Have A Direct And Material Effect On Each Major Program, On Internal Control Over Compliance, and On The Schedules of Expenditures of Federal Awards and State Financial Assistance In Accordance With *OMB Circular A-133* and *State Single Audit Guidelines* have been reissued to include federal programs that were omitted from the previously issued schedule of expenditures of federal awards. Additional procedures were performed on the following major program: CFDA #14.228 – Community Development Block Grant.

**POLK COUNTY, WISCONSIN
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2012**

A. MAJOR FEDERAL PROGRAM AWARDS

FINDING 2011-2 Schedule of Expenditures of Federal Awards Identification:

Subsequent to the issuance of the County's 2011 financial statements the State of Wisconsin alerted the County that their schedule of expenditures of federal awards (SEFA) did not include a federal grant that was passed directly from the State to a third party.

STATUS:

During our testing of 2012 Federal programs, we noted the same issue reoccurring with a CFDA #14.228 – Community Development Block Grant program. See current year Finding 2012-04 for details.

B. MAJOR STATE FINANCIAL ASSISTANCE PROGRAMS

None

C. STATE GENERAL REQUIREMENTS

None



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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**

Honorable Members
of the Board of Supervisors
Polk County, Wisconsin

We have audited, in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, 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, 2012, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated January 21, 2014.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control that we consider to be material weaknesses.

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 2012-01, 2012-02, 2012-03, and 2012-04 to be material weaknesses.



Honorable Members
of the Board of Supervisors
Polk County, Wisconsin

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from 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 Response to Findings

The County's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. The County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Eau Claire, Wisconsin
January 21, 2014



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

Honorable Members
of the Board of Supervisors
Polk County, Wisconsin

Report on Compliance for Each Major Federal and State Program

We have audited Polk County, Wisconsin's (County) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2012. 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.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal and state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and the *State Single Audit Guidelines*, issued by the Wisconsin Department of Administration. Those standards, OMB Circular A-133 and state guidelines require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

Honorable Members
of the Board of Supervisors
Polk County, Wisconsin

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination on the County's compliance.

Basis for Qualified Opinion on State Programs

As described in the accompanying schedule of findings and questioned costs, the County did not comply with requirements regarding the State of Wisconsin Community Options Program, State I.D. number 435.367, as described in finding number 2012-05 for eligibility. Compliance with such requirements is necessary, in our opinion, for the County to comply with requirements applicable to that program.

As described in the accompanying schedule of findings and questioned costs, the County did not comply with requirements regarding the State of Wisconsin Children's Long-Term Support Program, State I.D. number 435.835, as described in finding number 2012-06 for eligibility. Compliance with such requirements is necessary, in our opinion, for the County to comply with requirements applicable to that program.

Qualified Opinion on State Programs

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraphs, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the State of Wisconsin's Community Options and Children's Long-Term Support Programs for the year ended December 31, 2012.

Unmodified Opinion on Each of the Other Major Federal and State Programs

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on to each of its major federal and state programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended December 31, 2012.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and State Single Audit Guidelines and which are described in the accompanying schedule of findings and questioned costs as items 2012-05 and 2012-06. Our opinion on each major federal program is not modified with respect to these matters.

The County's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

This report is replacing a previously issued report originally dated June 27, 2013. Subsequent to the issuance of the original report, it was determined that the schedule of expenditures of federal awards incorrectly omitted a federal program. This report is being reissued to correct the omission and file a complete schedule. No changes to this report resulted from the reissuance.

Report on Internal Control over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and State Single Audit Guidelines, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a deficiency in internal control over compliance that we consider to be a material weakness.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2012-05 and 2012-06 to be material weaknesses.

Polk County's responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on these responses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the result of that testing based on the requirements of OMB Circular A-133 and *State Single Audit Guidelines*. Accordingly, this report is not suitable for any other purpose.

Honorable Members
of the Board of Supervisors
Polk County, Wisconsin

**Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133 and
Schedule of State Financial Assistance Required by State Single Audit Guidelines**

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 as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise Polk County's basic financial statements. We issued our report thereon dated January 21, 2014, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards and schedule of state financial assistance are presented for purposes of additional analysis as required by OMB Circular A-133 and State Single Audit Guidelines, respectively, and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards and schedule of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.



CliftonLarsonAllen LLP

Eau Claire, Wisconsin
January 21, 2014

**POLK COUNTY, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
DECEMBER 31, 2012**

PART I: SUMMARY OF AUDITOR'S RESULTS

1. The auditors' report expresses an unqualified opinion on the basic financial statements of the County.
2. Material weaknesses in internal control over financial reporting were disclosed during the audit of the basic financial statements of Polk County and reported in the "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*", and are reported as items 2012-01, 2012-02, 2012-03, and 2012-04.
3. No instances of noncompliance material to the financial statements of the County were disclosed during the audit.
4. Two instances involving internal control over compliance relating to the audit of a major state program was reported in the "Independent Auditors' Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program, on Internal Control Over Compliance, and on the Schedules of Expenditures of Federal Awards and State Financial Assistance in Accordance with OMB Circular A-133 and State Single Audit Guidelines." We consider items 2012-05 and 2012-06 to be material weaknesses.
5. The independent auditors' report on compliance for the major federal award programs and the major state financial assistance programs for the County expresses qualified opinions on the State of Wisconsin Community Options and Children's Long-Term Support Programs and an unmodified opinion on each of the other major federal and state programs.
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 state financial assistance 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, 2012**

PART II: FINDINGS RELATED TO THE FINANCIAL STATEMENTS:

FINDING: 2012-01 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 that would enable management to conclude its annual financial statements and related footnote disclosures are complete and presented in accordance with Generally Accepted Accounting Principles (GAAP).

Context: The County has informed us that they do not have an internal control policy in place over the annual financial reporting and that they do not have the necessary staff and expertise to prevent or detect a material misstatement in the annual financial statements including footnote disclosures.

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: 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.

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.

CORRECTIVE ACTION PLAN (CAP):

Explanation of Disagreement with Audit Findings
There is no disagreement with the audit finding.

Actions Planned in Response to Finding:
The County will continue to rely upon the audit firm to prepare their financial statements in a format compatible with GAAP. Management will review the financial statements prior to issuance. The County Administrator is the official responsible for ensuring corrective action of the deficiency.

Planned Completion Date for CAP:
The CAP is ongoing.

Plan to Monitor Completion of CAP:
The County Administrator will be monitoring this corrective action plan.

**POLK COUNTY, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
DECEMBER 31, 2012**

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

FINDING: 2012-02 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.
- Context:** The County has informed us that they will continue to rely upon the audit firm to propose such audit adjustments as are necessary to adjust accounts in accordance with Generally Accepted Accounting Principles (GAAP). Management will review and approve those entries prior to recording them.
- Cause:** The County has not established controls to ensure that all accounts are adjusted to their appropriate year end balances in accordance with GAAP.
- Effect:** The potential exists that financial statements of the County may include inaccurate information not detected or prevented by County staff.
- 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.

CORRECTIVE ACTION PLAN (CAP):

Explanation of Disagreement with Audit Findings

There is no disagreement with the audit finding.

Actions Planned in Response to Finding:

The County will continue to rely upon the audit firm to propose audit adjustments necessary to adjust accounts in accordance with GAAP. Management will review and approve these entries prior to recording them. The Finance Director is the official responsible for ensuring corrective action of the deficiency.

Planned Completion Date for CAP:

The CAP is ongoing.

Plan to Monitor Completion of CAP:

The County Administrator will be monitoring this corrective action plan.

**POLK COUNTY, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
DECEMBER 31, 2012**

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

FINDING: 2012-03 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.

Context: The limited size of the County's limited staff in some departments responsible for accounting and financial duties precludes a complete segregation of incompatible duties. The County has informed us that it may not be cost effective to hire the additional personnel required to achieve complete segregation of duties.

Cause: The condition is due to limited staff available.

Effect: The potential exists that the design of the internal controls over financial reporting could affect the ability of the County to record, process, summarize and report financial data consistently with the assertions of management in the financial statements. In addition, this lack of segregation of duties may result in the County's inability to prevent /detect misappropriation of County assets.

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

CORRECTIVE ACTION PLAN (CAP):

Explanation of Disagreement with Audit Findings

There is no disagreement with the audit finding.

Actions Planned in Response to Finding:

The County continues to work to achieve segregation of duties whenever cost effective. The Finance Director is the official responsible for ensuring corrective action of the deficiency.

Planned Completion Date for CAP:

The CAP is ongoing.

Plan to Monitor Completion of CAP:

The County Administrator will be monitoring this corrective action plan.

Compensating Controls and Mitigating Factors:

The cash disbursements process includes approval of the disbursement by the department head and approval of each voucher and coding by the finance department. The payroll disbursements process includes board approval of all contracts and hourly wage rates, supervisor approval of timesheets, and review of coding by payroll personnel. The receipts process includes pre-numbering, a restrictive endorsement stamp, and a reconciliation of departmental deposits performed by the Treasurer. In addition to the above, each department head and members of administration monitor budget to actual reports on a regular basis in order to identify unusual variances or activities.

**POLK COUNTY, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
DECEMBER 31, 2012**

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

FINDING: 2012-04 Schedule of Expenditures of Federal Awards Identification

- Criteria:** As part of sound financial controls the County should have procedures in place to identify all federal award programs in which the County has received funding.
- Condition:** Subsequent to the issuance of the County's financial statements, the State of Wisconsin alerted the County their schedule of expenditures of federal awards (SEFA) did not include a federal grant that was passed through to a third party.
- Context:** One grant program administered by a third party was identified as not being included in the SEFA. The gross grant revenue and expenditures were also not properly reported in the County's financial statements.
- Cause:** The grant funds were received by the County and then subsequently disbursed in full to the third party administrator. The receipt and disbursements transactions were both recorded in the same accounts payable general ledger account and therefore, netted to zero. Due to where recorded and the netting effect, the grant program was not identified for inclusion in the SEFA.
- Effect:** The County did not have a complete and accurate financial statements and SEFA issued for the year ended December 31, 2012.
- Recommendation:** We recommend that the County review policies and procedures to ensure all federal grants are identified and reported.

CORRECTIVE ACTION PLAN (CAP):

Explanation of Disagreement with Audit Findings

There is no disagreement with the audit finding.

Actions Planned in Response to Finding:

The County is working on implementing procedures to ensure federal grants are identified properly.

Official Responsible for Ensuring CAP:

The Finance Director is the official responsible for ensuring corrective action of the deficiency.

Planned Completion Date for CAP:

The CAP is ongoing and will be repeated on an as-needed basis.

Plan to Monitor Completion of CAP:

The County Administrator will be monitoring this corrective action plan.

**POLK COUNTY, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
DECEMBER 31, 2012**

PART III: FINDINGS RELATED TO MAJOR FEDERAL AWARD PROGRAMS: None

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

FINDING: 2012-05 **Claim Made Against State Community Options Program, Grant Year 2012, State ID = 435.367, Improper Eligibility Determination**

Criteria: A county is not to bill the Community Options Program (COP) for services provided to a participant who is not eligible for COP service funding as determined by the COP Uniform Cost Sharing Plan tools.

Condition: The County did not prepare an Individual Service Plan or complete a COP eligibility and cost sharing worksheet for one client receiving services.

Questioned Cost: The net questioned cost is \$-0-. The County had billed and received \$1,745 during 2012 for this client. During preliminary compliance testing for the annual audit, it was found that the County had not prepared the Individual Service Plan or the eligibility and cost sharing worksheet. The County made an adjustment to its final claim report for 2012 to remove these costs from the claimed expenditures for 2012.

Context: Total population of COP cases was 15. Cases selected for testing were 3 (20%).

Cause: Case worker did not follow requirements of the program for determining eligibility.

Effect: The County received reimbursement from the COP for an individual who was not eligible. The issue was identified prior to and adjusted within the final claim filed for 2012.

Recommendation: We recommend that the County have procedures in place to ensure all required documentation is completed before payments are made for individuals under the Community Options Program.

CORRECTIVE ACTION PLAN (CAP):

Explanation of Disagreement with Audit Findings
There is no disagreement with the audit finding.

Actions Planned in Response to Finding:
The County is working on implementing procedures to ensure that eligibility and other requirements are completed and documented before expenditures are incurred under COP. The Finance Director is the official responsible for ensuring corrective action of the deficiency.

Planned Completion Date for CAP:
The CAP is ongoing and will be repeated on an as-needed basis.

Plan to Monitor Completion of CAP:
The County Administrator will be monitoring this corrective action plan.

**POLK COUNTY, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
DECEMBER 31, 2012**

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

FINDING: 2012-06 Required six-month Individual Services Plan reviews were not conducted for the Children's Long Term Support Program, Grant Year 2012, State ID = 435.835, Improper Eligibility Determination

Criteria: A county is to review Individual Service Plans (ISP) for the Children's Long-Term Support (CLTS) every six months in a face-to-face meeting with the participant and his/her guardian.

Condition: The County did not conduct a six month review for one client receiving CLTS services.

Questioned Cost: The client had their annual rectification and ISP reviewed in February 2012. The ISP was again reviewed with the client and guardian in June 2012. No six month ISP review was conducted in December 2012 as required. The client remained a client of the County in January 2013, and any costs reported in 2013 would be questioned. However, because the period of ineligibility is in 2013, the questioned costs for 2012 are \$-0-.

Context: Total population of CLTS cases was 66. Cases selected for testing were 8 tested.

Cause: Case worker did not follow the requirements for reviewing ISPs with clients and their parent/guardian.

Effect: The County could receive reimbursement from CLTS for an individual who was not eligible

Recommendation: We recommend that the county have procedures in place to ensure all ISPs are reviewed in the required time period before payments are made for individuals under the Children's Long-Term Support program.

CORRECTIVE ACTION PLAN (CAP):

Explanation of Disagreement with Audit Findings
There is no disagreement with the audit finding.

Actions Planned in Response to Finding:
The County is working on implementing procedures to ensure that ISPs are reviewed in the required time period, before expenditures are incurred under CLTS. The Finance Director is the official responsible for ensuring corrective action of the deficiency.

Planned Completion Date for CAP:
The CAP is ongoing and will be repeated on an as-needed basis.

Plan to Monitor Completion of CAP:
The County Administrator will be monitoring this corrective action plan.

**POLK COUNTY, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
DECEMBER 31, 2012**

PART V: FINDINGS RELATED TO STATE GENERAL REQUIREMENTS:

None

**POLK COUNTY, WISCONSIN
SUMMARY OF FEDERAL AND STATE PROGRAMS TESTED AS MAJOR PROGRAMS
DECEMBER 31, 2012**

FEDERAL PROGRAMS

The following federal programs were tested as major programs:

CFDA #	Program Title	Amount
93.563	Child Support Title IV-D	\$ 399,300
93.667	Social Services Block Grant	209,813
93.778	Medical Assistance Program	1,434,716
14.228	Community Development Block Grant	456,000
		<u>\$ 2,499,829</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:		
395.101	Elderly and Disabled Transportation Aids	\$ 122,320
435.283	IM Available Allocation-State Share	140,558
435.367	Community Options Program	181,826
435.450	Children Long Term Support GPR	4,980
435.451	Children Long Term Support MH Non-Federal	257
435.460	Children Long Term Support DD Non-Federal Other	2,881
435.461	Children Long Term Support MH Non-Federal Other	(980)
435.462	Children Long Term Support PD Non-Federal Other	579
435.517	Children Long Term Support Certified Mental Health	23,084
435.560100	Aging and Disability Resource Center	441,419
435.561	Basic County Allocation	990,160
435.681	Community Services and MH Services - State/County Match	130,468
435.835	Children Long Term Support DD OTH CWA Admin	3,573
435.838	Children Long Term Support MH AUT CWA Admin	1,433
435.841	Children Long Term Support MH OTH CWA Admin	3,836
435.847	Children Long Term Support PD OTH CWA Admin	867
(A)	Children Long Term Support Paid Via Third Party Administrator	149,157
437.3561	Basic County Allocation	239,062
505.371	WHEAP	49,277
		<u>\$ 2,484,757</u>
Federal Programs on Schedule of Expenditures of Federal Awards:		
93.778	Medical Assistance Program - Human Services Contract	44,763
93.778	Medical Assistance Program - Income Maintenance	198,888
93.778	Medical Assistance Program - Income Maintenance Outreach	22,020
93.778	Medical Assistance Program - Case Management	64,134
93.778	Medical Assistance Program - WI Medicare Cost Reporting	465,234
93.778	Medical Assistance Program - Claims Paid by Third Party Administrator	224,483
93.778	Medical Assistance Program - ADRC Contract	351,313
		<u>1,370,835</u>
		<u>\$ 3,855,592</u>