

WILL COUNTY, ILLINOIS

REPORT ON FEDERAL AWARDS

For the Year Ended November 30, 2010

WILL COUNTY, ILLINOIS

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS

To Members of the County Board
Will County, Illinois

We have audited the financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Will County, Illinois as of and for the year ended November 30, 2010 and have issued our report thereon dated July 27, 2011. Our report was modified to include a reference to other auditors and state that the County adopted the provisions of GASB Statement No. 61 and revised its capital asset policy, which resulted in a restatement of net assets. 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. Other auditors audited the financial statements of the Forest Preserve District of Will County, and the Will County Public Building Commission, Circuit Clerk fund, as described in our report on Will County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the Forest Preserve District of Will County and the Will County Public Building Commission were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Will 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 Will County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Will County's internal control over financial reporting.

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

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified a certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies in internal control over financial reporting. These significant deficiencies are items 2010-1 and 2010-2. *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.

To Members of the County Board
Will County, Illinois

Compliance and Other Matters

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

We noted certain matters that we reported to management of Will County in a separate letter dated July 27, 2011.

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

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

Baker Tilly Vichow Krause, LLP

Oak Brook, Illinois
July 27, 2011



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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL
EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133
AND THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

To Members of the County Board
Will County, Illinois

Compliance

We have audited Will County's 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 Will County's major federal programs for the year ended November 30, 2010. Will County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Will County's management. Our responsibility is to express an opinion on Will 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 Will 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 Will County's compliance with those requirements.

In our opinion, Will County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended November 30, 2010. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2010-2 and 2010-3.

To Members of the County Board
Will County, Illinois

Internal Control Over Compliance

Management of Will County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Will County's internal control over compliance with requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of the internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Will 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.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Will County, Illinois as of and for the year ended November 30, 2010, and have issued our report thereon dated July 27, 2011. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise Will County's basic financial statements. Our report was modified to include a reference to other auditors and state that the county adopted the provisions of GASB Statement No. 61 and revised its capital asset policy, which resulted in a restatement of net assets. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

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

Baker Tilly Vuchow Krause, LLP

Oak Brook, Illinois
August 29, 2011, except for the schedule of expenditures
of federal awards, as to which the date is July 27, 2011

WILL COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended November 30, 2010

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Number	Expenditures
U. S. DEPARTMENT OF AGRICULTURE			
<i>Passed Through Illinois Department of Human Services</i>			
Special Supplemental Nutrition for Women, Infants and Children	10.557	10CL001775/10	\$ 746,665
Special Supplemental Nutrition for Women, Infants and Children	10.557	10CM001775/11	501,000
Special Supplemental Nutrition for Women, Infants and Children (Non Cash)	10.557	10CL001775/10	4,752,888
Breastfeeding Peer Counseling	10.557	10CL001775/10	19,700
Breastfeeding Peer Counseling	10.557	10CM001775/11	24,000
Total Special Supplemental Nutrition for Women, Infants and Children			6,044,253
Child Nutrition Cluster:			
<i>Passed Through Illinois Department of Public Health</i>			
Summer Food Program for Children	10.559	95280837	3,875
<i>Passed Through Illinois Department of Education</i>			
School Breakfast Program	10.553	2009	26,934
National School Lunch Program	10.555	2009	52,528
National School Lunch Program - Commodities	10.555	2009	5,513
Total National School Lunch Program			58,041
Total Child Nutrition Cluster			88,850
TOTAL U. S. DEPARTMENT OF AGRICULTURE			6,133,103
U. S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT			
CDBG-Entitlement Grants Cluster			
Community Development Block Grant	14.218*	B-09-UC-17-0006	1,097,906
ARRA - Community Development Block Grant	14.253*	B-09-UY-17-0006	393,892
Neighborhood Stabilization Grant	14.218*	B-08-UN-17-0007	4,936,863
Total CDBG-Entitlement Grants Cluster			6,428,661
HOME Investment Partnership Program	14.239	M-10-UC-17-0211	376,511
ARRA - Homelessness Prevention and Rapid Re-Housing Program	14.257	S-09-UY-17-00006	372,413
Lead Hazard Reduction Demonstration Grant	14.905	ILLHD0179-07	644,194
Lead II Hazard Reduction Demonstration Grant	14.905	ILLHB0444-09	259,794
Total Lead Hazard Reduction Demonstration Grant Program			903,988
TOTAL U. S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT			8,081,573
U. S. DEPARTMENT OF INTERIOR, NATIONAL PARK SERVICE			
<i>Passed Through Illinois Historic Preservation Agency</i>			
Will County Rural Survey	15.904	IL2010183	32,775
Will County Educational Programming	15.904	CL20090167	2,704
Total U. S. DEPARTMENT OF INTERIOR, NATIONAL PARK SERVICE			35,479
U. S. DEPARTMENT OF JUSTICE			
State Criminal Alien Assistant Program (SCAAP)	16.606	APBX0815	124,241
<i>Passed Through Illinois Criminal Justice Information Authority</i>			
Juvenile Crime Prevention Grant	16.523	508017/10	23,011
Crime Victim Assistance:			
Child Advocacy Center Services Program - Counselor Grant	16.575	209055	24,844
Child Advocacy Center Services Program - Counselor Grant	16.575	210055	17,352
Child Advocacy Center Services Program - Case Manager Grant	16.575	209223	23,105
Total Crime Victim Assistance			65,301

See accompanying notes to schedule of expenditures of federal awards.

* Indicates major program.

WILL COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended November 30, 2010

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Number	Expenditures
U. S. DEPARTMENT OF JUSTICE (cont.)			
<i>Passed Through Illinois Criminal Justice Information Authority (cont.)</i>			
Edward Byrne Memorial Formula Grant Program:			
Byrne Memorial Justice Assistance Grant	16.738/803	408027	\$ 33,132
Byrne Memorial Justice Assistance Grant	16.738/803	407027	99,396
Total Edward Byrne Memorial Formula Grant Program			<u>132,528</u>
Edward Byrne Memorial Justice Assistance Grant Program			
Byrne Formula Grant - Probation Continuum of Care	16.738	809046	77,829
Byrne Formula Grant - Probation Continuum of Care	16.738	407150	19,720
Expanding Multi-Jurisdictional Narcotics Units	16.738	407004	104,733
Expanding Multi-Jurisdictional Narcotics Units	16.738	809104	34,911
Total Edward Byrne Justice Assistance Grant Program			<u>237,193</u>
<i>Passed Through Office of Justice Programs</i>			
Encouraging Arrest Policies and Enforcing Orders of Protection	16.590	2006-WEAX-0058	<u>372,353</u>
Missing Children's Assistance			
National Children's Alliance - Program Supplementary Grant	16.543	JOLI-IL-SA10	10,000
National Children's Alliance - Program Supplementary Grant	16.543	#005-JOLI-IL-PS-09	5,000
Total National Children's Alliance - Program Supplementary Grant			<u>15,000</u>
TOTAL U. S. DEPARTMENT OF JUSTICE			<u>969,627</u>
U.S. DEPARTMENT OF ENERGY			
ARRA-Energy Efficiency Conservation Block Grant	81.128*	EE0000823	<u>2,129,248</u>
U.S. DEPARTMENT OF HOMELAND SECURITY			
<i>Passed Through Illinois Emergency Management Agency</i>			
Emergency Management Assistance Grant Program	97.042	2010 Grant	<u>90,764</u>
Interoperable Emergency Communication Grant	97.001	2010 Grant	<u>95,000</u>
Homeland Security Grant Program			
Emergency Operations Center Technology Grant	97.067	2010 Grant	141,122
Citizen Corps Program Grant	97.067	2009 grant	5,550
Total Homeland Security Grant Program			<u>146,672</u>
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY			<u>332,436</u>
U. S. DEPARTMENT OF HEALTH & HUMAN SERVICES			
<i>Passed Through Illinois Department of Healthcare and Family Services</i>			
Public Health Emergency Preparedness			
Public Health Emergency Response PHER I	93.069*	00007181215/11	329,543
Public Health Emergency Response PHER II	93.069*	00007181215/11	27,154
Public Health Emergency Response PHER III	93.069*	00007181310/11	261,776
Public Health Emergency Preparedness	93.069*	00007181093/10	302,900
Public Health Emergency Preparedness	93.069*	00007181093/11	150,643
Cities Readiness Initiative	93.069*	00007181121/10	77,144
Cities Readiness Initiative	93.069*	00007181121/11	4,627
Total Public Health Emergency Preparedness			<u>1,153,787</u>

See accompanying notes to schedule of expenditures of federal awards.

* Indicates major program.

WILL COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended November 30, 2010

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Number	Expenditures
U. S. DEPARTMENT OF HEALTH & HUMAN SERVICES (cont.)			
<i>Passed Through Illinois Department of Healthcare and Family Services (cont.)</i>			
ARRA Health Center Integrated Services Development Initiative			
ARRA - Increased Services to Health Centers	93.703	1H8BCS12341-01	\$ 224,688
ARRA - Capital Improvement Program	93.703	1C81CS14329-01	<u>174,412</u>
Total ARRA Health Center Integrated Service Development Initiative			<u>399,100</u>
Immunization Cluster			
Vaccine for Children	93.268	95180584/09	3,481
Vaccine for Children	93.268	05180775/10	49,601
ARRA Immunization	93.712	05180402/10	<u>42,143</u>
Total Immunization Cluster			<u>95,225</u>
Project Grants and Cooperative Agreements for Tuberculosis Control Programs:			
Direct Observed Therapy Services	93.116	5180458	<u>11,750</u>
Consolidated Health Centers			
Community Health Center Grant	93.224*	6H80CS00476-08	225,467
Community Health Center Grant	93.224*	6H80CS00476-09	<u>793,128</u>
Total Consolidated Health Centers			<u>1,018,595</u>
Maternal and Child Health Service Block Grant:			
Oral Health Program	93.994	03480177/10	<u>7,687</u>
<i>Passed Through Illinois Department of Human Services</i>			
Family Planning Services:			
Family Planning Grant- Title X	93.217	10CL001775/10	60,260
Family Planning Grant -Title X	93.217	10CM001775/11	<u>76,344</u>
Total Family Planning Grant -Title X			<u>136,604</u>
Social Services Block Grant			
Family Planning Grant- Title XX	93.667	10CL001775/10	64,100
Family Planning Grant- Title XX	93.667	10CM001775/11	30,224
Family Case Management-High Risk	93.667	10CL001775/10	20,900
Teen Parent Services	93.667	10CL001775/10	10,000
Donated Funds Initiative	93.667	10CM001775	18,020
Donated Funds Initiative	93.667	10CL001775	<u>23,330</u>
Total Social Services Block Grant			<u>166,574</u>
Temporary Assistance for Needy Families Cluster			
Healthy Family Illinois	93.558	10CL001775/10	153,154
Healthy Family Illinois	93.558	10CM001775/11	56,200
ARRA – Emergency Contingency Fund for Temporary Assistance for Needy Families (TANF) State Program	93.714	10-071010	<u>357,733</u>
Total Temporary Assistance for Needy Families Cluster			<u>567,087</u>
Child Care and Development Block Grant			
Healthy Child Care - Social Services Block Grant	93.575	10CL001775/10	15,000
Healthy Child Care - Social Services Block Grant	93.575	10CM001775/11	<u>25,000</u>
Total Child Care and Development Block Grant			<u>40,000</u>
Maternal and Child Health Services Block Grant			
Healthy Child Care	93.994	10CL001775/10	<u>20,000</u>
Block Grants for Prevention and Treatment of Substance Abuse			
Substance Abuse Prevention and Treatment Block Grant	93.959	10CL001775	<u>50,365</u>

See accompanying notes to schedule of expenditures of federal awards.

WILL COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended November 30, 2010

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Number	Expenditures
U. S. DEPARTMENT OF HEALTH & HUMAN SERVICES (cont.)			
<i>Passed Through Illinois Department of Mental Health & Development</i>			
Projects for Assistance in Transition from Homelessness			
Homeless Case Management	93.150	10CL001775/10	\$ 61,124
Homeless Case Management	93.150	10CM001775/11	<u>43,663</u>
Total Projects for Assistance in Transition from Homelessness			<u>104,787</u>
Block Grants for Community Mental Health Services			
Special Projects-1111	93.958	10CM001775/11	40,000
Special Projects-1112	93.958	10CL001775/10	35,000
Special Projects-1112	93.958	10CM001775/11	20,000
Community Mental Health Services Block Grant - Psychological Services	93.958	10CL001775/11	<u>99,817</u>
Total Block Grants for Community Mental Health Services			<u>194,817</u>
<i>Passed Through Illinois Department of Public Aid</i>			
Medical Assistance Program:			
Family Case Management Refund	93.778	WCHD	543,250
FQHC Federal Financial Participation	93.778	2007	<u>73,245</u>
Total Medical Assistance Program			<u>616,495</u>
Child Support Enforcement	93.563	2010	<u>51,619</u>
<i>Passed Through Illinois Department of Public Health</i>			
Center for Disease Control and Prevention Investigations and Technical Assistance			
West Nile Virus Vector Surveillance Grant	93.283	95380232	<u>5,526</u>
TOTAL U. S. DEPARTMENT OF HEALTH & HUMAN SERVICES			<u>4,640,018</u>
U. S. DEPARTMENT OF TRANSPORTATION			
<i>Passed Through Illinois Emergency Management Agency</i>			
Interagency Hazardous Materials Public Sector Training and Planning Grants			
Hazardous Materials Emergency Preparedness Grant Program	20.703	2010 grant	<u>73,705</u>
<i>Passed Through Illinois Department of Transportation</i>			
Highway Planning & Construction	20.205	07-00117-13-FP	2,152
Highway Planning & Construction	20.205	01-00051-04-BR	2,159
Highway Planning & Construction	20.205	04-00069-18-BR	11,731
Highway Planning & Construction	20.205	04-00090-07-EG/BR	58,506
Highway Planning & Construction	20.205	01-00133-08-BR	12,099
Highway Planning & Construction	20.205	01-00056-15-BR	28,030
Highway Planning & Construction	20.205	08-00138-28-TL	<u>18,464</u>
Total Highway Planning & Construction			<u>133,141</u>

See accompanying notes to schedule of expenditures of federal awards.

WILL COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended November 30, 2010

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Number	Expenditures
U. S. DEPARTMENT OF TRANSPORTATION (cont.)			
<i>Passed through National Highway Traffic Safety Administration</i>			
Highway Safety Cluster			
Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grants			
Local Alcohol Program (LAP)	20.601	ALI-0099-133	\$ 23,728
Local Alcohol Program (LAP)	20.601	AL8-0099-265	152,512
State and Community Highway Safety/Safety Belt Performance Grants			
Holiday Mobilization Grant	20.600/609	AL9-0099-562	22,083
Total Highway Safety Cluster			<u>198,323</u>
TOTAL U. S. DEPARTMENT OF TRANSPORTATION			<u>405,169</u>
U. S. ENVIRONMENTAL PROTECTION AGENCY			
Performance Partnership Grants			
Non-Comm. Public Water Supply	66.605	05380381/10	<u>22,617</u>
<i>Passed Through Illinois Environmental Protection Agency</i>			
State Indoor Radon Grants			
Radon Awareness	66.032	100WILLCOHD	<u>3,047</u>
Capitalization Grants for Clean Water State Revolving Funds			
ARRA-Wastewater State Revolving Fund	66.458 *	L174533	312,220
Wastewater State Revolving Fund	66.458 *	L174533	42,685
ARRA-Drinking Water State Revolving Fund	66.468 *	L172918	1,168,312
Drinking Water State Revolving Fund	66.468 *	L172918	<u>725,301</u>
TOTAL U. S. ENVIRONMENTAL PROTECTION AGENCY			<u>2,274,182</u>
U.S. ELECTION ASSISTANCE COMMISSION			
Help America Vote Act	90.401	2010	<u>2,250</u>
U.S. DEPARTMENT OF LABOR			
<i>Passed through Illinois Department of Commerce & Economic Opportunity</i>			
Trade Adjustment Assistance			
PY09 TAA	17.245	09-661010	159,274
PY10 TAA	17.245	10-661010	8,082
PY10 TGAAA	17.245	10-662010	144,651
Total Trade Adjustment Assistance			<u>312,007</u>

See accompanying notes to schedule of expenditures of federal awards.

WILL COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended November 30, 2010

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Number	Expenditures
U.S. DEPARTMENT OF LABOR (cont.)			
<i>Passed through Illinois Department of Commerce & Economic Opportunity (cont.)</i>			
WIA Cluster			
PY07 Incentives	17.255*	07-632010	\$ 41,041
PY09 Admin	17.255*	09-681010	83,521
ARRA PY08 Admin	17.255*	08-761010	269,422
ARRA PY08 Admin	17.255*	08-762010	<u>205,886</u>
Total WIA			<u>599,870</u>
WIA Adult Program			
PY10 Adult	17.258*	10-681010	183,194
PY09 Adult	17.258*	09-681010	906,988
ARRA PY 08 Adult	17.258*	08-761010	<u>440,058</u>
Total WIA Adult Program			<u>1,530,240</u>
WIA Youth Activities			
PY 09 Youth O/S	17.259*	09-681010	1,098,451
PY 09 Youth I/S	17.259*	09-681010	7,260
PY10 Youth O/S	17.259*	10-681010	447,332
PY10 Youth I/S	17.259*	10-681010	1,891
ARRA PY08 - DNR Youth	17.259*	08-735510	19,378
ARRA PY08 Youth O/S	17.259*	08-762010	304,218
ARRA PY08 Youth I/S	17.259*	08-762010	<u>15,448</u>
Total WIA Youth Activities			<u>1,893,978</u>
WIA Dislocated Worker Activities			
PY 09 Dislocated Worker	17.260*	09-681010	1,206,943
PY10 Dislocated Worker	17.260*	10-681010	524,884
ARRA PY08 Dislocated worker	17.260*	08-761010	<u>1,023,959</u>
Total WIA Dislocated Workers			<u>2,755,786</u>
Total WIA Cluster			<u>6,779,874</u>
TOTAL U.S. DEPARTMENT OF LABOR			<u>7,091,881</u>
TOTAL FEDERAL AWARDS			<u>\$ 32,094,966</u>

See accompanying notes to schedule of expenditures of federal awards.

* Indicates major program.

WILL COUNTY, ILLINOIS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For the Year Ended November 30, 2010

NOTE 1 – REPORTING ENTITY

This Report on Federal Awards includes the federal awards of Will County, Illinois. The reporting entity for the county is based upon criteria established by the Governmental Accounting Standards Board.

Will County is the primary government according to GASB criteria while the Forest Preserve District of Will County and the Will County Public Building Commission are discretely presented component units of the County. The component units are not required to be audited according to OMB Circular A-133.

Federal awards received directly by the component units are not included in this report.

NOTE 2 – BASIS OF PRESENTATION

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

The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-profit Organizations*.

NOTE 3 – NONCASH PAYMENTS

Will County is required to disclose cash as well as non-cash transactions pertaining to federal grant expenditures, in accordance with the Single Audit Act of 1984, P.L. 98-502, the Single Audit Amendments of 1996, P.L. 104-156, and the Office of Management and Budget (OMB) Circular No. A-133. The accompanying Schedule of Expenditures of Federal Awards includes the non-cash transactions for federal funds provided under the Special Supplemental Nutrition Program for Women, Infants and Children (\$4,752,888) and the National School Lunch Program (\$5,513).

NOTE 4 – INSURANCE AND LOANS OR LOAN GUARANTEES

During the year ended November 30, 2010, Will County received no insurance, loans, or loan guarantees for the purpose of administering federal programs.

WILL COUNTY, ILLINOIS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended November 30, 2010

NOTE 5 – SUBRECIPIENT RELATIONSHIPS

The following is a schedule of payments to subrecipients:

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Expenditures
U.S. Department of Housing and Urban Development		
Community Development Block Grant		
Disbursed to Continuum of Care	14.218	\$ 153,069
Disbursed to HMIS Match Continuum of Care	14.218	16,554
Disbursed to Joliet Township	14.218	9,558
Disbursed to Ridgewood Health Department	14.218	1,889,821
Disbursed to Senior Service Center	14.218	11,172
Disbursed to Lockport Township	14.218	30,530
Disbursed to Community Services Council	14.218	8,333
Disbursed to Cornerstone	14.218	41,667
Disbursed to CCC (Lead Match)	14.218	113,421
Total Community Development Block Grant		<u>2,274,125</u>
 ARRA – Community Development Block Grant		
Disbursed to Ridgewood Health Department	14.218	<u>393,892</u>
 Neighborhood Stabilization Program		
Disbursed to Will County Center for Community Concerns	14.218	984,882
Disbursed to Community Services Council	14.218	45,833
Total Neighborhood Stabilization Program		<u>1,030,715</u>
 HOME Investment Partnership Program		
Disbursed to Continuum of Care	14.239	13,178
Disbursed to Habitat for Humanity	14.239	50,000
Disbursed to Alden Foundation	14.239	150,000
Disbursed to Morning Star Mission	14.239	155,000
Total HOME Investment Partnership Program		<u>368,178</u>
 Lead Hazard Reduction Demonstration Grant Program		
Disbursed to Will County Center for Community Concerns	14.905	<u>862,269</u>
 ARRA – Homelessness Prevention and Rapid Re-Housing Program		
Disbursed to Will County Center for Community Concerns	14.257	<u>372,413</u>

WILL COUNTY, ILLINOIS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For the Year Ended November 30, 2010

NOTE 5 – SUBRECIPIENT RELATIONSHIPS (cont.)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Expenditures
U.S. Department of Justice		
Passed through Illinois Criminal Justice Information Authority Expanding Multi-Jurisdictional Narcotics Units		
Disbursed to Romeoville Police Department	16.738	\$ 20,000
Disbursed to Will County Sheriff	16.738	25,968
Disbursed to Lockport Police Department	16.738	31,154
Disbursed to Morris Police Department	16.738	25,446
Disbursed to Grundy County Sheriff	16.738	25,258
Disbursed to Channahon Police Department	16.738	11,818
Total Expanding Multi-Jurisdictional Narcotics Units		<u>139,644</u>
U.S. Department of Labor		
Passed through IL Department of Commerce & Economic Opportunity Workforce Investment Grant		
Disbursed to CGI Automated Manufacturing, Inc.	17.258/259/260	18,280
Disbursed to EMSI	17.258/259/260	107,459
Disbursed to ESN	17.258/259/260	415,921
Disbursed to Joliet Jr. College	17.258/259/260	1,136,430
Disbursed to Learning & Skills	17.258/259/260	157,145
Disbursed to Our Lady of Angels Retirement Home	17.258/259/260	44,340
Disbursed to Pollmann North America, Inc.	17.258/259/260	6,335
Disbursed to Schneider Logistics	17.258/259/260	12,225
Disbursed to UGN, Inc.	17.258/259/260	3,175
Disbursed to Ultimate Machining	17.258/259/260	5,890
Disbursed to United Engineering, Inc.	17.258/259/260	6,590
Disbursed to Upland Design, Ltd.	17.258/259/260	999
Total Workforce Investment Grant		<u>1,914,789</u>
Illinois Environmental Protection Agency		
Drinking Water State Revolving Loan		
Disbursed to Ridgewood Health Department	66.458/66.468	<u>2,248,517</u>
Total Disbursed to Subrecipients		<u>\$ 9,604,542</u>

WILL COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended November 30, 2010

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

FINDING 2010-1 – EXTERNAL FINANCIAL REPORTING

Statement on Auditing Standards No. 115 “*Communicating Internal Control Matters Identified in an Audit*” clarifies the definitions of internal control weaknesses and promotes more consistency in internal control communications between auditors and their clients. The annual financial statements were prepared by County personnel and were delivered to us in excellent condition. Our reviews did not produce any significant changes to the financial statements and the Finance Department and Auditor’s Office should be commended for their work. In addition to the financial statements, we are also required to consider auditor proposed adjusting journal entries and the fair presentation of the Schedule of Expenditures of Federal Awards, with related notes.

Adjusting Journal Entries

During our audit we proposed some adjusting journal entries to the County’s financial statements which were not material to the County’s financial statements. However, professional standards require that we communicate that information in this letter. The discovery of proposed journal entries is not unusual for auditors. We recommend that the County continue to perform the tests that are being done, but to also incorporate additional procedures to identify these entries in future years.

Management’s Response:

We do not believe that any of the adjusting journal entries proposed by the auditors reflect a weakness in our internal controls. We will further discuss the timing, cutoffs, and methods to simplify some of year end processes during the planning phase for the next audit.

Schedule of Expenditures of Federal Awards

During our review of the County prepared Schedule of Expenditures of Federal Awards (SEFA) we noted grants that were omitted and some grant numbers, CFDA numbers, and expenditures amounts which needed revision. We acknowledge that the preparation of the SEFA at a large county government is complex and requires a centralized process which captures information from many decentralized County departments. Since many individuals are involved in producing the necessary information, errors can result during the process. We recommend that the County review the current procedures and controls surrounding the preparation of the SEFA to determine if changes can be incorporated to identify some of these adjustments prior to completion.

Management’s Response:

The Will County Auditor is in the process of surveying and forming recommendations for the determination of County procedures regarding controls for grant coordination, compliance, and SEFA report compilation.

WILL COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended November 30, 2010

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

FINDING 2010-2 – NURSING CENTER CONTROLS

During the review of controls at the Sunny Hill Nursing Center it was noted that the fiscal technician and the financial liaison have the ability to update the census information within the HDSI and Add-On accounting systems. These same employees are involved in the collection of payments and updating individual patient accounts receivable balances.

By assigning the task of updating the census information for generating an invoice, having the same employee collect payment for the invoice, and having the same employee update the accounts receivable balance, a potential misappropriation of funds could go undetected as the same employee is involved in duties that ideally should be segregated.

The Health Department may consider re-assigning these duties so that no one employee has the ability to generate an invoice, collect payment on the invoice, and alter the accounts receivable balance.

During our review over the cash collection process it was further noted that numbered receipts were not being issued when payments were received. This process does not allow for an accounting of all receipts issued, which is an important control for ensuring the completeness of collections.

Management's Response:

Even though the fiscal technician and financial liaison can update census information, the financial supervisor reviews the daily census for appropriateness. A copy of the daily census is dated and signed by the Financial Supervisor and kept for 2 years per the Illinois State Archiving guidelines. Because, the census flows from the Add-On system to the Accu-Care system, the admission personnel also review the census that flows over for accuracy on their side and notifies either the finance department or the computer personnel for any items that do not flow over properly.

Since the external audit occurred and based on the recommendation from the Will County Auditor, the finance office has implemented the use of pre-numbered receipts for collections of either cash or checks that are received from resident family members, friends or guardians that send payment via cash or personal check. Also, the receipt number is hand-written on the check it corresponds to and written on the room and board or trust spreadsheet that is included in the deposit information.

WILL COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended November 30, 2010

SECTION III – FEDERAL FINDINGS AND QUESTIONED COSTS

FINDING 2010-3 – CONSOLIDATED HEALTH CENTERS – CFDA No. 93.224

Criteria: Federal regulations require that the County maintain a schedule of discounts to be applied and adjusted on the basis of the patient's ability to pay (42 USC 254b(k)(3)(G)(i)). The patient's ability to pay is determined on the basis of the official poverty guideline, as revised annually by HHS (42 CFR sections 51c.107 (b)(5), 56.108(b)(5), and 56.303(f)).

In addition, County policy states that employees should verify family size and income in the WCCHC practice management system at each visit and maintain documentation no more than six months old.

Condition: The County is required to calculate the fee that the patient is supposed to pay for health and dental services under the program based upon the patient's ability to pay. Ability to pay is determined based upon the number of dependents in the family as well as the family income. In four out of forty patients tested, we were not able to determine that the fee assessed to the patient was calculated correctly because proof of income was not retained in the file and the information in the system had been superseded with a later encounter. In addition, for one of the forty patients tested, the income and dependent information was more than six months old.

Effects: It is possible that the fee assessed to these patients was incorrect and not compliant with federal guidelines.

Questioned Costs: None.

Recommendation: We recommend that the County ensure that all pertinent documentation is retained with the sliding fee determination. We also recommend that the County enter income/family size information at each visit.

Management's Response: The Health Department/Community Health Center is aware of federal regulations concerning the required schedule of discounts, based on federal poverty guidelines with eligibility determined by annual income and family size to ascertain a patient's ability to pay. Management has instituted changes to document compliance with this requirement.

Board approved policies now require verification of annual income and family size every six months. While not the recommendation presented above, this policy is in compliance with federal regulation. Verification at each visit may present a barrier to service.

Staff receives routine training emphasizing these guidelines. Mechanisms have been implemented to maintain written documentation in the medical record. Once the Electronic Health Record is implemented, this documentation will be scanned into the record.

Practice Management system controls have been strengthened. It was identified during this audit that the Practice Management System recorded the most recent income and family size entries and automatically erased prior entries. A more comprehensive Practice Management System was implemented prior to the audit. This upgrade maintains an audit trail of all data by user id. Therefore, an accurate record will exist to support calculated fees. In addition, sliding fee schedule parameters are set to require re-verification after 180 days. An alert will appear when the account is accessed. If the income and family size is not re-verified, the existing sliding scale discount will expire. Audits will verify compliance.

WILL COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended November 30, 2010

SECTION III – FEDERAL FINDINGS AND QUESTIONED COSTS (cont.)

FINDING 2010-4 – ARRA-ENERGY EFFICIENCY CONSERVATION BLOCK GRANT – CFDA No. 81.128

Criteria: Reports should be reviewed and approved by supervisory personnel.

Condition: There was no supervisory review of the SF-425 Financial Reports before they were submitted to the Department of Energy. During 2010, there was one instance of a rejected SF-425 Financial Report that was required to be resubmitted. Also, an error was identified in the 3rd quarter ARRA 1512 report. The County had drawn down \$75,000 in excess of their actual expenditures. The error was realized by the County and cumulative expenditures reported on the 4th quarter report were adjusted.

Effect: Reports were submitted with incorrect information.

Questioned Costs: None.

Recommendation: We recommend that the County implement a control of supervisory review of financial reports prior to submission to the granting agency.

Management's Response: The SF425 Report was rejected by the Department of Energy due to an error that was a result of a miscalculation due to a miscommunication amongst staff. The procedure for compiling the reports has been changed to add more communication and coordination between staff members. This will include a review with the Financial Analyst after the report has been compiled and prior to submittal. All drawdown requests are approved by the Supervisor. The excess drawdown should not occur again due to improved communication and coordination (i.e. checks and balances) between staff members.

WILL COUNTY, ILLINOIS

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS For the Year Ended November 30, 2010

FINANCIAL STATEMENT FINDINGS

The prior year single audit disclosed no financial statement findings in the Schedule of Findings and Questioned Costs and no uncorrected or unresolved findings exist from the prior year's Summary of Prior Audit Findings.

FEDERAL AWARDS FINIDNGS AND QUESTIONNED COSTS

The prior year single audit disclosed no federal award findings in the Schedule of Findings and Questioned Costs and no uncorrected or unresolved findings exist from the prior year's Summary of Prior Audit Findings.

WILL COUNTY, ILLINOIS

CORRECTIVE ACTION PLAN For the Year Ended November 30, 2010

FINDING 2010-1 – EXTERNAL FINANCIAL REPORTING

Please refer to "Management's Response" on page 15 of this report.

FINDING 2010-2 – NURSING CENTER CONTROLS

Please refer to "Management's Response" on page 16 of this report.

FINDING 2010-3 – CONSOLIDATED HEALTH CENTERS – CFDA No. 93.224

Please refer to "Management's Response" on page 17 of this report.

FINDING 2010-4 – ARRA-ENERGY EFFICIENCY CONSERVATION BLOCK GRANT – CFDA No. 81.128

Please refer to "Management's Response" on page 18 of this report.