

**WILL COUNTY, ILLINOIS**

REPORT ON FEDERAL AWARDS

As of and for the Year Ended November 30, 2012

# 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, 2012, which collectively comprise Will County's basic financial statements and have issued our report thereon dated May 28, 2013. Our report includes a reference to other auditors. 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, the Will County Public Building Commission, and the 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 were not audited in accordance with *Government Auditing Standards*.

***Internal Control Over Financial Reporting***

Management of Will County is responsible for establishing and maintaining effective 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 audit 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 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 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 previously. However, we identified 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 2012-1 and 2012-2. *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 May 28, 2013.

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

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 Vuchaw Krause, LLP*

Chicago, Illinois  
May 28, 2013

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, Illinois' 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, 2012. 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, 2012. 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 2012-3, 2012-4, 2012-5 and 2012-6.

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 the 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 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 does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section, and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying schedule of findings and questioned costs as items 2012-3, 2012-4, 2012-5, and 2012-6. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

### ***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, 2012, and have issued our report thereon dated May 28, 2013 which contained an unqualified opinion on those financial statements. Our audit was conducted for the purpose of forming our opinions on the financial statements that collectively comprise Will County's financial statements. Our report was modified to include a reference to other auditors who audited the financial statements of the Forest Preserve District of Will County, the Will County Public Building Commission, and the Circuit Clerk fund, as described in our report on Will County's financial statements. 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 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain other procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 expenditures of federal awards is fairly stated in all material respects in relation to the financial statements taken as a whole.

To Members of the County Board  
Will County, Illinois

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

This report is intended solely for the information and use of the County Board, Will County's management, 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 Virchow Krause, LLP*

Chicago, Illinois  
August 20, 2013

**WILL COUNTY, ILLINOIS**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended November 30, 2012

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Number	Expenditures
<b>U. S. DEPARTMENT OF AGRICULTURE</b>			
<i>Passed Through Illinois Department of Human Services</i>			
Special Supplemental Nutrition for Women, Infants and Children	10.557*	11GQ01261/12	\$ 704,673
Special Supplemental Nutrition for Women, Infants and Children	10.557*	FCSRE00837/13	739,129
Special Supplemental Nutrition for Women, Infants and Children (Non Cash)	10.557*	11GQ01261/12	1,347,183
Special Supplemental Nutrition for Women, Infants, and Children(Non-Cash)	10.557*	FCSRE00837/13	2,371,016
Breastfeeding Peer Counseling	10.557*	11GQ01648/12	75,658
Breastfeeding Peer Counseling	10.557*	FCSRE01608/13	34,076
Total Special Supplemental Nutrition for Women, Infants and Children			<u>5,271,735</u>
Child Nutrition Cluster:			
<i>Passed Through Illinois Department of Public Health</i>			
Summer Food Program for Children	10.559	25280158/12	3,025
<i>Passed Through Illinois Department of Education</i>			
School Breakfast Program	10.553	2012	16,003
National School Lunch Program	10.555	2012	34,633
Commodities	10.555	2012	598
Total Child Nutrition Cluster			<u>54,259</u>
<b>TOTAL U. S. DEPARTMENT OF AGRICULTURE</b>			<u>5,325,994</u>
<b>U. S. DEPARTMENT OF HOUSING &amp; URBAN DEVELOPMENT</b>			
Community Development Block Grants/Entitlement Grants (Neighborhood Stabilization Grant)	14.218*	B-08-UN-17-0007	1,782,110
Community Development Block Grants/Entitlement Grants	14.218*	B-11-UC-17-0006*	1,311,247
<i>Passed Through Illinois Department of Commerce and Economic Opp.</i>			
Community Development Block Grants/Entitlement Grants (IKE Buyout Program)	14.218*	08-354085	90,231
<i>Passed Through Illinois Housing Development Authority</i>			
Community Development Block Grants/Entitlement Grants (Neighborhood Stabilization Grant)	14.218*	B-08-DN-17-0001	341,889
Total Community Development Block Grants/Entitlement Grants			<u>3,525,477</u>
HOME Investment Partnership Program	14.239	M-11-UC-17-0211*	466,947
ARRA-HPRP	14.262	S09-UY-17-0006	7,668
Lead Reduction Grant	14.905	ILLHB0444-09	879,308
<i>Passed Through Illinois Department of Commerce and Economic Opp.</i>			
Community Development Block Grants/State's Program (IKE Buyout Program)	14.228*	08-358006	2,171,576
<b>TOTAL U. S. DEPARTMENT OF HOUSING &amp; URBAN DEVELOPMENT</b>			<u>7,050,976</u>

See accompanying notes to the schedule of expenditures of federal awards.

**WILL COUNTY, ILLINOIS**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended November 30, 2012

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Number	Expenditures
<b>U. S. DEPARTMENT OF JUSTICE</b>			
<i>Passed Through Illinois Criminal Justice Information Authority</i>			
Juvenile Crime Prevention Grant	16.523	510017/11	\$ 31,390
Juvenile Crime Prevention Grant - Supplemental	16.523	507806/11	20,079
Total Juvenile Crime Prevention Grant			<u>51,469</u>
Crime Victim Assistance:			
Child Advocacy Center Services Program - Counselor Grant	16.575	211055	20,473
Child Advocacy Center Services Program - Counselor Grant	16.575	210255	19,997
Child Advocacy Center Services Program - Case Manager Grant	16.575	210223	4,312
Child Advocacy Center Services Program-Case Manager Grant	16.575	211223	21,563
Total Crime Victim Assistance			<u>66,345</u>
JAG Program Cluster:			
<i>Passed Through Illinois Criminal Justice Information Authority</i>			
Edward Byrne Memorial Formula Grant Program:			
ARRA - Byrne Memorial Justice Assistance Grant	16.803	809127	100,440
Byrne Memorial Justice Assistance Grant	16.738	409027	32,088
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	408046	46,463
Byrne Formula Grant - Probation Continuum of Care	16.738	809046	38,988
Expanding Multi-Jurisdictional Narcotics Units	16.738	409004	116,137
Expanding Multi-Jurisdictional Narcotics Units	16.738	411004	23,274
Correctional Initiative Program	16.738	409046	10,395
Total Edward Byrne Justice Assistance Grant Program			<u>235,257</u>
Total JAG Program Cluster			<u>367,785</u>
<i>Passed Through Office of Justice Programs</i>			
Drug Court Discretionary Grant Program:	16.585	2011DCBX0018	110,184
Missing Children's Assistance			
National Children's Alliance - Program Supplementary Grant	16.543	JOLI-IL-SA11	10,000
National Children's Alliance - Program Supplementary Grant	16.543	JOLI-IL-SA12	5,000
Total National Children's Alliance - Program Supplementary Grant			<u>15,000</u>
<b>TOTAL U. S. DEPARTMENT OF JUSTICE</b>			<u>610,783</u>
<b>U. S. DEPARTMENT OF HOMELAND SECURITY</b>			
Buffer Zone Protection Program	97.078	2010-BF-TO-0023	199,109
<i>Passed Through Illinois Emergency Management Agency</i>			
Emergency Management Performance Grant	97.042	2012	127,496
<b>TOTAL U. S. DEPARTMENT OF HOMELAND SECURITY</b>			<u>326,605</u>

See accompanying notes to the schedule of expenditures of federal awards.

**WILL COUNTY, ILLINOIS**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended November 30, 2012

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Number	Expenditures
<b>U. S. DEPARTMENT OF HEALTH &amp; HUMAN SERVICES</b>			
Consolidated Health Centers:			
Community Health Center Grant	93.224*	6H80CS00476-10/11	\$ 270,338
Community Health Center Grant	93.224*	6H80CS00476-11/12	934,249
Total Consolidated Health Centers			<u>1,204,587</u>
ARRA-Grants to Health Center Programs	93.703*	1C81CS14329-01/09	348,529
<i>Passed Through Illinois Department of Public Health</i>			
Immunization Grants:			
Vaccine for Children	93.268	15180119/11	5,744
Vaccine for Children	93.268	25180024/12	49,817
Vaccine for Children-Equipment	93.268	25180062/12	800
Total Immunization Grants			<u>56,361</u>
Project Grants and Cooperative Agreements for Tuberculosis Control Programs:			
Direct Observed Therapy Services	93.116	25180033	5,940
<i>Passed Through Illinois Department of Healthcare and Family Services</i>			
Medical Assistance Program:			
Family Case Management Refund	93.778	WCHD	543,500
<i>Passed Through Illinois Department of Human Services</i>			
Family Planning Services:			
Family Planning Grant -Title X	93.217	11GQ01665/12	2,172
Family Planning Grant -Title X	93.217	FCSRE01297/13	90,524
Total Family Planning Grant -Title X			<u>92,696</u>
Social Services Block Grant:			
Family Planning Grant- Title XX	93.667	11GQ01665/12	69,750
Family Planning Grant- Title XX	93.667	FCSRE01297/13	8,937
Total Social Services Block Grant			<u>78,687</u>
Family Planning-MCH	93.994	11GQ01665/12	3,754
Child Care and Development Block Grant:			
Healthy Child Care - Social Services Block Grant	93.575	11GQ01546/12	35,002
Healthy Child Care - Social Services Block Grant	93.575	FCSR101756/13	25,369
Total Healthy Child Care - Social Services Block Grant			<u>60,371</u>
Donated Funds Initiative	93.667	FCSRJ00052	16,661
Donated Funds Initiative	93.667	81XQ076000	23,336
Total Donated Funds Initiative			<u>39,997</u>
Substance Abuse Prevention & Treatment	93.959	43CQ0A1775/12	80,157
Substance Abuse Prevention & Treatment	93.959	43CRC00284/13	39,468
Total Substance Abuse Prevention & Treatment			<u>119,625</u>

See accompanying notes to the schedule of expenditures of federal awards.

**WILL COUNTY, ILLINOIS**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended November 30, 2012

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Number	Expenditures
<b>U. S. DEPARTMENT OF HEALTH &amp; HUMAN SERVICES (cont.)</b>			
<i>Passed Through Illinois Department of Human Services (cont.)</i>			
Projects for Assistance in Transition from Homelessness:			
PATH Homeless	93.150	45CQ601775/12	\$ 60,880
PATH Homeless	93.150	45CRB00206/13	43,560
Total Projects for Assistance in Transition from Homelessness			<u>104,440</u>
Block Grants for Community Mental Health Services:			
Data Link Project	93.958	45CQ301775/12	52,062
Community Mental Health Services Block Grant - Psychological Services	93.958	45CQ021775/12	91,744
Community Mental Health Services Block Grant - Psychological Services	93.958	45CRB00202/13	37,836
Total Block Grants for Community Mental Health Services			<u>181,642</u>
Case Management - High Risk	93.667	11GQ01168/12	13,934
Case Management - High Risk	93.667	FCSRE01636/13	20,900
Total Case Management - High Risk			<u>34,834</u>
<i>Passed Through Illinois Department of Healthcare and Family Services</i>			
Child Support Enforcement	93.563	2012	71,382
<i>Passed Through Illinois Department of Public Health</i>			
Maternal and Child Health Services Block Grant to the State			
Oral Health Program	93.994	23480145/12	4,591
Oral Health Program	93.994	33480145A/13	1,673
			<u>6,264</u>
Public Health Emergency Preparedness	93.069	27180093/12	236,502
Public Health Emergency Preparedness	93.069	37180093A/13	129,899
Cities Readiness Initiative	93.069	27180121/12	73,722
Cities Readiness Initiative	93.069	37180121A/13	19,028
Total Public Health Emergency Preparedness			<u>459,151</u>
<b>TOTAL U. S. DEPARTMENT OF HEALTH &amp; HUMAN SERVICES</b>			<u><b>3,411,760</b></u>

See accompanying notes to the schedule of expenditures of federal awards.

**WILL COUNTY, ILLINOIS**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended November 30, 2012

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Number	Expenditures
<b>U. S. DEPARTMENT OF TRANSPORTATION</b>			
<i>Passed Through Illinois Department of Transportation</i>			
Highway Planning and Construction:			
Highway Planning & Construction	20.205	01-00042-07-BR-2	\$ 1,593
Highway Planning & Construction	20.205	01-00042-07-BR-3	101,842
Highway Planning & Construction	20.205	01-00181-00-FP-2	73,555
Highway Planning & Construction	20.205	04-00090-07-BR-3	1,487
Highway Planning & Construction	20.205	06-00122-16-FP-1	528,829
Highway Planning & Construction	20.205	06-00169-14-FP-2	12,707
Highway Planning & Construction	20.205	07-00117-13-FP-1	19,870
Total Highway Planning & Construction			<u>739,883</u>
<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	AL2-0099-198	130,044
Local Alcohol Program (LAP)	20.601	AI-13-244	6,261
Sustained Traffic Enforcement Program(STEP)	20.601	OP-13-243	3,367
Commercial Vehicle Speed Enforcement	20.600/20.601	MP-12-908	33,466
Total Highway Safety Cluster			<u>173,138</u>
<i>Passed Through IL Emergency Management Agency</i>			
Hazardous Materials Emerg. Preparedness Planning Grant	20.703	2012	55,000
<i>Passed Through Regional Transportation Authority</i>			
New Freedom Program	20.521	IL-57-X019	25,527
<b>TOTAL U. S. DEPARTMENT OF TRANSPORTATION</b>			<u>993,548</u>
<b>U. S. ENVIRONMENTAL PROTECTION AGENCY</b>			
<i>Passed Through Illinois Department of Public Health</i>			
Performance Partnership Grants:			
Non-Comm. Public Water Supply	66.432	25380311/12	22,254
<i>Passed Through Illinois Emergency Management Agency</i>			
State Indoor Radon Grants:			
Radon Awareness	66.032	20012WILCHD/12	2,791
<b>TOTAL U. S. ENVIRONMENTAL PROTECTION AGENCY</b>			<u>25,045</u>
<b>U. S. DEPARTMENT OF LABOR</b>			
<i>Passed Through Illinois Department of Commerce &amp; Economic Opportunity</i>			
TAA/TGAAA	17.245	10-662010	136,679
WIA Cluster:			
Adult	17.258	11-661010	1,367,880
Dislocated Worker	17.278	11-681010	1,821,641
Youth	17.259	12-681010	1,276,408
Total WIA Cluster			<u>4,465,929</u>
<b>TOTAL U. S. DEPARTMENT OF LABOR</b>			<u>4,602,608</u>

See accompanying notes to the schedule of expenditures of federal awards.

**WILL COUNTY, ILLINOIS**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended November 30, 2012

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Number	Expenditures
<b>U. S. DEPARTMENT OF INTERIOR, NATIONAL PARK SERVICE</b>			
<i>Passed Through Illinois Historic Preservation Agency</i>			
Historic Preservation Fund Grants-in-Aid (Will County Rural Survey)	15.904	CLG20110193	\$ 29,050
<b>TOTAL U. S. DEPARTMENT OF INTERIOR, NATIONAL PARK SERVICE</b>			<u>29,050</u>
<b>U. S. DEPARTMENT OF ENERGY</b>			
ARRA Energy Efficiency Conservation Block Grant	81.128*	EE0000823	<u>118,538</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u><u>\$ 22,494,907</u></u>

See accompanying notes to the 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, 2012

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### **NOTE 1 – REPORTING ENTITY**

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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.

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### **NOTE 2 – BASIS OF PRESENTATION**

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

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

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### **NOTE 3 – NONCASH PAYMENTS**

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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 of \$3,718,199 and food commodities of \$598.

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### **NOTE 4 – INSURANCE AND LOANS OR LOAN GUARANTEES**

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During the year ended November 30, 2012, 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, 2012

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#### **NOTE 5 – SUBRECIPIENT RELATIONSHIPS**

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The following is a schedule of payments to subrecipients:

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Expenditures
<b>US Department of Housing and Urban Development</b>		
Community Development Block Grants/Entitlement Program		
Disbursed to Continuum of Care	14.218	\$ 149,810
Disbursed to HMIS Match Continuum of Care	14.218	16,567
Disbursed to Homer Township	14.218	269,053
Disbursed to Ridgewood Health Department	14.218	211,390
Disbursed to Joliet Township	14.218	9,607
Disbursed to Lockport Township	14.218	103,138
Disbursed to Cornerstone	14.218	43,833
Disbursed to CCC (Lead Match)	14.218	88,393
<b>Total Community Development Block Grants/Entitlement Program</b>		<b>891,791</b>
Community Development Block Grants/Entitlement Program (Neighborhood Stabilization Program)		
Disbursed to WCCCC for NSP Rehab	14.218	584,379
Disbursed to Community Services Council	14.218	49,998
Disbursed to New Day Enterprises	14.218	38,277
Disbursed to D. Oxley Construction	14.218	386
<b>Total Community Development Block Grants/Entitlement Program (Neighborhood Stabilization Program)</b>		<b>673,040</b>
HOME Investment Partnership Program		
Disbursed to Morning Star Mission	14.239	35,532
Disbursed to Morning Star Mission	14.239	80,000
Disbursed to CCC	14.239	4,000
<b>Total HOME Investment Partnership Program</b>		<b>119,532</b>
Lead Hazard Reduction Demonstration Grant Program		
Disbursed to Will County Center for Community Concerns	14.905	835,201
ARRA - Homelessness Prevention and Rapid Re-Housing Program		
Disbursed to Will County Center for Community Concerns	14.257	7,668

## WILL COUNTY, ILLINOIS

### NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For the Year Ended November 30, 2012

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#### **NOTE 5 – SUBRECIPIENT RELATIONSHIPS (cont.)**

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Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Expenditures
<b>U.S. Department of Justice</b>		
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 Grundy County Sheriff	16.738	25,258
Disbursed to Channahon Police Department	16.738	11,818
Disbursed to MANS	16.738	1,939
Total Expanding Multi-Jurisdictional Narcotics Unit		<u>116,137</u>
<b>U.S. Department of Labor</b>		
Passed through IL Department of Commerce & Economic Opportunity		
Workforce Investment Grant		
Disbursed to ESN (Education Service Network)	17.258/259/260/278	235,371
Disbursed to JJC Community and Economic Development	17.258/259/260/278	426,035
Disbursed to JCC Workforce Development	17.258/259/260/278	196,350
Total Workforce Investment Grant		<u>857,756</u>
<b>Illinois Environmental Protection Agency</b>		
Drinking Water State Revolving Loan		
Disbursed to IEPA	66.458	87,136
Disbursed to IEPA	66.458	23,493
Total Drinking Water State Revolving Loan		<u>110,629</u>
Total Disbursed to Subrecipients		<u>\$ 3,611,754</u>

# WILL COUNTY, ILLINOIS

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended November 30, 2012

### SECTION I – SUMMARY OF AUDITORS’ RESULTS

#### *FINANCIAL STATEMENTS*

Type of auditors’ report issued: Unqualified

Internal control over financial reporting:

- > Material weakness(es) identified?                   yes              X   no
- > Significant deficiencies identified?             X   yes                   none reported

Noncompliance material to financial statements noted?

       yes              X   no

#### *FEDERAL AWARDS*

Internal control over federal award programs:

- > Material weakness(es) identified?                  yes              X   no
- > Significant deficiencies identified?             X   yes                   none reported

Type of auditor’s report issued on compliance of federal award programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?

  X   yes                   no

#### Federal Programs

Auditee qualified as low-risk auditee?

       yes              X   no

Identification of major federal programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program</u>
10.557	Special Supplemental Nutrition for Women, Infants and Children
14.218	Community Development Block Grants/Entitlement Grants
14.228	Community Development Block Grants/State's Program
81.128	ARRA-Energy Efficiency Conservation Block Grant
93.224	Consolidated Health Centers
93.703	ARRA – Grants to Health Center Programs

Dollar threshold used to distinguish between type A and type B programs:

\$ 674,847

# WILL COUNTY, ILLINOIS

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended November 30, 2012

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

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#### ***FINDING 2012-1 – SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REPORTING***

During our review of the County prepared Schedule of Expenditures of Federal Awards (SEFA) we identified significant adjustments. 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 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 surround 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 County is aware of this matter and has continued to make recognized improvements. To address the finding, the County has further developed plans to invest resources into a more centralized process for grant accounting and SEFA compilation based on detailed recommendations from the Will County Auditor's ongoing review and the County's Finance Department's involvement.

#### ***FINDING 2012-2 – NURSING CENTER CONTROLS***

During the review of controls at the Sunny Hill Nursing Center it was noted that the fiscal technician, financial analyst and the financial supervisor 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 allowing access for the same employee to update the census information for generating an invoice, to collect payment for the invoice, and to 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 nursing center has a good compensating control over the duties of the financial liaison and the financial analyst as the financial supervisor reviews and approves the daily census and the monthly resident's accounts. The Nursing Center may look to further strengthen controls by restricting the access of the financial supervisor to the duties mentioned above and provide for an additional employee to perform the supervisory review if the financial analyst or financial liaison is unavailable to perform the segregated duties.

## WILL COUNTY, ILLINOIS

### SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended November 30, 2012

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

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##### *FINDING 2012-2 – NURSING CENTER CONTROLS (cont.)*

###### ***Management's Response:***

As of September 1, 2013, Sunny Hill Nursing Home of Will County will no longer be utilizing the Add-On system for their financial reporting. The whole facility is integrating itself into an electronic charting system that also houses the Financial System. This software program is called Point Click Care. The Assistant Administrator of Sunny Hill Nursing Home will be the on-site security administrator of the Point Click Care program. The Assistant Administrator will have the ability to ensure that the Financial Supervisor has read-only capabilities within the census portion of the software. This has been discussed with the Point Click Care financial trainer and has been verified that the Financial Supervisor's rights can be restricted from entering any part of the census information.

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

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##### ***FINDING 2012-3 – COMMUNITY DEVELOPMENT BLOCK GRANTS/ENTITLEMENT GRANTS - CFDA No. 14.218***

**Criteria:** The Federal Funding Accountability and Transparency Act (FFATA) requires that the County file federal reports for first-tier subawards.

OMB Circular A-133, Auditee Responsibilities, states that auditees must maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

**Condition/Cause:** The County was unaware of the FFATA reporting requirements, and, as such, did not file the required reports for FFATA.

**Context:** No FFATA reports were filed for this program.

**Effect:** The County did not comply with federal reporting requirements.

**Questioned Costs:** Not applicable for this finding.

## WILL COUNTY, ILLINOIS

### SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended November 30, 2012

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

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***FINDING 2012-3 – COMMUNITY DEVELOPMENT BLOCK GRANTS/ENTITLEMENT GRANTS -  
CFDA No. 14.218 (cont.)***

**Recommendation:** We recommend that the County become knowledgeable about the reporting requirements under the Federal Funding Accountability and Transparency Act, and the file the required reports when making subawards.

**Management's Response:** Since the finding was identified by the outside auditors, the County has filed the necessary FFATA reports covering Program Years 2011/2012 for the HOME Program. The County has also filed the current report covering Program Year 2012 for the CDBG Program. As appropriate CDBG/HOME subaward contracts are executed, the County will continue to file the appropriate FFATA reports in a timely fashion.

***FINDING 2012-4 – COMMUNITY DEVELOPMENT BLOCK GRANTS/ENTITLEMENT GRANTS -  
CFDA No. 14.218***

**Criteria:** The Department of Housing and Urban Development (HUD) requires that the County file form HUD 60002 reports for the Community Development Block Grant program.

OMB Circular A-133, *Auditee Responsibilities*, states that auditees must maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

**Condition/Cause:** The County was unaware of this reporting requirement, and, as such, did not file the required reports.

**Context:** The HUD 60002 report was not filed.

**Effect:** The County did not comply with federal reporting requirements.

**Questioned Costs:** Not applicable for this finding.

**Recommendation:** We recommend that the County become knowledgeable about the HUD reporting requirements under CDBG, and the file the required reports when necessary.

**Management's Response:** Since the finding was identified by the outside auditors, the County has filed the necessary HUD-6002 reports covering Program Year 2011 for both the CDBG and HOME programs. The reports for program year 2012 will be filed with the County's CAPER submission which is due 12/31/13.

## WILL COUNTY, ILLINOIS

### SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended November 30, 2012

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

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##### ***FINDING 2012-5 – CONSOLIDATED HEALTH CENTERS - CFDA No. 93.224***

**Criteria:** OMB Circular A133 Section 300 (c), Auditee Responsibilities, states that the auditees must maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

Health Centers must have a schedule of fees or payments for the provision of their health services consistent with locally prevailing rates or charges and designed to cover their reasonable costs of operation. They are also required to have a corresponding schedule of discounts applied and adjusted based on the patient's ability to pay (42 USC 254b(k)(3)(G)(i)).

**Condition/Cause:** Will County did not properly calculate the patient's annual income per the supporting original income documentation. This led to incorrectly determining the patient was eligible to receive a 100% full sliding scale discount at the Will County Health Center instead of the proper 70% discount.

**Context:** Three out of forty patients tested did not have a properly calculated income, and for one of those three patients, the incorrect income determination resulted in an incorrect sliding scale discount.

**Effect:** Will County forfeited the fee that would have been collected from the patient had their sliding scale been properly computed and applied.

**Questioned Costs:** Not applicable for this finding.

**Recommendation:** We recommend Will County clarify procedures with the individuals responsible for eligibility determinations, ensure each individual receives the proper training, and that there is an effective internal review process.

**Management's Response:** On the basis of the audit findings, the Community Health Center's has implemented or will implement the following:

Management reviewed the eligibility determination-related documents of the 3 patients tested that did not have the properly calculated income to identify causes of the problem and identify areas for improvement.

The supervisors/managers of staff responsible for eligibility determination reviewed related Health Center policies on eligibility determination during the work unit's regular meetings and will continue to reinforce compliance to these policies on a periodic basis.

Periodic chart audits of patients (at least monthly) have been conducted to determine if patient documentation of income is in the patients' EHR; this audit will continue on an ongoing basis. Audits conducted also validate that the income amount reflected in the submitted Proof of Income (POI) is consistent and correctly entered in the EHR Patient Information section. A report of audit findings will be prepared on a monthly basis. Audit findings will be reviewed to determine follow up action needed (e.g. correction of inaccurate entries, incomplete documentation followed up, coaching and training of identified employees as needed).

## WILL COUNTY, ILLINOIS

### SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended November 30, 2012

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

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##### **FINDING 2012-5 – CONSOLIDATED HEALTH CENTERS - CFDA No. 93.224** (cont.)

##### **Management's Response:** (cont.)

Several Payor Code In- service sessions are scheduled this August 2013 to target training in small groups of all administrative clerks. Objectives of these training sessions will be: to review the process of entering documentation for a self-pay patient ; to ensure that required original income documentation is requested of the patient; and to ensure that all information is entered in the EHR system accurately and consistent with information/documentation provided by patient.

A printed guide with illustrated examples covering the step by step documented process on eligibility determination will be developed for reference of new/existing employees. This will be cover more detail and will be in support of the existing policies on Determine Patient Family Size and Family Income (WCCHC Policy No.BR-0002), Fee Schedule and Sliding Fee Scale (WCCHC Policy No.BR-0003) and Internal Controls – Patient Workflow Medical and Dental (WCCHC Policy No.BR-0017)

##### **FINDING 2012-6 – CONSOLIDATED HEALTH CENTERS - CFDA No. 93.224**

**Criteria:** OMB Circular A133 Section 300 (c), Auditee Responsibilities, states that the auditees must maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

**Condition/Cause:** Will County did not retain documentation of patients' original income documentation to support their eligibility determinations.

**Context:** This finding was for two out of forty patients tested.

**Effect:** By not retaining documentation, Will County runs the risk of determining an improper discount status for a patient, and the file does not contain the applicable support for a reviewer to notice the mistake.

**Questioned Costs:** Not applicable for this finding.

**Recommendation:** We recommend Will County clarify procedures with the individuals responsible for eligibility determinations, ensure each individual receives the proper training, and that there is an effective internal review process.

**Management's Response:** On the basis of the audit findings, the Community Health Center's has implemented or will implement the following:

Management reviewed the required eligibility determination documents of the 2 patients tested whose original income documentation were not scanned in the patients' E H R. to identify causes of the problem and identify areas for improvement. It was determined that the Date of Visits for these 2 patients was during the early stages of the E H R implementation and could be attributed to unfamiliarity with the new procedures required in the E H R system.

## WILL COUNTY, ILLINOIS

### SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended November 30, 2012

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

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##### ***FINDING 2012-6 – CONSOLIDATED HEALTH CENTERS - CFDA No. 93.224 (cont.)***

##### ***Management's Response:*** (cont.)

Periodic chart audits of patients (at least monthly) have been conducted to determine if patient documentation of income is in the patients' EHR; this audit will continue on an ongoing basis. Audits conducted also validate that the income amount reflected in the submitted Proof of Income (POI) is consistent and correctly entered in the EHR Patient Information section. A report of audit findings will be prepared on a monthly basis. Audit findings will be reviewed to determine follow up action needed (e.g. correction of inaccurate entries, incomplete documentation followed up, coaching and training of identified employees as needed).

Several Payor Code In- service sessions are scheduled this August 2013 to target training in small groups of all administrative clerks. Objectives of these training sessions will be: to review the process of entering documentation for a self-pay patient ; to ensure that required original income documentation is requested of the patient; and to ensure that all information is entered in the EHR system accurately and consistent with information/documentation provided by patient.

A printed guide with illustrated examples covering the step by step documented process on eligibility determination will be developed for reference of new/existing employees. This will be cover more detail and will be in support of the existing policies on Determine Patient Family Size and Family Income (WCCHC Policy No.BR-0002), Fee Schedule and Sliding Fee Scale (WCCHC Policy No.BR-0003) and Internal Controls – Patient Workflow Medical and Dental (WCCHC Policy No.BR-0017)

## WILL COUNTY, ILLINOIS

### SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS For the Year Ended November 30, 2012

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#### ***FINDING 2011-3 – HOME INVESTMENT PARTNERSHIP PROGRAM – CFDA No. 14.239***

The Federal Funding Accountability and Transparency Act requires that the County file federal reports for first-tier subawards.

The County was unaware of the new reporting requirements for the fiscal year, and, as such, did not file the required reports.

**MANAGEMENT'S STATUS:** Since the finding was identified by the auditor, the County has filed the necessary FFATA reports covering Program Years 2011/2012 for the HOME Program. As appropriate CDBG/HOME subaward contracts are executed, the County will continue to file the appropriate FFATA reports in a timely fashion.

#### ***FINDING 2011-4 – HOME INVESTMENT PARTNERSHIP PROGRAM – CFDA No. 14.239***

OMB Circular A-87 and the Grants Management Common Rule require that a signed subrecipient agreement between both parties be in effect before disbursements are made.

The County could not produce a signed subrecipient agreement for one of the two subrecipients of the program.

**MANAGEMENT'S STATUS:** The Community Development Division is in the process of hiring a Program Compliance Monitor. Among the defined duties for this role will be to ensure full compliance with HUD regulations concerning contract development and internal record keeping controls for all vendor/subrecipient contracts and related documentation for grant activities. This will include keeping backups of the appropriate paper/electronic files for all grant activities that are readily accessible upon request. Lastly, we have engaged with the subrecipient in question to update our contract to bring it into compliance both retroactively and through the remainder of the budget year.

#### ***FINDING 2011-5 – ARRA - ENERGY EFFICIENCY CONSERVATION DEVELOPMENT BLOCK GRANT – CFDA No. 81.128***

Requirements for cash management of federal awards contained in 2 CFR section 215.22 states that payment methods shall minimize the time elapsing between the transfer of funds from the federal government and the issuance of payments by the recipient. Also, cash advances to a recipient organization shall be limited to the minimum amounts needed and be timed to be in accordance with the actual, immediate cash requirements of the recipient organization in carrying out the purpose of the approved project.

We noted the County had requested \$27,000 on March 1, 2011 and did not fully expend the funds until July 13, 2011 and requested \$150,000 on April 8, 2011 and did not fully expend the funds until June 10, 2011.

**MANAGEMENT'S STATUS:** The County made draw downs in excess of what would be immediately needed in FY 2011 because they believed that there could be a government shutdown that would limit their access to funds and their ability to pay their vendors. The County believes that this is an isolated incidence and that in the future they will draw down funds as needed.

## **WILL COUNTY, ILLINOIS**

### **CORRECTIVE ACTION PLAN For the Year Ended November 30, 2012**

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***FINDING 2012-3 – COMMUNITY DEVELOPMENT BLOCK GRANTS/ENTITLEMENT GRANTS -  
CFDA No. 14.218***

Please refer to “Management’s Response” in the Schedule of Findings and Questioned Costs.

***FINDING 2012-4 – COMMUNITY DEVELOPMENT BLOCK GRANTS/ENTITLEMENT GRANTS –  
CFDA No. 14.218***

Please refer to “Management’s Response” in the Schedule of Findings and Questioned Costs.

***FINDING 2012-5 – CONSOLIDATED HEALTH CENTERS - CFDA No. 93.224***

Please refer to “Management’s Response” in the Schedule of Findings and Questioned Costs.

***FINDING 2012-6 – CONSOLIDATED HEALTH CENTERS - CFDA No. 93.224***

Please refer to “Management’s Response” in the Schedule of Findings and Questioned Costs.