

WILL COUNTY, ILLINOIS

REPORT ON FEDERAL AWARDS

For the Year Ended November 30, 2015

WILL COUNTY, ILLINOIS

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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*

Independent Auditors' Report

To Members of the County Board
Will County, Illinois

We have audited, 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, the financial statements of the governmental activities, the aggregate 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, 2015, and the related notes to the financial statements, which collectively comprise Will County's basic financial statements and have issued our report thereon dated May 27, 2016. Our report includes 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. 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

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

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 statement will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or 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.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Purpose of this Report

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

Baker Tilly Virchow Krause, LLP

Chicago, Illinois
May 27, 2016

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE;
AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY OMB CIRCULAR A-133

Independent Auditors' Report

To Members of the County Board
Will County, Illinois

Report on Compliance for Each Major Federal Program

We have audited Will County's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on Will County's major federal programs for the year ended November 30, 2015. Will County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Will County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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 on compliance for each major federal program. However, our audit does not provide a legal determination of Will County's compliance.

To Members of the County Board
Will County, Illinois

Basis for Qualified Opinion on Department of Justice Equitable Sharing Program

As described in findings 2015-001 and 2015-003 in the accompanying schedule of findings and questioned costs, Will County did not comply with requirements regarding the following:

Finding No.	CFDA No.	Program Name	Compliance Requirement
2015-001	16.922	Department of Justice Equitable Sharing Program	Reporting
2015-003	16.922	Department of Justice Equitable Sharing Program	Equipment and Real Property Management

Compliance with such requirements is necessary, in our opinion, for Will County to comply with the requirements applicable to these programs.

Qualified Opinion on Department of Justice Equitable Sharing Program

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, Will County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the Department of Justice Equitable Sharing Program for the year ended November 30, 2015.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, Will County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended November 30, 2015.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2015-002 and 2015-004. Our opinion on each major federal program is not modified with respect to these matters.

Will County's Response to the Findings

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

To Members of the County Board
Will County, Illinois

Report on Internal Control Over Compliance

Management of Will County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Will County's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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.

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

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 a 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. We consider the deficiencies in internal control over the compliance described in the accompanying schedule of findings and questioned costs as items 2015-001 and 2015-003 to be material weaknesses.

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2015-002 and 2015-004 to be significant deficiencies.

Will County's Response to the Findings

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

Purpose of this Report

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

To Members of the County Board
Will County, Illinois

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the governmental activities, the aggregate 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, 2015, and the related notes to the financial statements, which collectively comprise the Will County's basic financial statements. We issued our report thereon dated May 27, 2016, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. Our report includes 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 basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Baker Tilly Virchow Krause, LLP

Chicago, Illinois
June 28, 2016

WILL COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended November 30, 2015

Federal Grantor / Program Title	Federal CFDA Number	Pass Through Agency	Grant Number	Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE				
Child Nutrition Cluster				
School Breakfast Program	10.553	SBE	2015	\$ 33,646
National School Lunch Program	10.555	SBE	2015	63,135
National School Lunch Program; Commodities	10.555	SBE	2015	3,539
Summer Food Program	10.559	DPH	55280045C	3,325
Total Child Nutrition Cluster				<u>103,645</u>
Child and Adult Care Food Program	10.558	DPH	55280072C	720
Supplemental Nutrition Assistance Program:				
Special Supplemental Nutrition Program for Women, Infants and Children	10.557	DHS	FCSTQ00837	667,642
Special Supplemental Nutrition Program for Women, Infants and Children	10.557	DHS	FCSUQ00837	770,542
Special Supplemental Nutrition Program for Women, Infants and Children (Non-cash)	10.557	DHS	FCSTQ00837	2,222,358
Special Supplemental Nutrition Program for Women, Infants and Children (Non-cash)	10.557	DHS	FCSUQ00837	2,054,566
Breastfeeding Peer Counseling	10.557	DHS	FCSTQ01608	42,324
Breastfeeding Peer Counseling	10.557	DHS	FCSUQ01608	30,797
Total Special Supplemental Nutrition Assistance Program				<u>5,788,229</u>
TOTAL U.S. DEPARTMENT OF AGRICULTURE				<u>5,892,594</u>
U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT				
Community Development Block Grant/Entitlement Grants				
Community Development Block Grant	14.218		B-14-UC-17-0006	1,324,690
ESG Grant	14.218		E-14-UC-17-0006	105,307
Neighborhood Stabilization Grant	14.218		B-08-UN-17-0007	167,614
Total Community Development Block Grants/Entitlement Grants				<u>1,597,611</u>
Community Development Block Grants/State's Program (IKE Grant)				
IKE Buyout Program	14.228	DCEO	08-358006	199,012
HOME Investment Partnership Program	14.239		M-14-UC-17-0211	187,470
TOTAL U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT				<u>1,984,093</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, 2015

Federal Grantor / Program Title	Federal CFDA Number	Pass Through Agency	Grant Number	Federal Expenditures
U.S. DEPARTMENT OF INTERIOR				
Historic Preservation Grant				
Historic Preservation Fund Grants-In-Aid; Will County Rural Structures Survey	15.904	HPA	CL-2014-0230	\$ 19,750
Historic Preservation Fund Grants-In-Aid; Will County Historic Structures Survey	15.904	HPA	CL-2015-0246	9,500
Historic Preservation Commission Training for Will County Area	15.904	HPA	CL-2015-0243	8,033
Total Historic Preservation Grant				<u>37,283</u>
TOTAL U.S. DEPT OF INTERIOR				<u>37,283</u>
U.S. DEPARTMENT OF JUSTICE				
Juvenile Crime Prevention	16.523	DHS	FCSUR03270	26,529
National Children's Alliance - Program Supplementary Grant	16.758	CACI	JOLI-IL-SA14	9,000
Crime Victim Assistance:				
Child Advocacy Center Services Program - Counselor Grant	16.575	CJIA	215055	19,336
Child Advocacy Center Services Program - Counselor Grant	16.575	CJIA	214055	20,338
Child Advocacy Center Services Program - Case Manager Grant	16.575	CJIA	214223	21,564
Child Advocacy Center Services Program - Case Manager Grant	16.575	CJIA	215223	4,313
Total Crime Victim Assistance				<u>65,551</u>
FY14 State Criminal Alien Assistance Program	16.606	CJIA	2015	125,401
Edward Byrne Memorial Justice Assistance Grant Program				
Justice Assistance Grant	16.738		2013-DJ-BX-0716	57,875
Justice Assistance Grant	16.738		2014-DJ-BX-1218	16,680
Byrne Memorial Justice Assistance Grant	16.738	CJIA	412027	106,022
Expanding Multi-Jurisdictional Narcotics Units	16.738	CJIA	411204	72,229
Expanding Multi-Jurisdictional Narcotics Units	16.738	CJIA	412004	16,372
Total Edward Byrne Memorial Justice Assistance Grant Program				<u>269,178</u>
Equitable Sharing Program:				
Department of Justice Equitable Sharing Program	16.922		2015	430,682
Department of Justice Equitable Sharing Program for Drug Asset Forfeiture	16.922		2015	23,653
Total Equitable Sharing Program				<u>454,335</u>
TOTAL U.S. DEPARTMENT OF JUSTICE				<u>949,994</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, 2015

Federal Grantor / Program Title	Federal CFDA Number	Pass Through Agency	Grant Number	Federal Expenditures
U.S. DEPARTMENT OF LABOR				
Trade Adjustment Assistance; TAA/TGAAA	17.245	DCEO	13-661010	\$ 6,159
WIA National Emergency Grants (NEG)	17.277	DCEO	14-672010	1,211,616
WIA Cluster:				
WIA Adult Program	17.258	DCEO	13-681010	311,652
WIA Adult Program - Incentive	17.258	DCEO	12-632010	4,877
WIA Adult Program	17.258	DCEO	14-681010	1,351,465
WIA Youth Activities	17.259	DCEO	13-681010	380,457
WIA Youth Activities - Incentive	17.259	DCEO	12-632010	5,247
WIA Youth Activities	17.259	DCEO	14-381010	1,462,453
WIA Dislocated Worker Formula Grants	17.278	DCEO	13-681010	342,148
WIA Dislocated Worker Formula Grants - Incentive	17.278	DCEO	12-632010	7,233
WIA Dislocated Worker Formula Grants	17.278	DCEO	14-681010	1,626,353
Total WIA Cluster				<u>5,491,885</u>
Workforce Innovation Fund; Accelerated Training for Illinois Manufacturing (ATIM)	17.283	DCEO	12-113010	<u>646,098</u>
TOTAL U.S. DEPARTMENT OF LABOR				<u>7,355,758</u>
U.S. DEPARTMENT OF TRANSPORTATION				
Highway Planning and Construction Cluster:				
Highway Planning & Construction	20.205	DOT	B-01-00181-00-FP-3	65,865
Highway Planning & Construction	20.205	DOT	B-01-00051-04-BR-2	84,678
Highway Planning & Construction	20.205	DOT	B-04-00069-18-BR-3	11,349
Highway Planning & Construction	20.205	DOT	B-08-00169-18-FP-1	21,045
Highway Planning & Construction	20.205	DOT	B-13-00200-14-EG-1	445,225
Total Highway Planning & Construction Cluster				<u>628,162</u>
Transit Services Program Cluster:				
JARC	20.516	RTA	IL-37-X080	51,273
New Freedom Program:				
New Freedom Grant	20.521	RTA	IL-57-X019	138,632
Mobility Manager	20.521	RTA	IL-57-X019	70,211
Total New Freedom Program				<u>208,843</u>
Total Transit Services Program Cluster				<u>260,116</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, 2015

Federal Grantor / Program Title	Federal CFDA Number	Pass Through Agency	Grant Number	Federal Expenditures
U.S. DEPARTMENT OF TRANSPORTATION (cont.)				
Highway Safety Cluster:				
State and Community Highway Safety; Sustained Traffic Enforcement Program (STEP)	20.600	NHTSA	OP-15-0155	\$ 25,796
National Priority Safety Programs; Indep. Day and Labor Day Enforcement Campaign	20.616	NHTSA	ML-15-0618	4,117
Total Highway Safety Cluster				<u>29,913</u>
Hazardous Materials Emerg. Preparedness Planning Grant	20.703	EMA	2015	<u>45,899</u>
TOTAL U.S. DEPARTMENT OF TRANSPORTATION				<u>964,090</u>
U.S. ENVIRONMENTAL PROTECTION AGENCY				
Radon Awareness	66.032	EMA	50015WILCHD	3,021
Safe Drinking Water	66.432	DPH	55380210C	23,050
Safe Drinking Water	66.605	DPH	65380208D	<u>4,000</u>
TOTAL U.S. ENVIRONMENTAL PROTECTION AGENCY				<u>30,071</u>
U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES				
Public Health Emergency Preparedness				
Public Health Emergency Preparedness	93.074	DPH	57180093B	231,299
Public Health Emergency Preparedness	93.074	DPH	67180093C	160,818
Cities Readiness Initiative	93.074	DPH	57180121B	52,309
Cities Readiness Initiative	93.074	DPH	67180121C	<u>27,004</u>
Total Public Health Emergency Preparedness				471,430
Ebola Monitoring	93.074	DPH	N/A	7,619
PHEP LHD Ebola Supplemental	93.074	DPH	67180194D	<u>11,471</u>
Total Ebola Monitoring				19,090
Total 93.074 CFDA				<u>490,520</u>
Grants for Tuberculosis Control Programs:				
Direct Observed Therapy Services	93.116	DPH	55180257C	804
Direct Observed Therapy Services	93.116	DPH	45180038B	<u>1,170</u>
Total Grants for Tuberculosis Control Programs				1,974

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, 2015

Federal Grantor / Program Title	Federal CFDA Number	Pass Through Agency	Grant Number	Federal Expenditures
U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES (cont.)				
Projects for Assistance in Transition from Homelessness:				
PATH Homeless	93.150	DHS	45CTB00206	\$ 59,329
PATH Homeless	93.150	DHS	45CUB00206	42,378
Total Projects for Assistance in Transition from Homelessness				<u>101,707</u>
Family Planning Services				
Family Planning Grant -Title X	93.217	DPH	56180076C	51,720
Family Planning Grant -Title X	93.217	DPH	66180075D	110,114
Total Family Planning Services				<u>161,834</u>
Consolidated Health Centers				
Community Health Center Grant	93.224		6H80CS00476-13	351,887
Community Health Center Grant	93.224		6H80CS00476-14	1,301,688
Total Consolidated Health Centers				<u>1,653,575</u>
Immunization Cooperative Agreements				
Vaccine for Children	93.268	DPH	55180244C	51,226
IL Teen Pregnancy Prevention	93.297	DHS	FCSUP03994	3,785
Grants for the ACA Exchanges				
In-Person Counselor Grant	93.525	DPH	50180059C	195,590
ACA Facility Improvement Grant	93.526		6C8CCS27562-01	202,679
Child Support Enforcement	93.563	HFS	2015	30,227
Child Care and Development Block Grant:				
Healthy Child Care - Social Services Block Grant	93.575	DHS	FCSTI01756	33,864
Social Services Block Grant				
Family Planning Grant- Title XX	93.667	DPH	56180076C	22,373
Donated Funds Initiative	93.667	DHS	FCSTJ00052	31,114
Donated Funds Initiative	93.667	DHS	FCSUJ00052	22,305
Total Social Services Block Grant				<u>75,792</u>
Chronic Disease & School Health	93.757	DPH	53280007C	42,729
Chronic Disease & School Health	93.757	DPH	63287013D	33,460
Total Chronic Disease & School Health				<u>76,189</u>
Family Case Management Refund	93.778	HFS	WCHD	378,000
Block Grants for Prevention and Treatment of Substance Abuse	93.959	DHS	43CTC00083	14,713
Block Grants for Prevention and Treatment of Substance Abuse	93.959	DHS	43CUC00083	5,869
Total Block Grants for Prevention and Treatment of Substance Abuse				<u>20,582</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, 2015

Federal Grantor / Program Title	Federal CFDA Number	Pass Through Agency	Grant Number	Federal Expenditures
U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES (cont.)				
Maternal and Child Health Services Block Grant to the States				
Family Planning-MCH	93.994	DPH	56180076C	\$ 9,474
Oral Health Program	93.994	DPH	53480144C	6,105
Oral Health Program	93.994	DPH	63480142D	1,349
Total Maternal and Child Health Services Block Grant to the States				<u>16,928</u>
TOTAL U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES				<u>3,494,472</u>
 U.S. DEPARTMENT OF HOMELAND SECURITY				
Emergency Management Performance Grant	97.042	EMA	2015	191,528
Port Security Grant Program	97.056	EMA	EMX-2014-PU-0037	<u>4,692</u>
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY				<u>196,220</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS				<u>\$ 20,904,575</u>

See accompanying notes to schedule of expenditures of federal awards.

WILL COUNTY, ILLINOIS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For the Year Ended November 30, 2015

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the “schedule”) includes the federal grant activity of Will County, Illinois under programs of the federal government for the year ended November 30, 2015. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the schedule presents only a selected portion of the operations of Will County, it is not intended to and does not present the financial position, changes in net position or cash flows of Will County.

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. The component units are not required to be audited according to OMB Circular A-133.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the accrual or modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, and the Uniform Guidance for federal awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

The underlying 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.

WILL COUNTY, ILLINOIS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For the Year Ended November 30, 2015

NOTE 3 – PASS-THROUGH AGENCIES

The following identifies the pass-through agency acronyms used on the schedule of expenditures of federal awards:

SBE	State Board of Education
DPH	Illinois Department of Public Health
DHS	Illinois Department of Human Services
DCEO	Illinois Department of Commerce and Economic Opportunity
CJIA	Illinois Criminal Justice Information Authority
DOT	Illinois Department of Transportation
RTA	Regional Transportation Authority
EMA	Illinois Emergency Management Agency
NHTSA	National Highway Traffic Safety Administration
HFS	Illinois Department of Healthcare and Family Services
HPA	Illinois Historic Preservation Agency
CACI	Child Advocacy Centers of Illinois

NOTE 4 – 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 (10.557) of \$4,276,924 and food commodities (10.555) of \$3,539.

NOTE 5 – INSURANCE AND LOANS OR LOAN GUARANTEES

During the year ended November 30, 2015, 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, 2015

NOTE 6 – SUBRECIPIENT RELATIONSHIPS

The following is a schedule of payments to subrecipients:

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Expenditures
US Department of Housing and Urban Development		
Community Development Block Grant		
Disbursed to Continuum of Care (#892, 893, 902, 911, 912)	14.218	\$ 195,994
Disbursed to HMIS Match Continuum of Care (#894, 911)	14.218	14,852
Disbursed to Homer Township (#886)	14.218	165,541
Disbursed to Ridgewood Health Department (#880, 889)	14.218	94,932
Disbursed to Village of Bolingbrook (#902)	14.218	3,360
Disbursed to Village of Rockdale (#885)	14.218	115,000
Disbursed to Cornerstone (#896,914)	14.218	34,166
Disbursed to Community Service Council (#897, 909)	14.218	74,333
Disbursed to CASA (#899)	14.218	7,500
Disbursed to Catholic Charities (#898, 916)	14.218	20,557
Disbursed to Ciorba (#905)	14.218	30,000
Total Community Development Block Grant		<u>756,235</u>
Neighborhood Stabilization Grant		
Disbursed to WCCCC for NSP Rehab	14.218	39,490
Total Neighborhood Stabilization Grant		<u>39,490</u>
Emergency Solutions Grant		
Disbursed to Will.C.C.C.C. (#904, 918, 919, 920, 921, 922, 924)	14.218	105,307
Total Emergency Solutions Grant		<u>105,307</u>
HOME Grant		
Disbursed to Cornerstone (#887)	14.239	113,316
Disbursed to Easter Seals (#888)	14.239	44,000
Disbursed to Habitat for Humanity (#891)	14.239	18,750
Disbursed to Will C.C.C.C. (#901, 925, 926)	14.239	6,834
Total HOME Grant		<u>182,900</u>
U.S. Department of Justice		
Passed through Illinois Criminal Justice Information Authority		
Expanding Multi-Jurisdictional Narcotics Units		
Disbursed to Lockport Police Department	16.738	24,923
Disbursed to Morris Police Department	16.738	20,357
Disbursed to Grundy County Sheriff	16.738	20,206
Local MMA	16.738	23,115
Total Expanding Multi-Jurisdictional Narcotics Units		<u>88,601</u>
Justice Assistance Grant 2013		
Disbursed to City of Joliet Police Department	16.738	28,769
Total Justice Assistance Grant 2013		<u>28,769</u>

WILL COUNTY, ILLINOIS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For the Year Ended November 30, 2015

NOTE 6 – SUBRECIPIENT RELATIONSHIPS (cont.)

U.S. Department of Labor

Passed through IL Department of Commerce & Economic Opportunity

Workforce Investment Grant

Disbursed to Employment & Employer Services	17.258/17.278	51,007
Disbursed to First Institute Training and Management, Inc.	17.259	123,121
Disbursed to JJC Community and Economic Development	17.258/17.259/17.278	1,082,855
Disbursed to Joan Wisniewski	17.258/17.278	12,905
Disbursed to North Business & Industrial Council	17.258/17.278	65,829
Disbursed to Tec Services Consulting, Inc.	17.277	1,211,616

Total Workforce Investment Grant 2,547,333

Accelerated Training for Illinois Manufacturing (ATIM)

Disbursed to Will County Fiscal	17.283	59,943
Disbursed to Kerber, Eck & Braeckel (Jan Etkorn)	17.283	18,900
Disbursed to G2G Strategies (Joel C. Goldberg)	17.283	51,568
Disbursed to Lake County Workforce Development	17.283	219,445
Disbursed to McHenry County Workforce Network	17.283	55,026
Disbursed to DuPage County Workforce Development	17.283	125,369
Disbursed to Kane County Dept of Employment and Education	17.283	73,490
Disbursed to Workforce Services Division of Will County	17.283	42,357

Total Accelerated Training for Illinois Manufacturing (ATIM) 646,098

Total Disbursed to Subrecipients \$ 4,394,733

WILL COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended November 30, 2015

SECTION I – SUMMARY OF AUDITORS’ RESULTS

FINANCIAL STATEMENTS

Type of auditors’ report issued: Unmodified

Internal control over financial reporting:

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

Noncompliance material to financial statements noted?

 yes X no

FEDERAL AWARDS

Internal control over federal award programs:

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

Type of auditor’s report issued on compliance of federal award programs: Qualified for 16.922, Unmodified for others

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(clusters):

<u>CFDA Numbers</u>	<u>Name of Federal Program (Cluster)</u>
10.557	Special Supplemental Nutrition Program for Women, Infants and Children
16.922	Department of Justice Equitable Sharing Program
17.258/259/278	WIA Cluster
17.277	WIA National Emergency Grant

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

 \$ 627,137

WILL COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended November 30, 2015

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

NONE

SECTION III – FEDERAL FINDINGS AND QUESTIONED COSTS

***FINDING 2015-001 – DEPARTMENT OF JUSTICE EQUITABLE SHARING PROGRAM FOR DRUG ASSET
FORFEITURE 16.922***

Criteria: Per the Guide to Equitable Sharing; Part X: What Are the Reporting and Audit Requirements Section A, "State and local law enforcement agencies must submit this form (the annual Equitable Sharing Agreement and Certification for Equitable Sharing Program for Drug Asset Forfeiture) within 60 days after the end of an agency's fiscal year, regardless of whether the funds were received or maintained during the fiscal year."

Condition/Context: The annual Equitable Sharing Agreement and Certification for Equitable Sharing Program for Drug Asset Forfeiture, which is managed by the States Attorney Office has not yet been submitted for 2015. This report is required to be submitted within 60 days of the County's fiscal year end.

Cause: The States Attorney Office experienced an oversight regarding the completion of this report and the report was not submitted.

Effect: By not submitting this annual report by the required timeline Will County did not comply with the requirements for reporting of the program. Funding could be at risk until the required reporting is completed.

Questioned Costs: None noted

Recommendation: BT recommends the States Attorney Office complete and submit the annual Equitable Sharing Agreement and Certification report within the required timeline of 60 days after fiscal year end to ensure compliance with the reporting requirements of the program.

Management's Response: The State's Attorney Office will add a repeating annual calendar reminder in Outlook for the deadline for the filing of the Certification for Equitable Sharing Program for Drug Asset Forfeiture in order to ensure that future reports are timely filed. The 2016 and future reports will be timely filed.

WILL COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended November 30, 2015

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

FINDING 2015-002 – DEPARTMENT OF JUSTICE EQUITABLE SHARING PROGRAM 16.922

Criteria: Per the Guide to Equitable Sharing; Part IX: What Are the Accounting Procedures and Requirements for Shared Cash, Proceeds, and Tangible Property No. A9, "Obtain approval for expenditures from the governing body, such as the town council or city manager's office, if appropriate."

Condition/Context: There is no formal process nor evidence of review and/or approval for expenditures. Invoices are received by the Deputy Chief of the Sheriff's Department and handed down to the Lieutenant for payment with no initials/signature indicating review and/or approval.

Cause: Finding is due to lack of policies and procedures regarding expenditures.

Effect: By not reviewing and approving expenditures, they are not in compliance with the program accounting requirements and the funds could be spent on impermissible items.

Questioned Costs: None noted.

Recommendation: The Sheriff's Department should create and enforce purchasing policies and procedures which will include proper review and approval before payment of expenditures as well as ensuring the jurisdiction's financial manager maintains the checkbook/financial instrument related to equitable sharing.

Management's Response: Will County operates under the County Executive form of government. The County Board is the legislative branch responsible for adopting the operating budget for the county. The elected County Executive is responsible for the day to day operations of many departments, including the finance department. The Sheriff's department complies with the Will County Purchasing ordinance, which establishes guidelines and dollar thresholds for an open bidding process.

Equitable sharing expenses will originate with the Will County Sheriff or his delegate, who will ensure that all expenses are permissible under the program guidelines. Once an expense is deemed permissible under the equitable sharing guidelines by the Will County Sheriff or his delegate, the approved invoice will be sent to the Sheriff's accounting office to complete required payment processing documents and to ensure the expenditures are properly coded by program. The approved payment processing paperwork is sent to the Will County Finance department to be entered into the payable system. Verification of signature authority, budget availability, and accuracy of expense codes are verified at this stage. County wide payments are processed, and fund cash balances verified by the Treasurer's office, and then checks, ACH, or wires are processed.

WILL COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended November 30, 2015

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

FINDING 2015-003 – DEPARTMENT OF JUSTICE EQUITABLE SHARING PROGRAM 16.922

Criteria: Program compliance requirements relating to Equipment and Real Property Management require that if an entity purchases equipment with federal funds procedures should be in place for managing this equipment such as: maintaining of property records that include a description of the property, a serial number or other identification number, the source of funding for the property (including the FAIN), who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the project costs for the Federal award under which the property was acquired, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property. Also, a physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.

Condition/Context: There are no procedures in place for managing equipment acquired under a Federal award until disposition takes place. Separate detailed records of equipment purchased with Federal funds are not being maintained by management.

Cause: Unable to determine.

Effect: By not managing a list of equipment acquired with Federal funds, the agency is not in compliance with the program requirements.

Questioned Costs: None noted

Recommendation: Management should establish a listing of all equipment on hand purchased in whole or in part with Federal funds, and perform a review of the listing at least annually.

Management's Response: The Sheriff's Office will begin to use Will County's Financial Accounting Policies and Capital Assets Policy when utilizing purchases made with Equitable Sharing Funds. The Will County Sheriff's Office will follow the Guide to Equitable Sharing for State and Local Law Enforcement Agencies (April 2009); and interim guidance effective July 30th, 2014 as it relates to Procedures to Account for Tangible and Real Property.

See the guidelines below as a point of reference.

1. Use tangible property placed into official use for a law enforcement purpose for at least two years following the transfer. After two years, the property may be sold for the benefit of the law enforcement agency. (Guide, Section IX.A.7)
2. All proceeds from the sale of such property must be deposited into the agency's equitable sharing account and reported on the ESAC as "Other Income". (Guide, Section IX.A.7)
3. Agencies requesting to sell prior to two years must obtain (written) approval from AFMLS. (Guide, Section IX.A.7)
4. When receiving real property, the agency must sign a memorandum of understanding outlining the agency's responsibilities with regard to the use of the property. (Guide, Section VIII.C #1)
5. The agency must agree to pay any federal costs/expenses as well as the federal share before the transfer will be approved. (Guide, Section VIII.C #1)

WILL COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended November 30, 2015

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

FINDING 2015-004 – DEPARTMENT OF JUSTICE EQUITABLE SHARING PROGRAM 16.922

Criteria: Per the Guide to Equitable Sharing; Part IX.A.1 : What Are the Accounting Procedures and Requirements for Shared Cash, Proceeds, and Tangible Property, law enforcement agency must establish a separate revenue account or accounting code through the agency's finance department for the proceeds from the Department of Justice Equitable Sharing Program. In addition, per Guide Section IX.A.2, the agency must not commingle DOJ equitable sharing funds with funds from any other source.

Condition/Context: The agency accounted for revenues and expenditures of DOJ equitable sharing funds along non-equitable sharing funds in a single general ledger account within an agency fund.

Cause: Unable to determine.

Effect: This accounting practice diminishes the effectiveness of the agency's controls and accounting operations and results in the misstatement of financial reports and inability to accurately differentiate DOJ expenditures from expenditures paid with other funding sources.

Questioned Costs: None noted

Recommendation: The County should establish a new governmental fund within the County's general ledger for proper recording of the Equitable Sharing Program revenues and expenditures.

Management's Response: The Sheriff's Office has established separate funds for Department of Treasury forfeited funds as well as Department of Justice Forfeited funds.

Separate funds, revenue accounts, and expense accounts have been established for the Department of Justice Equitable Sharing Program, the Department of Treasury, State Forfeiture, and State Money Laundering. Use of separate funds, revenue and expense accounts ensures that funds received are not commingled. Please see the funds and accounts identified below:

Fund 255 – Dept. of Justice, Sheriff Federal Forfeiture
Revenue Code: 255-00-000-33105
Expense Codes: 255-50-646-XXXX

Fund 256 – Dept. of Treasury, Sheriff Federal Forfeiture
Revenue Code: 256-00-000-33106
Expense Codes: 256-50-647-XXXX

Fund 257 – Sheriff State Money Laundering
Revenue Code: 257-00-000-33308
Expense Codes: 257-50-648-XXXX

Fund 258 – Sheriff State Drug Forfeiture
Revenue Code: 258-00-000-33309
Expense Codes: 258-50-649-XXXX

Fund 259 – Sheriff, Pre-Adjudicated Forfeiture
Revenue Code: 259-00-000-33356
Expense Codes: 259-50-650-XXXX

WILL COUNTY, ILLINOIS

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS For the Year Ended November 30, 2015

FINDING 2014-002– SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC) 10.557, PASSED THROUGH ILLINOIS DEPARTMENT OF HUMAN SERVICE

Of the forty participants selected for eligibility testing, two did not properly receive a hemoglobin test at certification or within 90 days; if applicable.

Management's Status: WIC management staff continues to closely monitor the eligibility/certification process and provide on-going training to WIC staff. Management conducts monthly audits on certification forms to ensure accuracy and compliance with program regulations. Hemoglobin procedures were again reviewed at the January 22, 2016 WIC staff meeting.

FINDING 2014-003– SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC) 10.557, PASSED THROUGH ILLINOIS DEPARTMENT OF HUMAN SERVICE

Of the forty participants selected for eligibility testing, one did not properly receive the second required signature of a Certified Health Professional/Nutritionist on the annual certification form.

Management's Status: WIC management staff continues to closely monitor the intake process and provide on-going training to WIC staff. Management conducts monthly audits on certification forms to ensure accuracy and compliance with program regulations. Certification requirements were again reviewed at the January 22, 2016 WIC staff meeting.

FINDING 2014-004– SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC) 10.557, PASSED THROUGH ILLINOIS DEPARTMENT OF HUMAN SERVICE

Of the thirty-seven participants selected for payroll expenditure testing, two salaries were not appropriately allocated to the WIC Grant based off of time and activity reports.

Management's Status: FHS management staff continues to monitor timely and accurate completion of personnel time and activity reports. Monthly certification forms are reviewed by management prior to submission.

WILL COUNTY, ILLINOIS

CORRECTIVE ACTION PLAN For the Year Ended November 30, 2015

FINDING 2015-001– DEPARTMENT OF JUSTICE EQUITABLE SHARING PROGRAM FOR DRUG ASSET FORFEITURE 16.922

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

FINDING 2015-002– DEPARTMENT OF JUSTICE EQUITABLE SHARING PROGRAM 16.922

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

FINDING 2015-003– DEPARTMENT OF JUSTICE EQUITABLE SHARING PROGRAM 16.922

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

FINDING 2015-004– DEPARTMENT OF JUSTICE EQUITABLE SHARING PROGRAM 16.922

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