

FOND DU LAC COUNTY, WISCONSIN

**FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE REPORT**

FOR THE YEAR ENDED DECEMBER 31, 2015

FOND DU LAC COUNTY, WISCONSIN
For the Year Ended December 31, 2015

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To the County Board
Fond du Lac County, Wisconsin

Report on Compliance for Each Major Federal and State Program

We have audited Fond du Lac County, Wisconsin's compliance with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Compliance Supplement* and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration that could have a direct and material effect on each of Fond du Lac County, Wisconsin's major federal and state programs for the year ended December 31, 2015. Fond du Lac County, Wisconsin's major federal and state 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 and state programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Fond du Lac County, Wisconsin's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration. Those standards, Uniform Guidance and the *State Single Audit Guidelines* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about Fond du Lac County, Wisconsin'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 and state program. However, our audit does not provide a legal determination of Fond du Lac County, Wisconsin's compliance.

Opinion on Each Major Federal and State Program

In our opinion, Fond du Lac County, Wisconsin 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 major federal and state programs for the year ended December 31, 2015.

Report on Internal Control Over Compliance

Management of Fond du Lac County, Wisconsin 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 Fond du Lac County, Wisconsin's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and the *State Single Audit Guidelines*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Fond du Lac County, Wisconsin's internal control over compliance.

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

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 material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2015-001 that we consider to be a significant deficiency.

Fond du Lac County, Wisconsin's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of prior year audit findings and corrective action plan. Fond du Lac County, Wisconsin's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Schedule of Expenditures of Federal Awards and the Schedule of State Financial Assistance Required by Uniform Guidance and the *State Single Audit Guidelines*

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Fond du Lac County, Wisconsin as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise Fond du Lac County, Wisconsin's basic financial statements. We issued our report thereon dated August 12, 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. The accompanying schedule of expenditures of federal awards and schedule of state financial assistance are presented for purposes of additional analysis as required by the Uniform Guidance and the *State Single Audit Guidelines* and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

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 the Uniform Guidance and the *State Single Audit Guidelines*. Accordingly, this report is not suitable for any other purpose.

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Certified Public Accountants
Sheboygan, Wisconsin
August 12, 2016

FOND DU LAC COUNTY, WISCONSIN
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2015

Grantor Agency/Federal Program Title	Pass-through Agency	Federal CFDA Number
<u>U.S. DEPARTMENT OF AGRICULTURE</u>		
Child Nutrition Cluster		
National School Lunch Program	WI Department of Public Instruction	10.555
Special Supplemental Food Program For Women, Infants and Children	WI Department of Health Services	10.557
Supplemental Nutrition Assistance Program (SNAP) Cluster		
State Administrative Matching Grants for Supplemental Nutrition Assistance Program	WI Department of Health Services	10.561
State Administrative Matching Grants for Supplemental Nutrition Assistance Program	WI Department of Children and Families	10.561
Total U.S. Department of Agriculture		
<u>U.S. DEPARTMENT OF JUSTICE</u>		
Internet Crimes Against Children Task Force Grant	WI Department of Justice	16.543
Drug Court Discretionary Grant Program	Direct Program	16.585
State Criminal Alien Assistance Program	WI Department of Justice	16.606
Bulletproof Vest Partnership Program	Direct Program	16.607
Project Safe Neighborhoods	WI Department of Justice	16.609
Byrne Memorial Justice Assistance Grant (Misdemeanor Diversion)	WI Department of Justice	16.738
Total U.S. Department of Justice		
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>		
Highway Safety Cluster		
State and Community Highway Safety	WI Department of Transportation	20.600
Interagency Hazardous Materials Public Sector Training and Planning Grants	WI Department of Military Affairs	20.703
Total U.S. Department of Transportation		
<u>ENVIRONMENTAL PROTECTION AGENCY</u>		
Passed through the Wisconsin Department of Natural Resources		
State Indoor Radon Grants	WI Department of Health Services	66.032
<u>U.S. DEPARTMENT OF EDUCATION</u>		
Grants for Infants and Toddlers with Disabilities	WI Department of Health Services	84.181

(Continued)

Revenues				Total Expenditures	Subrecipient Payments
(Accrued) or Deferred Revenue 1/1/15	Cash Received	Accrued or (Deferred) Revenue 12/31/15	Total Revenues		
\$ -	\$ 20,078	\$ -	\$ 20,078	\$ 20,078	\$ -
(18,234)	426,508	13,955	422,229	422,229	-
(591,011)	2,666,821	630,549	2,706,359	2,706,359	1,991,740
(161)	161	-	-	-	-
<u>(609,406)</u>	<u>3,113,568</u>	<u>644,504</u>	<u>3,148,666</u>	<u>3,148,666</u>	<u>1,991,740</u>
-	742	-	742	742	-
(17,557)	105,809	23,925	112,177	112,177	-
-	3,150	-	3,150	3,150	-
(477)	9,053	438	9,014	9,014	-
(21,448)	44,178	24,077	46,807	46,807	-
(22,127)	60,818	35,586	74,277	74,277	-
<u>(61,609)</u>	<u>223,750</u>	<u>84,026</u>	<u>246,167</u>	<u>246,167</u>	<u>-</u>
-	47,260	23,355	70,615	70,615	-
-	11,400	-	11,400	11,400	-
<u>-</u>	<u>58,660</u>	<u>23,355</u>	<u>82,015</u>	<u>82,015</u>	<u>-</u>
-	11,464	-	11,464	11,464	-
-	106,353	-	106,353	106,353	-

FOND DU LAC COUNTY, WISCONSIN
Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended December 31, 2015

Grantor Agency/Federal Program Title	Pass-through Agency	Federal CFDA Number
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES		
Special Programs for the Aging		
Title III, Part D - Disease Prevention and Health		
Promotion Services	Greater Wisconsin Agency on Aging Resources	93.043
Aging Cluster		
Title III-B Grants for Supportive Services and Senior Centers	Greater Wisconsin Agency on Aging Resources	93.044
Title III-Part C - Nutrition Services	Greater Wisconsin Agency on Aging Resources	93.045
NSIP Nutrition Services Incentive Prog	Greater Wisconsin Agency on Aging Resources	93.053
Total Aging Cluster		
National Family Caregiver Support, Title III, Part E	Greater Wisconsin Agency on Aging Resources	93.052
Environmental Public Health and Emergency Response	WI Department of Health Services	93.070
Hospital Preparedness Program	WI Department of Health Services	93.074
Immunization Cooperative Agreements	WI Department of Health Services	93.268
Health Insurance Information SHIP	Greater Wisconsin Agency on Aging Resources	93.324
Promoting Save and Stable Families	WI Department of Children and Families	93.556
Temporary Assistance for Needy Families (TANF) Cluster		
Temporary Assistance for Needy Families (TANF)	WI Department of Health Services	93.558
Temporary Assistance for Needy Families (TANF)	WI Department of Children and Families	93.558
Total Temporary Assistance for Needy Families (TANF) and TANF Cluster		
Child Support Enforcement (Title IV-D)	WI Department of Children and Families	93.563
Family Support Payments to States	WI Department of Children and Families	93.560
Low-Income Home Energy Assistance	WI Department of Administration	93.568
CCDF Cluster		
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	WI Department of Children and Families	93.596
Chafee Education and Training Vouchers Program (ETV)	WI Department of Children and Families	93.599
Stephanie Tubbs Jones Child Welfare Services Program	WI Department of Corrections	93.645
Stephanie Tubbs Jones Child Welfare Services Program	WI Department of Children and Families	93.645
Total Stephanie Tubbs Jones Child Welfare Services Program		
Foster Care (Title IV-E)	WI Department of Corrections	93.658
Foster Care (Title IV-E)	WI Department of Children and Families	93.658
Total Foster Care (Title IV-E)		
Social Services Block Grant	WI Department of Health Services	93.667
Social Services Block Grant	WI Department of Children and Families	93.667
Total Social Services Block Grant		

(Continued)

Revenues				Total Expenditures	Subrecipient Payments
(Accrued) or Deferred Revenue 1/1/15	Cash Received	Accrued or (Deferred) Revenue 12/31/15	Total Revenues		
-	5,690	-	5,690	5,690	-
-	89,419	-	89,419	89,419	-
-	79,182	-	79,182	79,182	-
(9,033)	43,909	11,456	46,332	46,332	-
(9,033)	212,510	11,456	214,933	214,933	-
-	40,490	-	40,490	40,490	-
-	20,958	471	21,429	21,429	-
17,598	74,728	(17,564)	74,762	74,762	-
-	20,932	1,663	22,595	22,595	-
-	4,000	-	4,000	4,000	-
(8,647)	52,449	8,543	52,345	52,345	-
(6,044)	157,663	-	151,619	151,619	-
(27,330)	316,630	37,280	326,580	326,580	-
(33,374)	474,293	37,280	478,199	478,199	-
(218,537)	999,966	226,960	1,008,389	1,008,389	-
(3)	3	-	-	-	-
(32,095)	117,580	45,644	131,129	131,129	131,129
(36,933)	220,088	36,464	219,619	219,619	-
(649)	1,321	-	672	672	-
-	5,109	-	5,109	5,109	-
-	64,138	-	64,138	64,138	-
-	69,247	-	69,247	69,247	-
-	7,152	-	7,152	7,152	-
(8,376)	419,974	10,367	421,965	421,965	-
(8,376)	427,126	10,367	429,117	429,117	-
-	281,153	-	281,153	281,153	-
-	175,682	-	175,682	175,682	-
-	456,835	-	456,835	456,835	-

FOND DU LAC COUNTY, WISCONSIN
Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended December 31, 2015

Grantor Agency/Federal Program Title	Pass-through Agency	Federal CFDA Number
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)</u>		
Chafee Foster Care Independence Program	WI Department of Children and Families	93.674
Children's Health Insurance Program	WI Department of Health Services	93.767
Medicaid Cluster		
Medical Assistance Program	WI Department of Children and Families	93.778
Medical Assistance Program	WI Department of Health Services	93.778
Total Medicaid Cluster		
Block Grants for Community Mental Health Services	WI Department of Health Services	93.958
Block Grants for Prevention and Treatment of Substance Abuse	WI Department of Health Services	93.959
Prev Hlth/Hlth Serve Block Grant-Cons Contract-PHHS	WI Department of Health Services	93.758
Maternal and Child Health Services Block Grant	WI Department of Health Services	93.994
Total U.S. Department of Health and Human Services		
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>		
Emergency Management Performance Grants	WI Department of Military Affairs	97.042
Pre-Disaster Mitigation	WI Department of Military Affairs	97.047
Total U.S. Department of Homeland Security		
TOTAL EXPENDITURES OF FEDERAL AWARDS		

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

Revenues				Total Expenditures	Subrecipient Payments
(Accrued) or Deferred Revenue 1/1/15	Cash Received	Accrued or (Deferred) Revenue 12/31/15	Total Revenues		
-	31,678	-	31,678	31,678	-
(77,106)	334,472	77,943	335,309	335,309	247,456
1,474	-	-	1,474	1,474	-
(616,110)	4,101,469	873,935	4,359,294	4,359,294	2,319,724
(614,636)	4,101,469	873,935	4,360,768	4,360,768	2,319,724
(12,919)	57,833	454	45,368	45,368	-
(63)	154,766	69	154,772	154,772	-
-	8,527	-	8,527	8,527	-
-	18,400	20,868	39,268	39,268	-
(1,034,773)	7,905,361	1,334,553	8,205,141	8,205,141	2,698,309
(33,301)	82,401	33,362	82,462	82,462	-
(15,893)	20,677	-	4,784	4,784	-
(49,194)	103,078	33,362	87,246	87,246	-
<u>\$ (1,754,982)</u>	<u>\$ 11,522,234</u>	<u>\$ 2,119,800</u>	<u>\$ 11,887,052</u>	<u>\$ 11,887,052</u>	<u>\$ 4,690,049</u>

FOND DU LAC COUNTY, WISCONSIN
Schedule of State Financial Assistance
For the Year Ended December 31, 2015

Grantor Agency/State Program Title	Pass-through Agency	State I.D. Number
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DEPARTMENT OF AGRICULTURE, TRADE, AND CONSUMER PROTECTION

Soil and Water Resource Management County		
Staff and Support	Direct Program	115.15
Land and Water Resource Management Projects	Direct Program	115.40
Total Department of Agriculture, Trade, and Consumer Protection		

DEPARTMENT OF SAFETY AND PROFESSIONAL SERVICES

Wisconsin Fund Private Sewage System	Direct Program	143.110
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DEPARTMENT OF NATURAL RESOURCES

Boating Enforcement	Direct Program	370.550
Wildlife Damage and Abatement and Claims Program	Direct Program	370.553
Conservation Aids-Local Parks Aid	Direct Program	370.563
Conservation Aids-Local Parks Aid(Wild Goose Trail) (S-ADLP2-946)	Direct Program	370.563
Snowmobile Supplemental Aids (S-4233)	Direct Program	370.569
Recreational Trails Act Prog (ATV-1940)	Direct Program	370.577
Total Department of Natural Resources		

DEPARTMENT OF TRANSPORTATION

Elderly and Handicapped Transportation Aids	Direct Program	395.101
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DEPARTMENT OF CORRECTIONS

Community Intervention	Direct Program	410.302
Community Youth and Family Aids	Direct Program	410.313
Total Department of Corrections		

DEPARTMENT OF HEALTH SERVICES

WIC Program - Farmers Market	Direct Program	435.154720
GPR Lead Poison	Direct Program	435.157720
Maternal & Child Health Service Block Grant	Direct Program	435.159320
TPCP-WI Wins	Direct Program	435.181005
TPCP-Community Interventions LHD	Direct Program	435.181012

(Continued)

Revenues				Total Expenditures
(Accrued) or Deferred Revenue 1/1/15	Cash Received	Accrued or (Deferred) Revenue 12/31/15	Total Revenues	
\$ (148,616)	\$ 299,527	\$ -	\$ 150,911	\$ 150,911
(1,194)	27,116	8,481	34,403	34,403
(149,810)	326,643	8,481	185,314	185,314
-	12,499	-	12,499	12,499
(11,375)	11,375	11,862	11,862	11,862
(4,449)	14,730	4,581	14,862	14,862
(1,950)	-	4,741	2,791	2,791
-	15,500	-	15,500	15,500
(6,616)	80,534	-	73,918	73,918
-	1,157	-	1,157	1,157
(24,390)	123,296	21,184	120,090	120,090
-	245,208	-	245,208	245,208
(12,050)	46,018	9,868	43,836	43,836
-	498,622	-	498,622	498,622
(12,050)	544,640	9,868	542,458	542,458
-	2,121	-	2,121	2,121
-	11,522	-	11,522	11,522
-	1,024	1,162	2,186	2,186
(2,292)	11,060	5,162	13,930	13,930
-	101,960	604	102,564	102,564

FOND DU LAC COUNTY, WISCONSIN
Schedule of State Financial Assistance (Continued)
For the Year Ended December 31, 2015

Grantor Agency/State Program Title	Pass-through Agency	State I.D. Number
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DEPARTMENT OF HEALTH SERVICES (Continued)

FSET Administration GPR	Direct Program	435.231
FSET Transportation GPR	Direct Program	435.233
FSET Retent GPR	Direct Program	435.235
IMAA State Share ACA	Direct Program	435.276
IMAA Federal Share ACA	Direct Program	435.277
IMAA State Share	Direct Program	435.283
IMAA Federal Share	Direct Program	435.284
IMAA State Share Supplemental	Direct Program	435.292
IMAA Federal Share Supplemental	Direct Program	435.293
IMAA State Share ACA	Direct Program	435.297
IMAA State Share ACA	Direct Program	435.298
Adult Protective Services	Direct Program	435.312
Community Options Program	Direct Program	435.367
Coordinated Services Program	Direct Program	435.515
Medical Assistance Program Benefits		
Certified Mental Health Program	Direct Program	435.517
Non-Resident-997	Direct Program	435.531
Birth to Three Initiative Program	Direct Program	435.550
Aging and Disability Resource Center	Direct Program	435.560100
Elderly Benefit Specialists	Greater Wisconsin Agency on Aging Resources	435.560320
Elderly Benefit Specialists-OCI Replacement	Greater Wisconsin Agency on Aging Resources	435.560327
Senior Community Services	Greater Wisconsin Agency on Aging Resources	435.560330
Congregate Meals Program (Title III-C-1)	Greater Wisconsin Agency on Aging Resources	435.560350
Home Delivered Meals (Title III-C-2)	Greater Wisconsin Agency on Aging Resources	435.560360
Alzheimer's Family Support Aging	Greater Wisconsin Agency on Aging Resources	435.560381
Elder Abuse	Greater Wisconsin Agency on Aging Resources	435.560490
Basic County Allocation	Direct Program	435.561
Family Support Program	Direct Program	435.577
County CST Initiatives	Direct Program	435.591
Comm. Service and Mental Health Service	Direct Program	435.681
TPA CLTS DD Other GPR	Direct Program	435.871
TPA CLTS DD Autism GPR	Direct Program	435.874
CLTS Other CWA Admin	Direct Program	435.877
CLTS Autism CWA Admin	Direct Program	435.880
CLTS PF BCA Matched	Direct Program	435.883
Total Department of Health Services		

(Continued)

Revenues				Total Expenditures
(Accrued) or Deferred Revenue 1/1/15	Cash Received	Accrued or (Deferred) Revenue 12/31/15	Total Revenues	
(251)	3,370	-	3,119	3,119
-	1,673	-	1,673	1,673
(1,093)	1,478	-	385	385
-	256,708	117,470	374,178	374,178
-	1,412	646	2,058	2,058
(7,441)	1,751,886	9,977	1,754,422	1,754,422
-	21,856	7,382	29,238	29,238
(42,241)	121,657	-	79,416	79,416
(262)	754	492	984	984
(274,999)	716,363	-	441,364	441,364
(1,705)	4,441	-	2,736	2,736
-	52,080	-	52,080	52,080
(9,989)	538,422	13,042	541,475	541,475
-	56,027	3,346	59,373	59,373
(25,635)	64,088	12,817	51,270	51,270
-	2,736	134	2,870	2,870
-	102,142	-	102,142	102,142
5,875	640,505	(8,776)	637,604	637,604
-	28,215	-	28,215	28,215
-	8,960	-	8,960	8,960
-	10,746	-	10,746	10,746
-	176,816	-	176,816	176,816
-	4,465	-	4,465	4,465
(2,879)	17,839	-	14,960	14,960
(2,664)	31,058	2,664	31,058	31,058
-	1,634,767	-	1,634,767	1,634,767
(2,417)	84,866	(2,185)	80,264	80,264
(7,301)	7,301	-	-	-
-	226,717	-	226,717	226,717
-	235,501	-	235,501	235,501
-	138,624	-	138,624	138,624
(4,402)	24,203	6,509	26,310	26,310
(2,718)	12,242	(1,066)	8,458	8,458
(1,267)	38	(353)	(1,582)	(1,582)
(383,681)	7,107,643	169,027	6,892,989	6,892,989

FOND DU LAC COUNTY, WISCONSIN
Schedule of State Financial Assistance (Continued)
For the Year Ended December 31, 2015

Grantor Agency/State Program Title	Pass-through Agency	State I.D. Number
<u>DEPARTMENT OF CHILDREN AND FAMILIES</u>		
Post Reunification	Direct Program	437.117
MA Agency Incentive	Direct Program	437.237
AFDC Agency Incentive	Direct Program	437.238
Food Stamp Agency Incentive	Direct Program	437.267
AW DOJ Fingerprint Background	Direct Program	437.3324
Youth Employment Program	Direct Program	437.3365
Transition to Independent Living	Direct Program	437.3366
CW Foster Parent Competency Based Training	Direct Program	437.3396
Basic County Allocation	Direct Program	437.3561
State/County Match	Direct Program	437.3681
Child Support	Direct Program	437.7502
Total Department of Children and Families		
<u>DEPARTMENT OF JUSTICE</u>		
Law Enforcement Training	Direct Program	455.231
Victim and Witness Assistance Program - A Program Cluster	Direct Program	455.532
DNA reimbursement	Direct Program	455.221
Total Department of Justice		
<u>DEPARTMENT OF MILITARY AFFAIRS</u>		
Emergency Planning Grant Program	Direct Program	465.337
EPCRA Computer and Hazmat Equipment Grant	Direct Program	465.308
Total Department of Military Affairs		
<u>DEPARTMENT OF VETERANS AFFAIRS</u>		
County Veterans Servia Officer	Direct Program	485.001
<u>STATE COURTS</u>		
Reimb Guardian Ad Litem Services-Circuit Court	Direct Program	N/A
Reimb Guardian Ad Litem Services-Probate	Direct Program	N/A
Total State Courts		
<u>DEPARTMENT OF ADMINISTRATION</u>		
Land Information Board	Direct Program	505.166
Wisconsin Home Energy Assistance Program (See Federal Program CFDA #93.568)	Direct Program	505.371

TOTAL STATE PROGRAMS

The notes to the schedule of state financial assistance are an integral part of this schedule.

Revenues				Total Expenditures
(Accrued) or Deferred Revenue 1/1/15	Cash Received	Accrued or (Deferred) Revenue 12/31/15	Total Revenues	
4,176	63,785	(19,508)	48,453	48,453
144	(144)	-	-	-
(3)	3	-	-	-
(160)	160	-	-	-
(562)	2,985	798	3,221	3,221
(18,369)	18,369	-	-	-
-	63,479	11,899	75,378	75,378
-	219	403	622	622
-	634,550	-	634,550	634,550
-	111,042	-	111,042	111,042
-	129,234	-	129,234	129,234
<u>(14,774)</u>	<u>1,023,682</u>	<u>(6,408)</u>	<u>1,002,500</u>	<u>1,002,500</u>
-	17,440	-	17,440	17,440
(41,042)	81,831	40,194	80,983	80,983
-	1,400	-	1,400	1,400
<u>(41,042)</u>	<u>100,671</u>	<u>40,194</u>	<u>99,823</u>	<u>99,823</u>
(13,810)	27,848	14,038	28,076	28,076
-	12,760	-	12,760	12,760
<u>(13,810)</u>	<u>40,608</u>	<u>14,038</u>	<u>40,836</u>	<u>40,836</u>
-	13,000	-	13,000	13,000
30,252	67,944	(33,972)	64,224	64,224
13,591	30,526	(15,263)	28,854	28,854
<u>43,843</u>	<u>98,470</u>	<u>(49,235)</u>	<u>93,078</u>	<u>93,078</u>
-	1,000	-	1,000	1,000
(11,183)	35,026	14,052	37,895	37,895
<u>(11,183)</u>	<u>36,026</u>	<u>14,052</u>	<u>38,895</u>	<u>38,895</u>
<u>\$ (606,897)</u>	<u>\$ 9,672,386</u>	<u>\$ 221,201</u>	<u>\$ 9,286,690</u>	<u>\$ 9,286,690</u>

FOND DU LAC COUNTY, WISCONSIN
Notes to the Schedule of Expenditures of Federal Awards
and the Schedule of State Financial Assistance
For the Year Ended December 31, 2015

NOTE A - BASIS OF PRESENTATION

The accompanying Schedule of Federal Awards and Schedule of State Financial Assistance for Fond du Lac County, Wisconsin are presented in accordance with the requirements of the Office of Management and Budget (OMB) Uniform Guidance and the *State Single Audit Guidelines* issued by the State of Wisconsin.

NOTE B - SIGNIFICANT ACCOUNTING POLICIES

Revenues and expenditures in the schedules are presented in accordance with the modified accrual basis of accounting and are generally in agreement with revenues and expenditures reported in the County's 2015 financial statements. Accrued revenue at year-end consists of program expenditures scheduled for reimbursement to the County in the succeeding year while deferred inflows represents advances for federal and state programs that exceed recorded County expenditures.

Major federal and state financial assistance programs are identified in the Schedule of Findings and Questioned Costs are determined as follows:

Federal Programs: Fond du Lac County qualifies as a low risk auditee in accordance with the Uniform Guidance. Therefore major programs represent those with combined expenditures exceeding 20% of total federal awards that also were deemed major programs based on the auditors' risk assessment. All other federal programs are considered non-major programs.

State Programs: Fond du Lac County, Wisconsin, qualified as a low risk auditee in accordance with the *State Single Audit Guidelines*. Therefore major programs represent those with combined expenditures exceeding 20% of total state financial assistance that also were deemed major programs based on the auditors' risk assessment. In addition, certain state financial assistance programs were designated state major by the state granting agency and therefore considered state major. All other state financial assistance programs are considered non-major programs.

Certain programs administered by the Wisconsin Department of Natural Resources may have been included in the Schedule of State Financial Assistance for presentation purposes only and are not subject to audit as major programs by the *State Single Audit Guidelines*.

NOTE C - OVERSIGHT AGENCIES

The federal and state oversight agencies for the County are as follows:

Federal - U.S. Department of Justice
State - Wisconsin Department of Health Services

FOND DU LAC COUNTY, WISCONSIN
Notes to the Schedule of Expenditures of Federal Awards
and the Schedule of State Financial Assistance
For the Year Ended December 31, 2015

NOTE D - TITLE 19 MEDICAL ASSISTANCE PAYMENTS

The Schedule of Expenditures of Federal Awards and Schedule of State Financial Assistance does not include repayments received by the County for various Title 19 Medical Assistance programs. The payments are considered a contract for services between the State and the County and therefore are not reported as federal awards or state financial assistance.

NOTE E - STATE DIRECT PAYMENTS

Payments made directly to recipients and vendors by the State of Wisconsin under the Food Share Wisconsin program on behalf of the County are not included in the Schedule of Expenditures of Federal Awards and Schedule of State Financial Assistance.

NOTE F - STATE OF WISCONSIN COMMUNITY AIDS REPORTING SYSTEM

The Wisconsin Department of Health Services (DHS), Department of Children and Families (DCF) and Department of Workforce Development (DWD) utilize the Community Aids Reporting System (CARS) and the Central Office Reporting System (CORE) for reimbursing the County for various federal and state program expenditures. The expenditures reported on the Schedule of Expenditures of Federal Awards and the Schedule of State Financial Assistance for various DHS, DCF and DWD programs agree with the expenditures reported on the June 2016 CARS for the Community Programs, Social Services and Public Health departments and the December 2015 CORE for Child Support and Social Services departments.

FOND DU LAC COUNTY, WISCONSIN
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2015

Section I - Summary of Auditors' Results

Basic Financial Statements

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness identified?	No
• Significant deficiencies identified?	None Reported
Noncompliance material to basic financial statements noted?	No

Federal Awards and State Financial Assistance

Internal control over major programs:	
• Material weakness identified?	No
• Significant deficiencies identified?	Yes
Type of auditors' report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	Yes
Any audit findings disclosed that are required to be reported in accordance with the <i>State Single Audit Guidelines</i> ?	No

Identification of major federal programs:

CFDA Number	Name of Federal Program
	<i>SNAP Cluster</i>
10.561	State Administrative Matching Grants for Supplemental Nutrition Assistance Program
	<i>Medicaid Cluster</i>
93.778	Medical Assistance Program

FOND DU LAC COUNTY, WISCONSIN
 Schedule of Findings and Questioned Costs (Continued)
 For the Year Ended December 31, 2015

Section I - Summary of Auditors' Results (Continued)

Identification of major state programs:

State ID Number	Name of State Program
395.101	Elderly Transportation Aids
410.313	Community Youth and Family Aids
435.276	IMAA State Share ACA
435.277	IMAA Federal Share ACA
435.283	IMAA State Share
435.284	IMAA Federal Share
435.292	IMAA State Share Supplemental
435.293	IMAA Federal Share Supplemental
435.297	IMAA State Share ACA
435.298	IMAA Federal Share ACA
435.367	Community Options Program
435.561	Basic County Allocation
435.681	Community Service and Mental Health Service
435.871	TPA CLTS DD Other GPR
435.874	TPA CLTS DD Autism GPR
435.877	CLTS Other CWA Admin
435.880	CLTS Autism CWA Admin
435.883	CLTS PF BCA Matched
437.3561	Basic County Allocation
437.3681	State/County Match
N/A	WIMCR

Audit threshold used to determine between Type A and Type B programs:

Federal Awards	\$750,000
State Financial Assistance	\$250,000
Audit qualified as a low-risk auditee	Yes

Section II - Financial Statement Findings

There were no findings related to the basic financial statements required to be reported under governmental auditing standards generally accepted in the United States of America for the year ended December 31, 2015.

FOND DU LAC COUNTY, WISCONSIN
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended December 31, 2015

Section III - Federal Award and State Financial Assistance Findings and Questioned Costs

Finding No.	Control Deficiencies
2015-001	Uniform Grant Guidance Implementation
CFDA #:	All federal programs
Compliance Requirement:	Allowable costs/cost principles, cash management, procurement, reporting
Condition:	The County has various policies and procedures in place to safeguard its assets and establish related controls over receipts, disbursements, payroll transactions and general ledger maintenance. Federal awards received and disbursed by the County are managed through these county-wide policies and procedures; however, the policies and procedures have not been evaluated to ensure compliance with the requirements of Uniform Guidance.
Criteria:	Uniform Guidance requires the County to maintain certain policies related to cash management, cost allowability, procurement, and conflict of interest provisions, along with appropriate financial management systems and internal controls over federal awards to safeguard federal funds.
Cause:	The County has not finalized an assessment of its financial management system and related internal controls over federal awards, along with an evaluation of existing policies for compliance with Uniform Guidance by year end.
Effect:	The County could become noncompliant with requirements of Uniform Guidance, resulting in future findings and questioned costs related to federal awards administered by the County. The County's 2015 audit in accordance with the requirements of Uniform Guidance did not identify any instances of noncompliance with respect to direct and material compliance requirements of its major federal award program.
Recommendation:	We recommend the County finalize the assessment of its financial management system and related internal controls over federal awards during the 2016 fiscal year. This assessment should include evaluate existing policies and procedures to determine where additional enhancements should be made or new policies created, a plan to communicate these policies to County employees, and procedures to periodically review and update, as considered necessary.

FOND DU LAC COUNTY, WISCONSIN
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended December 31, 2015

Section IV - Other Issues

Does the auditors' report or the notes to the financial statement include disclosure with regard to substantial doubt as to the auditee's ability to continue as a going concern?

_____ Yes X No

Does the audit report show audit issues (i.e., material non-compliance, non-material non-compliance, questioned costs, material weakness, significant deficiency, management letter comment, excess revenue or excess reserve) related to grants/contracts with funding agencies that require audits to be in accordance with the *State Single Audit Guidelines*:

Department of Agriculture, Trade and Consumer Protection	<u> X </u>	Yes	_____	No
Department of Safety and Professional Services	<u> X </u>	Yes	_____	No
Department of Natural Resources	<u> X </u>	Yes	_____	No
Department of Transportation	<u> X </u>	Yes	_____	No
Department of Corrections	<u> X </u>	Yes	_____	No
Department of Health Services	<u> X </u>	Yes	_____	No
Department of Children and Families	<u> X </u>	Yes	_____	No
Department of Justice	<u> X </u>	Yes	_____	No
Department of Military Affairs	<u> X </u>	Yes	_____	No
Department of Veterans Affairs	<u> X </u>	Yes	_____	No
Department of Administration	<u> X </u>	Yes	_____	No
Department of Public Instruction	<u> X </u>	Yes	_____	No
State Courts	<u> X </u>	Yes	_____	No

Was a Management Letter or other document conveying audit comments issued as a result of this audit?

 X Yes _____ No

Bryan Grunewald CPA

Name and signature of shareholder

Bryan Grunewald, Shareholder

Date of report

August 12, 2016

FOND DU LAC COUNTY, WISCONSIN
Schedule of Prior Year Audit Findings and Corrective Action Plan
For the Year Ended December 31, 2015

Prior Year Audit Findings

The findings noted in the 2014 Schedule of Findings and Questioned Costs have been reported to the proper federal and state agencies. Management prepared the schedule of federal and state awards in 2015 which resulted in finding 2014-001 being resolved.

Corrective Action Plan for Audit Findings

Finding Number	Corrective Action Plan
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2015-001 Uniform Grant Guidance Implementation

We have reviewed the uniform grant guidance requirements, met with our auditors and have formed a team that will liaise with departments which receive federal funding. We plan to refine and implement grant management policies and related financial policies in 2016. Policies and procedures will be used to train affected departments and ensure compliance.

ADDITIONAL INDEPENDENT AUDITORS' REPORT

**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 the County Board
Fond du Lac County, Wisconsin

We have audited, in accordance with the 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 business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Fond du Lac County, Wisconsin, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Fond du Lac County's basic financial statements, and have issued our report thereon which included an emphasis of matter paragraph as indicated on page 2, dated August 12, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Fond du Lac County, Wisconsin's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Fond du Lac County, Wisconsin's internal control. Accordingly, we do not express an opinion on the effectiveness of the Fond du Lac County, Wisconsin'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 County's financial statements will not be prevented, or detected and corrected on a timely basis. 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.

Our consideration of 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Fond du Lac County, Wisconsin'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 Fond du Lac County, Wisconsin'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 Fond du Lac County, Wisconsin's internal control and on compliance. Accordingly, this communication is not suitable for any other purpose.

Schreck SC

Certified Public Accountants
Sheboygan, Wisconsin
August 12, 2016