

**MARQUETTE COUNTY**

Montello, Wisconsin

REPORT ON FEDERAL AND STATE AWARDS

For the Year Ended December 31, 2014

# MARQUETTE COUNTY

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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 the County Board of Supervisors  
Marquette County  
Montello, Wisconsin

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 business-type activities, each major fund, and the aggregate remaining fund information of Marquette County, Wisconsin as of and for the year ended December 31, 2014 and the related notes to the financial statements, which collectively comprise Marquette County's basic financial statements and have issued our report thereon dated August 10, 2015.

***Internal Control Over Financial Reporting***

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

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity'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. We consider the deficiency described in the accompanying schedule of findings and questioned costs to be a material weakness. This material weakness is item 2014-001.

To the County Board of Supervisors  
Marquette County

***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether Marquette 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*.

***Marquette County's Response to Finding***

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

***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 Vuchow Krause, LLP*

Madison, Wisconsin  
August 10, 2015

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

Independent Auditors' Report

To the County Board of Supervisors  
Marquette County  
Montello, Wisconsin

***Report on Compliance for Each Major Federal and Major State Program***

We have audited Marquette County, Wisconsin's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the *State Single Audit Guidelines* that could have a direct and material effect on each of Marquette County's major federal and major state programs for the year ended December 31, 2014. Marquette County's major federal and major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of Marquette County's major federal and major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and the *State Single Audit Guidelines*. Those standards, OMB Circular A-133, 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 major state program occurred. An audit includes examining, on a test basis, evidence about Marquette 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 and major state program. However, our audit does not provide a legal determination of Marquette County's compliance.

To the County Board of Supervisors  
Marquette County

### ***Opinion on Each Major Federal and Major State Program***

In our opinion, Marquette 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 major federal and major state programs for the year ended December 31, 2014.

### ***Report on Internal Control Over Compliance***

Management of Marquette 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 Marquette County's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal or major 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 major state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 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 Marquette County's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state 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 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

To the County Board of Supervisors  
Marquette County

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Marquette County, Wisconsin of and for the year ended December 31, 2014 and the related notes to the financial statements, which collectively comprise Marquette County's basic financial statements. We issued our report thereon dated August 10, 2015 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 and state awards is presented for purposes of additional analysis as required by OMB Circular A-133 and the *State Single Audit Guidelines* 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 and state awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Baker Tilly Vuchow Krause, LLP*

Madison, Wisconsin  
September 11, 2015

**MARQUETTE COUNTY**

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
For the Year Ended December 31, 2014

| Grantor Agency /<br>Program Title  | Federal<br>CFDA<br>Number | Passed<br>Through<br>Agency | Revenues                                      |                                |  | Total<br>Revenues | Expenditures |
|--|---------------------------|-----------------------------|---|--------------------------------|--|-------------------|--------------|
|  |                           |                             | (Accrued)<br>Deferred<br>Beginning<br>Balance | Cash<br>Received<br>(Refunded) | Accrued<br>(Deferred)<br>Ending<br>Balance |                   |              |
| <b>FEDERAL PROGRAMS</b>  |                           |                             |   |                                |  |                   |              |
| <b>U. S. Department of Agriculture</b>   |                           |                             |   |                                |  |                   |              |
| State Administration Matching Grants for the Supplemental Nutrition Assistance Program | 10.561                    | DHS                         | \$ -  | \$ 116,190                     | \$ -                                       | \$ 116,190        | \$ 116,190   |
| State Administration Matching Grants for the Supplemental Nutrition Assistance Program | 10.561                    | DCF                         | -   | 337                            | -  | 337               | 337          |
| Subtotal   |                           |                             | -   | 116,527                        | -  | 116,527           | 116,527      |
| <b>U.S. Department of Transportation</b>   |                           |                             |   |                                |  |                   |              |
| State and Community Highway Safety   | 20.600                    | DOT                         | -   | 23,268                         | -  | 23,268            | 23,268       |
| <b>U.S. Department of Education</b>  |                           |                             |   |                                |  |                   |              |
| Safe and Drug-Free Schools and Communities-National Program                            | 84.181                    | DHS                         | -   | 13,992                         | -  | 13,992            | 13,992       |
| <b>U. S. Department of Health and Human Services</b>                                   |                           |                             |   |                                |  |                   |              |
| Title III, Part F - Preventive Health  | 93.043                    | DHS                         | -   | 1,750                          | -  | 1,750             | 1,750        |
| Aging Cluster  |                           |                             |   |                                |  |                   |              |
| Title III, Part B - Grants for Supportive Services                                     | 93.044                    | DHS                         | -   | 25,422                         | -  | 25,422            | 25,422       |
| Title III, Part C - Nutrition Services   | 93.045                    | DHS                         | -   | 43,743                         | -  | 43,743            | 43,743       |
| Nutrition Services Incentive Program   | 93.053                    | DHS                         | -   | 23,066                         | -  | 23,066            | 23,066       |
| Total Aging Cluster  |                           |                             | -   | 92,231                         | -  | 92,231            | 92,231       |
| Title III, Part E - National Family Caregiver Support                                  | 93.052                    | DHS                         | -   | 8,757                          | -  | 8,757             | 8,757        |
| Public Health Emergency Preparedness   | 93.069                    | DHS                         | -   | 3,660                          | -  | 3,660             | 3,660        |
| Hospital Preparedness Program and Public Health Emergency Preparedness                 |                           |                             |   |                                |  |                   |              |
| Aligned Cooperative Agreements   | 93.074                    | DHS                         | -   | 33,614                         | -  | 33,614            | 33,614       |
| Immunization Grants  | 93.268                    | DHS                         | -   | 5,854                          | -  | 5,854             | 5,854        |
| Promoting Safe and Stable Families   | 93.556                    | DCF                         | -   | 33,310                         | -  | 33,310            | 33,310       |
| TANF   |                           |                             |   |                                |  |                   |              |
| Block Grants for Temporary Assistance for Needy Families                               | 93.558                    | DHS                         | -   | 30,488                         | -  | 30,488            | 30,488       |
| Block Grants for Temporary Assistance for Needy Families                               | 93.558                    | DCF                         | -   | 46,969                         | -  | 46,969            | 46,969       |
| Subtotal   |                           |                             | -   | 77,457                         | -  | 77,457            | 77,457       |

See notes to schedule of expenditures of federal and state awards.

**MARQUETTE COUNTY**

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
For the Year Ended December 31, 2014

| Grantor Agency /<br>Program Title  | Federal<br>CFDA<br>Number | Passed<br>Through<br>Agency | Revenues                                      |                                |  | Total<br>Revenues | Expenditures |
|--|---------------------------|-----------------------------|---|--------------------------------|--|-------------------|--------------|
|  |                           |                             | (Accrued)<br>Deferred<br>Beginning<br>Balance | Cash<br>Received<br>(Refunded) | Accrued<br>(Deferred)<br>Ending<br>Balance |                   |              |
| <b>FEDERAL PROGRAMS (cont.)</b>  |                           |                             |   |                                |  |                   |              |
| <b>U. S. Department of Health and Human Services (cont.)</b>                   |                           |                             |   |                                |  |                   |              |
| Child Support Enforcement  | 93.563                    | DCF                         | \$ -  | \$ 171,936                     | \$ -                                       | \$ 171,936        | \$ 171,936   |
| Low Income Home Energy Assistance Block Grant                                  | 93.568                    | DOA                         | -   | 50,463                         | -  | 50,463            | 50,463       |
| Child Care Mandatory and Matching Funds of the Child Care and Development Fund | 93.596                    | DCF                         | -   | 35,828                         | -  | 35,828            | 35,828       |
| Child Welfare Service Grants - State Grants                                    | 93.645                    | DCF                         | -   | 8,380                          | -  | 8,380             | 8,380        |
| Foster Care - Title IV-E   | 93.658                    | DCF                         | -   | 58,887                         | -  | 58,887            | 58,887       |
| Social Services Block Grant  | 93.667                    | DHS                         | -   | 53,537                         | -  | 53,537            | 53,537       |
| Social Services Block Grant  | 93.667                    | DCF                         | -   | 22,936                         | -  | 22,936            | 22,936       |
| Subtotal   |                           |                             | -   | 76,473                         | -  | 76,473            | 76,473       |
| Chafee Foster Care Independence Program  | 93.674                    | DCF                         | -   | 11,000                         | -  | 11,000            | 11,000       |
| Children's Health Insurance Program  | 93.767                    | DHS                         | -   | 15,233                         | -  | 15,233            | 15,233       |
| Medical Assistance Program   | 93.778                    | DHS                         | -   | 308,714                        | -  | 308,714           | 308,714      |
| Medical Assistance Program   | 93.778                    | DCF                         | -   | 58,313                         | -  | 58,313            | 58,313       |
| Medical Assistance Program - WIMCR   | 93.778                    | DHS                         | -   | 29,924                         | -  | 29,924            | 29,924       |
| Subtotal   |                           |                             | -   | 396,951                        | -  | 396,951           | 396,951      |
| Centers for Medicare and Medicaid Services Research                            | 93.779                    | DHS                         | -   | 3,829                          | -  | 3,829             | 3,829        |
| Block Grants for Community Mental Health Services                              | 93.958                    | DHS                         | -   | 56,772                         | -  | 56,772            | 56,772       |
| Block Grants for Prevention and Treatment of Substance Abuse                   | 93.959                    | DHS                         | -   | 23,939                         | -  | 23,939            | 23,939       |
| Maternal and Child Health Services Block Grant                                 | 93.994                    | DHS                         | -   | 6,720                          | -  | 6,720             | 6,720        |
| Total U.S. Department of Health and Human Services                             |                           |                             | -   | 1,173,044                      | -  | 1,173,044         | 1,173,044    |
| <b>U.S. Department of Homeland Security</b>                                    |                           |                             |   |                                |  |                   |              |
| Emergency Management Performance Grant   | 97.042                    | DMA                         | -   | 38,445                         | -  | 38,445            | 38,445       |
| <b>TOTAL FEDERAL PROGRAMS</b>  |                           |                             | \$ -  | \$ 1,365,276                   | \$ -                                       | \$ 1,365,276      | \$ 1,365,276 |

See notes to schedule of expenditures of federal and state awards.

**MARQUETTE COUNTY**

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
For the Year Ended December 31, 2014

| Grantor Agency /<br>Program Title   | State ID<br>Number | Revenues                                      |                                |  | Total<br>Revenues | Expenditures |
|---|--------------------|---|--------------------------------|--|-------------------|--------------|
|   |                    | (Accrued)<br>Deferred<br>Beginning<br>Balance | Cash<br>Received<br>(Refunded) | Accrued<br>(Deferred)<br>Ending<br>Balance |                   |              |
| <b>STATE PROGRAMS</b>   |                    |   |                                |  |                   |              |
| <b>Wisconsin Department of Agriculture, Trade and Consumer Protection</b> |                    |   |                                |  |                   |              |
| County Staff and Support  | 115.150            | \$ (107,045)                                  | \$ 132,923                     | \$ 109,977                                 | \$ 135,855        | \$ 135,855   |
| Land and Water Resource Management  | 115.400            | (70,983)                                      | 71,078                         | 77,490                                     | 77,585            | 77,585       |
| Total Wisconsin Department of Agriculture, Trade, and Consumer Protection |                    | (178,028)                                     | 204,001                        | 187,467                                    | 213,440           | 213,440      |
| <b>Wisconsin Department of Natural Resources</b>                          |                    |   |                                |  |                   |              |
| Wildlife Damage Abatement and Claims                                      | 370.553            | -   | 28,674                         | -  | 28,674            | 28,674       |
| State Aid - County Conservation Aids (Fish & Game Aid)                    | 370.563            | -   | 5,922                          | -  | 5,922             | 5,922        |
| Snowmobile Trail Aids   | 370.575            | -   | 39,496                         | -  | 39,496            | 39,496       |
| Lake Protection & Classification Grants                                   | 370.663            | -   | 1,598                          | -  | 1,598             | 1,598        |
| Aquatic Invasive Species Control  | 370.678            | -   | 6,363                          | -  | 6,363             | 6,363        |
| Recycling Consolidation Grants  | 370.673            | -   | 3,727                          | -  | 3,727             | 3,727        |
| Recycling Grants to Responsible Units                                     | 370.670            | -   | 75,281                         | -  | 75,281            | 75,281       |
| Supplemental Snowmobile Trail Aids  | 370.569            | -   | 10,308                         | -  | 10,308            | 10,308       |
| Total Wisconsin Department of Natural Resources                           |                    | -   | 171,369                        | -  | 171,369           | 171,369      |
| <b>Wisconsin Department of Transportation</b>                             |                    |   |                                |  |                   |              |
| Elderly and Handicapped County Aids                                       | 395.101            | -   | 68,117                         | -  | 68,117            | 68,117       |
| <b>Wisconsin Department of Corrections</b>                                |                    |   |                                |  |                   |              |
| Youth Aids  | 410.313            | -   | 84,257                         | -  | 84,257            | 84,257       |
| <b>Wisconsin Department of Health Services</b>                            |                    |   |                                |  |                   |              |
| Fluoride Supplement   | 435.151734         | -   | 1,941                          | -  | 1,941             | 1,941        |
| Cons Contracts CHHD LD  | 435.157720         | -   | 1,786                          | -  | 1,786             | 1,786        |
| Cons Contracts MCH  | 435.159320         | -   | 409                            | -  | 409               | 409          |
| IMAA State Share  | 435.283            | -   | 52,933                         | -  | 52,933            | 52,933       |
| IMAA State Share Supp   | 435.292            | -   | 5,013                          | -  | 5,013             | 5,013        |

See notes to schedule of expenditures of federal and state awards.

**MARQUETTE COUNTY**

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
For the Year Ended December 31, 2014

| Grantor Agency /<br>Program Title                      | State ID<br>Number | Revenues                                      |                                |  | Total<br>Revenues | Expenditures |
|--|--------------------|---|--------------------------------|--|-------------------|--------------|
|  |                    | (Accrued)<br>Deferred<br>Beginning<br>Balance | Cash<br>Received<br>(Refunded) | Accrued<br>(Deferred)<br>Ending<br>Balance |                   |              |
| <b>STATE PROGRAMS (cont.)</b>                          |                    |   |                                |  |                   |              |
| <b>Wisconsin Department of Health Services (cont.)</b> |                    |   |                                |  |                   |              |
| IMAA Federal Share Supp                                | 435.293            | \$ -  | \$ 42                          | \$ -                                       | \$ 42             | \$ 42        |
| IMAA State Share ACA                                   | 435.297            | -   | 34,863                         | -  | 34,863            | 34,863       |
| IMAA Federal Share ACA                                 | 435.298            | -   | 293                            | -  | 293               | 293          |
| Adult Protective Services                              | 435.312            | -   | 13,185                         | -  | 13,185            | 13,185       |
| Alzheimer's Family Support                             | 435.381            | -   | 5,118                          | -  | 5,118             | 5,118        |
| Certified Mental Health Program                        | 435.517            | -   | 14,355                         | -  | 14,355            | 14,355       |
| Birth to Three Initiative                              | 435.550            | -   | 13,703                         | -  | 13,703            | 13,703       |
| Basic County Allocation                                | 435.561            | -   | 327,513                        | -  | 327,513           | 327,513      |
| IDP Emergency Funds                                    | 435.567            | -   | 14,280                         | -  | 14,280            | 14,280       |
| Family Support   | 435.577            | -   | 16,135                         | -  | 16,135            | 16,135       |
| County CST Initiatives                                 | 435.591            | -   | 28,456                         | -  | 28,456            | 28,456       |
| Base County Allocation - State Match                   | 435.681            | -   | 44,933                         | -  | 44,933            | 44,933       |
| TPA CLTS Other GPR                                     | 435.871            | -   | 41,153                         | -  | 41,153            | 41,153       |
| Aging & Dis Resource Ctr                               | 435.560010         | -   | 177,676                        | -  | 177,676           | 177,676      |
| ADRC MFP-NH Relocate GPR                               | 435.560062         | -   | 151                            | -  | 151               | 151          |
| Senior Community Svs Prog                              | 435.560330         | -   | 5,394                          | -  | 5,394             | 5,394        |
| Title 3C-1 Cong Meal Prog                              | 435.560350         | -   | 28,901                         | -  | 28,901            | 28,901       |
| Title 3C-2 Home Meals                                  | 435.560360         | -   | 1,550                          | -  | 1,550             | 1,550        |
| Elder Abuse Service                                    | 435.560490         | -   | 9,900                          | -  | 9,900             | 9,900        |
| Total Wisconsin Department of Health Services          |                    | -   | 839,683                        | -  | 839,683           | 839,683      |
| <b>Wisconsin Department of Children and Families</b>   |                    |   |                                |  |                   |              |
| Food Stamp Agency Collections Take Back                | 437.223            | -   | (225)                          | -  | (225)             | (225)        |
| Food Stamp Agency Collections Incentive                | 437.267            | -   | 562                            | -  | 562               | 562          |
| Adam Walsh Foster/Adoptive Parent Fingerprinting       | 437.3312           | -   | 226                            | -  | 226               | 226          |
| Basic County Allocation                                | 437.3561           | -   | 82,907                         | -  | 82,907            | 82,907       |
| Basic County Allocation Overmatch                      | 437.3681           | -   | 14,612                         | -  | 14,612            | 14,612       |
| CW WSACWIS Annual Op Maint Fee                         | 437.3935           | -   | (1,730)                        | -  | (1,730)           | (1,730)      |
| CS State GPR Funding/PR Funding Allocation             | 437.7502           | -   | 19,232                         | -  | 19,232            | 19,232       |
| Total Wisconsin Department of Children and Families    |                    | -   | 115,584                        | -  | 115,584           | 115,584      |

See notes to schedule of expenditures of federal and state awards.

**MARQUETTE COUNTY**

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
For the Year Ended December 31, 2014

| Grantor Agency /<br>Program Title               | State ID<br>Number | Revenues                                      |                                |  | Total<br>Revenues   | Expenditures        |
|---|--------------------|---|--------------------------------|--|---------------------|---------------------|
|   |                    | (Accrued)<br>Deferred<br>Beginning<br>Balance | Cash<br>Received<br>(Refunded) | Accrued<br>(Deferred)<br>Ending<br>Balance |                     |                     |
| <b>STATE PROGRAMS (cont.)</b>                   |                    |   |                                |  |                     |                     |
| <b>Wisconsin Department of Justice</b>          |                    |   |                                |  |                     |                     |
| Victim Witness                                  | 455.503            | \$ (17,427)                                   | \$ 33,113                      | \$ -                                       | \$ 15,686           | \$ 15,686           |
| <b>Wisconsin Department of Military Affairs</b> |                    |   |                                |  |                     |                     |
| Emergency Planning Grant                        | 465.364            | -   | 2,637                          | -  | 2,637               | 2,637               |
| Emergency Planning Grant                        | 465.337            | -   | 2,748                          | 12,708                                     | 15,456              | 15,456              |
| Emergency Response Equipment Grant              | 465.308            | -   | 5,314                          | -  | 5,314               | 5,314               |
| Total Wisconsin Department of Military Affairs  |                    | -   | 10,699                         | 12,708                                     | 23,407              | 23,407              |
| <b>Wisconsin Department of Administration</b>   |                    |   |                                |  |                     |                     |
| Public Benefits                                 | 505.371            | -   | 17,885                         | -  | 17,885              | 17,885              |
| Land Information program - Aid to Counties      | 505.166            | -   | 37,972                         | -  | 37,972              | 37,972              |
| Total Wisconsin Department of Administration    |                    | -   | 55,857                         | -  | 55,857              | 55,857              |
| <b>TOTAL STATE PROGRAMS</b>                     |                    | <b>\$ (195,455)</b>                           | <b>\$ 1,582,680</b>            | <b>\$ 200,175</b>                          | <b>\$ 1,587,400</b> | <b>\$ 1,587,400</b> |

See notes to schedule of expenditures of federal and state awards.

# MARQUETTE COUNTY

## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS For the Year Ended December 31, 2014

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### **NOTE 1 – BASIS OF PRESENTATION**

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The accompanying schedule of expenditures of federal and state awards (the “schedule”) includes the federal and state grant activity of Marquette County under programs of the federal and state government for the year ended December 31, 2014. 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* and the *State Single Audit Guidelines*. Because the schedule presents only a selected portion of the operations of Marquette County, it is not intended to and does not present the financial position, changes in net position or cash flows of Marquette County.

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### **NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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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*, 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.

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### **NOTE 3 – CARS/CORE REPORT DATES**

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The Schedule of Expenditures of Federal and State Awards includes adjustments through the Community Aids Reporting System (CARS) reports dated June 1, 2015 and CORE reports for December 2014.

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### **NOTE 4 – PASS THROUGH GRANTORS**

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Federal funds have been passed through the following grantors:

- DHS – Wisconsin Department of Health Services
- DCF – Wisconsin Department of Children and Families
- DOA – Wisconsin Department of Administration
- DOT – Wisconsin Department of Transportation
- DMA – Wisconsin Department of Military Affairs



# MARQUETTE COUNTY

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended December 31, 2014

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### SECTION I – SUMMARY OF AUDITORS’ RESULTS (cont.)

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#### *FEDERAL OR STATE AWARDS* (cont.)

Identification of major state programs:

| <u>State ID Number</u> | <u>Name of State Program</u>               |
|------------------------|--|
| 395.101                | Elderly and Handicapped County Aids        |
| 435.283                | IMAA State Share                           |
| 435.561                | Basic County Allocation                    |
| 435.681                | Base County Allocation – State Match       |
| 435.871                | TPA CLTS Other GPR                         |
| 435.560010             | Aging and Disability Resource Center       |
| 437.3561               | Basic County Allocation                    |
| 435.3681               | Basic County Allocation Overmatch          |
| 437.7502               | CS State GPR Funding/PR Funding Allocation |

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

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#### *FINDING 2014-001: INTERNAL CONTROL OVER FINANCIAL REPORTING*

**Criteria:** Statement on Auditing Standards (SAS) 115 requires auditors to communicate circumstances that were evaluated to be significant deficiencies or material weaknesses in the County’s internal control over financial reporting.

**Condition:** The County’s annual financial statements and schedule of expenditures of federal and state awards are prepared by the auditors. Under an ideal set of internal controls, with sufficient staff resources, the financial statements and schedule of expenditures of federal and state awards would be prepared by the County. Many governments choose to have the auditors prepare the financial statements and schedule of expenditures of federal and state awards. However, when this occurs, we are required to inform you that the auditing standards define this as a material weakness. In order for the County to avoid this comment, the system of internal controls would need to be able to accomplish the following:

- a. Present the books and records in such a condition that the auditor is not able to identify any material journal entries as a result of our audit procedures.
- b. Be capable of preparing a complete set of year-end financial statements in such a condition that the auditor is not able to identify any material changes as a result of the audit. This includes drafting the individual fund statements, making conversion entries, drafting the government-wide statements, and preparing footnote disclosures.
- c. Prepare the schedule of expenditures of federal and state awards in such a condition that the auditor is not able to identify any material changes as a result of the audit.

Accomplishing the task of preparing your complete financial statements and schedule of expenditures of federal and state awards is not practical for many governments; however, we are required by the auditing standards to inform you that this is considered a material weakness.

## MARQUETTE COUNTY

### SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended December 31, 2014

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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 2014-001: INTERNAL CONTROL OVER FINANCIAL REPORTING (cont.)***

**Cause:** Due to staffing and financial limitations, certain controls are not easily implemented by the County.

**Effect:** Errors or irregularities could occur as part of these financial processes that may not be discovered by your staff.

**Recommendation:** We recommend that the County put in place procedures in order to evaluate if preparation of the financial statements and schedule of expenditures of federal and state awards by the County would be feasible.

**Management's Response:** The County acknowledges that it is not practical at this time for the County's finance department to prepare the County's financial statements or to prepare the schedule of expenditures of federal and state awards due to a small staff and the lack of expertise in these areas. The County will make every effort to present the books and records to the auditors in their final form ready for audit with all entries made.

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#### **SECTION III – FEDERAL AWARDS AND STATE AWARDS FINDINGS AND QUESTIONED COSTS**

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None noted.

MARQUETTE COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended December 31, 2014

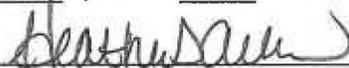
SECTION IV – OTHER ISSUES

1. Does the auditor's report or the notes to the financial statements include disclosure with regard to substantial doubt as to the auditee's ability to continue as a going concern?  yes  no

2. 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 | <input type="checkbox"/> yes | <input checked="" type="checkbox"/> no |
| Department of Natural Resources                           | <input type="checkbox"/> yes | <input checked="" type="checkbox"/> no |
| Department of Transportation                              | <input type="checkbox"/> yes | <input checked="" type="checkbox"/> no |
| Department of Corrections                                 | <input type="checkbox"/> yes | <input checked="" type="checkbox"/> no |
| Department of Health Services                             | <input type="checkbox"/> yes | <input checked="" type="checkbox"/> no |
| Department of Children and Families                       | <input type="checkbox"/> yes | <input checked="" type="checkbox"/> no |
| Department of Justice                                     | <input type="checkbox"/> yes | <input checked="" type="checkbox"/> no |
| Department of Military Affairs                            | <input type="checkbox"/> yes | <input checked="" type="checkbox"/> no |
| Department of Administration                              | <input type="checkbox"/> yes | <input checked="" type="checkbox"/> no |

3. Was a Management Letter or other document conveying audit comments issued as a result of this audit?  yes  no

4. Name and signature of partner   
Heather S. Acker, CPA, Partner

5. Date of report September 11, 2015

**MARQUETTE COUNTY**  
CORRECTIVE ACTION PLAN  
For the Year Ended December 31, 2014

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***FINDING 2014-001: INTERNAL CONTROL IMPROVEMENTS***

See "Management's Response" for Finding 2014-001 in Section II of the Schedule of Findings and Questioned Costs.