

Washington County

Report on Federal and State Awards

December 31, 2022

Washington 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 Members of the County Board of
Washington County

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 (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Washington County, Wisconsin (the County), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated July 14, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing 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 County's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 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.

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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 financial statements. 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 US, LLP

Milwaukee, Wisconsin
July 14, 2023

**Report on Compliance
for Each Major Federal and Major State Program;
Report on Internal Control Over Compliance; and
Report on the Schedule of Expenditures of Federal and State Awards
Required by the Uniform Guidance and the *State Single Audit Guidelines***

Independent Auditors' Report

To the Members of the County Board of
Washington County

Report on Compliance for Each Major Federal and Major State Program

Opinion on Each Major Federal and Major State Program

We have audited Washington County, Wisconsin's (the County) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the *State Single Audit Guidelines* (the *Guidelines*) that could have a direct and material effect on each of the County's major federal and major state programs for the year ended December 31, 2022. The County's major federal and major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and major state programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal and Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 *Guidelines*. Our responsibilities under those standards, the Uniform Guidance, and the *Guidelines* are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and major state program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the County's federal and state programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the *Guidelines* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal and major state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the *Guidelines*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and the *Guidelines*, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and the *Guidelines* and which is described in the accompanying schedule of findings and questioned costs as item 2022-001. Our opinion on each major federal and major state program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the noncompliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The County is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. The County's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance 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, as discussed below, we did identify a deficiency in internal control over compliance that we consider to be a significant deficiency.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-001, to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

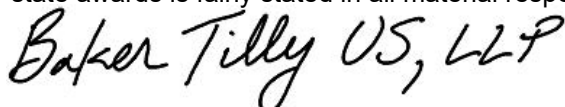
Government Auditing Standards requires the auditor to perform limited procedures the County's response to the internal control over compliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The County is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. The County's corrective action plan was not subjected to the auditing procedures applied in the audit of the compliance and, accordingly, we express no opinion on it.

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 *Guidelines*. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal and State Awards Required by the Uniform Guidance and the *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 the County as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated July 14, 2023, 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 the Uniform Guidance and the *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 basic 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.



Milwaukee, Wisconsin
July 20, 2023

County of Washington

Schedule of Expenditures of Federal and State Awards
Year Ended December 31, 2022

Grantor Agency / Program Title	Federal AL Number	Pass- Through Agency	Pass- Through Agency ID	Expenditures	Payments to Subrecipients
Federal Programs					
U. S. Department of Agriculture					
SNAP Cluster					
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	FDL Co	61, 250, 284	\$ 349,294	\$ -
Total SNAP Cluster				<u>349,294</u>	<u>-</u>
Total U.S. Department of Agriculture				<u>349,294</u>	<u>-</u>
U.S. Department of Housing and Urban Development					
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	DOA	CDBG-CL-PF-21-21	968,809	-
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	DOA	CDBG-CV-22-10	201,203	-
Subtotal				<u>1,170,012</u>	<u>-</u>
Total U.S. Department of Housing and Urban Development				<u>1,170,012</u>	<u>-</u>
U.S. Department of Justice					
Drug Court Discretionary Grant Program	16.585	Direct	2019-DC- BX-0058	118,749	-
State Criminal Alien Assistance Program	16.606	Direct	15PBJA-20-RR-00475-SCAA	12,152	-
State Criminal Alien Assistance Program	16.606	Direct	15PBJA-21-RR-04801-SCAA	17,268	-
Subtotal				<u>29,420</u>	<u>-</u>
Edward Byrne Memorial Justice Assistance Grant Program	16.738	DOA	2020-DJ-01-17081	32,198	-
Total U.S Department of Justice				<u>180,367</u>	<u>-</u>
U.S. Department of Transportation					
Federal Transit Cluster					
Formula Grants - Urbanized Area Formula Program:					
Federal Transit Formula Capital Assistance Grants	20.507	DOT	WI-2021-051-00	96,993	-
Federal Transit Formula Capital Assistance Grants	20.507	DOT	WI-2022-047-00	352,652	-
Coronavirus Response Relief Supplemental Approp Act	20.507	DOT	WI-2021-031-00	473,184	-
COVID-19 ARPA Operating Assistance	20.507	DOT	WI-2022-036-00	1,351,280	-
Subtotal				<u>2,274,109</u>	<u>-</u>
Bus and Bus Facilities Formula Program	20.526	DOT	WI-2022-047-00	187,062	-
Subtotal				<u>187,062</u>	<u>-</u>
Total Federal Transit Cluster				<u>2,461,171</u>	<u>-</u>
Total U.S. Department of Transportation				<u>2,461,171</u>	<u>-</u>

See notes to schedules of expenditures of federal and state awards

County of Washington

Schedule of Expenditures of Federal and State Awards
Year Ended December 31, 2022

Grantor Agency / Program Title	Federal AL Number	Pass- Through Agency	Pass- Through Agency ID	Expenditures	Payments to Subrecipients
U.S. Department of Treasury					
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	Direct	NA	\$ 10,491,025	\$ -
Total U.S. Department of Treasury				<u>10,491,025</u>	<u>-</u>
U.S. Environmental Protection Agency					
Brownfields Assessment and Cleanup Cooperative Agreement	66.818	Direct	00E02895	24,046	-
Total U.S. Environmental Protection Agency				<u>24,046</u>	<u>-</u>
U.S. Department of Education					
Special Education-Grants for Infants and Families	84.181	DHS	550, 535000	140,194	-
Total U.S. Department of Education				<u>140,194</u>	<u>-</u>
U. S. Department of Health and Human Services					
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043	GWAAR	560510	6,158	-
Aging Cluster					
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	GWAAR	560340, 560342, 560343	205,454	-
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	GWAAR	560353, 560355, 560360, 560363	240,760	-
Nutrition Services Incentive Program	93.053	GWAAR	560422	45,308	-
Total Aging Cluster				<u>491,522</u>	<u>-</u>
National Family Caregiver Support, Title III, Part E	93.052	GWAAR	560520, 560523	83,308	-
Guardianship Assistance	93.090	DCF	3456	27,855	-
State Health Insurance Assistance Program	93.324	DHS	560432	6,960	-
Promoting Safe and Stable Families	93.556	DCF	3306, 3306C	78,932	-
Temporary Assistance for Needy Families	93.558	DHS	561	158,649	-
Temporary Assistance for Needy Families	93.558	DCF	3632	34,821	-
Total TANF				<u>193,470</u>	<u>-</u>
Child Support Enforcement	93.563	DCF	7332F, 7332R, 7477, 7482, 7506, 7620, 7620F	847,040	-
CCDF Cluster					
Child Care and Development Block Grant	93.575	DCF	831, 840, 852, 875	218,794	-
Total CCDF Cluster				<u>218,794</u>	<u>-</u>
State Court Improvement Program	93.586	DSC	2101WISCIC	12,155	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	DCF	3413, 3561, 3681	53,769	-
Foster Care - Title IV-E	93.658	DCF	3413, 3561, 3681, 3645, 3645D	743,955	-
Adoption Assistance	93.659	DCF	3574	4,710	-
Social Services Block Grant	93.667	DHS	561	298,494	-
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	DCF	3620	5,280	-
Elder Abuse Prevention Interventions Program	93.747	DHS	560332, 560333	9,589	-
Children's Health Insurance Program	93.767	FDL Co	284	47,705	-

See notes to schedules of expenditures of federal and state awards

County of Washington

Schedule of Expenditures of Federal and State Awards
 Year Ended December 31, 2022

Grantor Agency / Program Title	Federal AL Number	Pass- Through Agency	Pass- Through Agency ID	Expenditures	Payments to Subrecipients
U. S. Department of Health and Human Services (cont.)					
Medicaid Cluster					
Medical Assistance Program	93.778	DHS	872, 878, 533181, 560152, 560155	\$ 2,285,081	\$ -
Medical Assistance Program	93.778	DHS	N/A	252,425	-
Medical Assistance Program	93.778	FDL Co	62, 284	603,845	-
Civil Money Penalties	93.778	DHS	NA	<u>2,856</u>	-
Total Medicaid Cluster				<u>3,144,207</u>	-
Opioid STR	93.788	DHS	531287	96,152	-
Block Grants for Community Mental Health Services	93.958	DHS	515, 569, 533287	164,834	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	DHS	515, 545, 546, 570, 533275, 533288, 533291, 533292	431,664	-
Substance Abuse Block Grant	93.959	DCF	1401C	<u>210,864</u>	-
Total U.S. Department of Health and Human Services				<u>7,177,417</u>	-
U. S. Department of Homeland Security					
Emergency Management Performance Grants	97.042	DMA	2022-EMPG-S/EMPG-01/02-12480	<u>86,689</u>	-
Total U.S. Department of Homeland Security				<u>86,689</u>	-
Total federal programs				<u>\$ 22,080,215</u>	<u>\$ -</u>

See notes to schedules of expenditures of federal and state awards

County of Washington

Schedule of Expenditures of Federal and State Awards
 Year Ended December 31, 2022

Grantor Agency / Program Title	State ID Number	Pass- Through Agency	Pass- Through Agency ID	Expenditures	Payments to Subrecipients
State Programs					
Wisconsin Department of Agriculture, Trade and Consumer Protection					
Clean Sweep	115.04	Direct	N/A	\$ 10,800	\$ -
County Staff and Support	115.15	Direct	9214-21-67-00	159,344	-
Land and Water Resource Management	115.40	Direct	9214-21-67-00	12,082	-
Nutrient Management Farmer Education Grant	115.40	Direct	N/A	<u>1,500</u>	<u>-</u>
Subtotal				<u>13,582</u>	<u>-</u>
Total Wisconsin Department of Agriculture, Trade and Consumer Protection				<u>183,726</u>	<u>-</u>
Wisconsin Department of Natural Resources					
Recreational Aids - Snowmobile Trail and Area	370.485	Direct	S-5661	62,460	-
Wildlife Damage Claims and Abatement	370.553	Direct	N/A	45,327	-
Recreational Aids - ATV Maintenance	370.576	Direct	ATV-4399	1,320	-
Aquatic Invasive Species-Lake Monitoring & Protection Network	370.663	Direct	LMPN5322	1,307	-
Healthy Lakes and Rivers-Erler Lake Fish Stick Installation	370.663	Direct	LPT75722	<u>2,078</u>	<u>-</u>
Subtotal				<u>3,385</u>	<u>-</u>
Aquatic Invasive Species-Lake Monitoring & Protection Network	370.678	Direct	LMPN5322	11,766	-
Clean Boats, Clean Waters Project	370.678	Direct	CBCW103922	<u>3,000</u>	<u>-</u>
Subtotal				<u>14,766</u>	<u>-</u>
Total Wisconsin Department of Natural Resources				<u>127,258</u>	<u>-</u>
Wisconsin Department of Transportation					
Elderly and Handicapped County Aids	395.101	Direct	N/A	377,867	-
Transit Operating Aids	395.176	Direct	N/A	<u>289,661</u>	<u>-</u>
Total Wisconsin Department of Transportation				<u>667,528</u>	<u>-</u>

See notes to schedules of expenditures of federal and state awards

County of Washington

Schedule of Expenditures of Federal and State Awards
Year Ended December 31, 2022

Grantor Agency / Program Title	State ID Number	Pass- Through Agency	Pass- Through Agency ID	Expenditures	Payments to Subrecipients
Wisconsin Department of Health Services					
FPI Non-Fed	435.000060	FDL Co	60	\$ 18,059	\$ -
IM Incentive	435.000254	FDL Co	254	2,877	-
IMAA State Share	435.000283	FDL Co	283	329,091	-
IMAA Federal Share	435.000284	FDL Co	284	4,677	-
APS-Adult Protective Svcs	435.000312	Direct	312	69,758	-
Children's COP	435.000377	Direct	377	85,066	-
Coordinated Services-Cty	435.000515	Direct	515	50,586	-
Community Mental Health	435.000516	Direct	516	229,643	-
Room/Board RSUD McKinsey	435.000548	Direct	548	45,213	-
Birth to Three Initiative	435.000550	Direct	550	122,546	-
Basic County Allocation	435.000561	Direct	561	1,704,288	-
State/County Match	435.000681	Direct	681	237,406	-
CLTS Other GPR	435.000871	Direct	871	781,738	-
CLTS Waiver CWA Admin GPR	435.000877	Direct	877	71,844	-
MAT In A Jail Setting	435.533264	Direct	533264	65,092	-
ADRC Base GPR Reimb	435.560100	Direct	560100	832,203	-
ADRC EBS GPR REIMB	435.560320	Direct	560320	28,215	-
Senior Community Svcs Prog	435.560330	GWAAR	560330	7,290	-
Title 3C1 Cong Meal Prog	435.560355	GWAAR	560355	103,133	-
Title 3C-2 Home Meals	435.560360	GWAAR	560360	6,046	-
ALZH Family Support Aging	435.560381	GWAAR	560381	59,913	-
Elder Abuse Service	435.560490	GWAAR	560490	23,633	-
Total Wisconsin Department of Health Services				<u>4,878,317</u>	<u>-</u>
Wisconsin Department of Children and Families					
Food Stamp Agency Incentives	437.0965	Direct	965	18,225	-
Medicaid Agency Incentives	437.0980	Direct	980	23,831	-
JJ Community Intervention Program	437.3410	Direct	3410	84,399	-
JJ AODA	437.3411	Direct	3411	23,228	-
JJ Youth Aids	437.3413	Direct	3413	1,154,869	-
DSP Subsidized Guardianship	437.3456	Direct	3456	51,732	-
CW Children and Families Allocation	437.3561	Direct	3561	778,509	-
CW Children & Families Allocations	437.3681	Direct	3681	62,476	-
CW WiSACWIS Annual Operation Maintenance Fee	437.3935	Direct	3935	(16,248)	-
PDS Partnership Fees	437.3940	Direct	3940	(5,996)	-
CS State GPR/PR Funding Allocation	437.7502	Direct	7502	153,019	-
CS Medical Support GPR Earned	437.7606	Direct	7606	5,632	-
CW Kinship Care Program - Benefits	437.3377A	Direct	3377A	64,200	-
CW Kinship Care Program - Benefits	437.3377B	Direct	3377B	136,800	-
CW Kinship Care Program - Assessment	437.3380A	Direct	3380A	5,130	-
CW Kinship Care Program - Assessment	437.3380B	Direct	3380B	8,640	-
Grants for Foster Parents - Foster Parent Retention	437.3390A	Direct	3390A	3,460	-
Grants for Foster Parents - Foster Parent Training	437.3390B	Direct	3390B	600	-
Youth Justice Innovation Grants	437.3407A	Direct	3407A	200,000	-
Total Wisconsin Department of Children and Families				<u>2,752,506</u>	<u>-</u>

See notes to schedules of expenditures of federal and state awards

County of Washington

Schedule of Expenditures of Federal and State Awards
 Year Ended December 31, 2022

Grantor Agency / Program Title	State ID Number	Pass- Through Agency	Pass- Through Agency ID	Expenditures	Payments to Subrecipients
Wisconsin Department of Justice					
DNA Sampling	455.221	Direct	N/A	\$ 5,170	\$ -
Treatment Alternatives and Diversion (TAD)	455.279	Direct	2022-TD-01-16863	96,720	-
Victim and Witness Assistance Program	455.532	Direct	455-53200	<u>92,891</u>	<u>-</u>
Total Wisconsin Department of Justice				<u>194,781</u>	<u>-</u>
Wisconsin Department of Military Affairs					
Emergency Government Response Equipment	465.308	Direct	2021-EPCRA-01-12399	460	-
Emergency Government Response Equipment	465.308	Direct	2022-EPCRA-01-12819	<u>7,517</u>	<u>-</u>
Subtotal				<u>7,977</u>	<u>-</u>
Hazmat Emergency Preparedness	465.310	Direct	2022-HMEP-GPR-1-12645	6,400	-
Emergency Planning Grant	465.337	Direct	2022-EPCRA-LEPC-01-12481	<u>21,383</u>	<u>-</u>
Total Wisconsin Department of Military Affairs				<u>35,760</u>	<u>-</u>
Wisconsin Department of Administration					
Land Information Program - Strategic Initiative Grant	505.173	Direct	N/A	1,000	-
Land Information Program - Land Information Grants	505.173	Direct	AD219067	28,404	-
Land Information Program - Land Information Grants	505.173	Direct	AD229067	<u>60,000</u>	<u>-</u>
Subtotal				<u>89,404</u>	<u>-</u>
Total Wisconsin Department of Administration				<u>89,404</u>	<u>-</u>
Total state programs				<u>\$ 8,929,280</u>	<u>\$ -</u>

See notes to schedules of expenditures of federal and state awards

Washington County

Notes to Schedule of Expenditures of Federal and State Awards
Year Ended December 31, 2022

1. Basis of Presentation

The accompanying schedule of expenditures of federal and state awards (the Schedule) includes the federal and state award activity of Washington County under programs of the federal and state government for the year ended December 31, 2022. The information in this Schedule is presented in accordance with the 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*. Because the Schedule presents only a selected portion of the operations of Washington County, it is not intended to and does not present the financial position, changes in net position or cash flows of Washington County.

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 the Uniform Guidance, 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.

3. CARS/SPARC Report Dates

The schedule of expenditures of federal and state awards includes adjustments through the June 1, 2023 Community Aids Reporting System (CARS) reports and the December 31, 2022 SPARC report.

4. Indirect Cost Rate

Washington County has not elected to use the 10% de minimis indirect cost rate of the Uniform Guidance.

5. Pass-Through Agencies

Washington County received federal or state awards from the following pass-through agencies:

DHS	Wisconsin Department of Health Services
DCF	Wisconsin Department of Children and Families
DOA	Wisconsin Department of Administration
DOT	Wisconsin Department of Transportation
FDL Co	Fond du Lac County, Wisconsin
GWAAR	Greater Wisconsin Agency on Aging Resources, Inc.
DMA	Wisconsin Department of Military Affairs
DSC	District State Court Office

Washington County

Schedule of Findings and Questioned Costs
Year Ended December 31, 2022

Section I – Summary of Auditors' Results

Financial Statements

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

_____ yes X no

Significant deficiency(ies) identified?

_____ yes X none reported

Noncompliance material to financial statements noted?

_____ yes X no

Federal or State Awards

Internal control over major federal programs:

	<u>Federal Programs</u>		<u>State Programs</u>	
Material weakness(es) identified?	_____ yes	<u> X </u> no	_____ yes	<u> X </u> no
		none		none
Significant deficiency(ies) identified?	_____ yes	<u> X </u> reported	<u> X </u> yes	_____ reported

Type of auditor's report issued on compliance for major federal programs:

Unmodified

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) or the *State Single Audit Guidelines*?

_____ yes X no

X yes _____ no

Auditee qualified as low-risk auditee?

X yes _____ no

X yes _____ no

Federal

State

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

\$ 750,000

\$ 250,000

Identification of major federal programs:

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
14.228	CDBG, State's Program and Non-entitlement Grants in Hawaii
20.507	Federal Transit Cluster: Federal Transit – Formula Grants
20.507	Federal Transit Cluster: COVID-19 Federal Transit – Formula Grants
20.526	Federal Transit Cluster: Buses and Bus Facilities Formula, Competitive and Low or No Emissions Programs
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds
93.563	Child Support Enforcement
93.778	Medicaid Cluster: Medical Assistance Program

Washington County

Schedule of Findings and Questioned Costs
Year Ended December 31, 2022

Identification of major state programs:

State Identification Number	Name of State Program
395.101	Elderly and Handicapped County Aids
435.283	IMAA State Share
435.871	CLTS Other GPR
437.3561	Basic County Allocation
437.7502	CS State GPR/PR Funding Allocation

Section II – Financial Statement Findings Required to be Reported in Accordance with *Government Auditing Standards*

None reported.

Section III – Federal Awards and State Awards Findings and Questioned Costs

FINDING 2022-001

State Identification Number and Title: 395.101 Elderly and Handicapped County Aids

State Award Number / Year: 2022

State Grantor: Wisconsin Department of Transportation

Criteria: The Uniform Guidance and *State Single Audit Guidelines* require that local entities receiving federal and state awards establish and maintain internal control designed to reasonably ensure compliance with laws, regulations and program compliance requirements. The Uniform Guidance and *State Single Audit Guidelines* further require auditors to obtain an understanding of the local entity's internal control over federal and state programs. To minimize the risk of errors, internal controls should be in place for all program compliance requirements, including the preparation and submission of annual and quarterly reports, which should be reviewed and approved by a responsible party other than the original preparer before they are submitted to the granting agency. The specialized transportation assistance agreement between the State of Wisconsin and Washington County also specifies the dates in which the quarterly and annual reports are to be submitted to the Department by the County.

Condition/Context: During our testing, it was noted that the quarterly reports required to be submitted by the Elderly & Handicapped Specialized Transportation program did not have any supporting documentation as the former Transit Superintendent was responsible for these reports and left the County in early 2023, and therefore, we could not confirm that the reports were reviewed and approved by someone other than the preparer prior to submission. In addition, we were unable to confirm that the reports were submitted on-time based on the specified deadlines in the award agreement. It was also noted that the annual report required to be submitted was not properly reviewed before its submission. Our sample was not statistically valid.

Cause: Due to turnover within this department, the County was unable to provide supporting documentation for the proper review of the quarterly reports, it was also noted the annual report was not reviewed before submission due to the new individuals' inexperience with the reporting process.

Questioned Costs: None noted.

Effect: Reports could be submitted that contain errors, or reports may not be submitted on time.

Washington County

Schedule of Findings and Questioned Costs
Year Ended December 31, 2022

Recommendation: We recommend that the County implements a standardized process to specify who will prepare the reports, who will review and submit the reports and when these steps in the process need to take place (to meet the deadlines).

Management's Response: The Transit and Fleet Analyst will complete the quarterly and annual reports for the Elderly & Handicapped Specialized Transportation program. Finance department staff will review the reports to ensure accurate and timely report submissions. The Transit and Fleet Analyst will retain evidence of review and approval in the County's grant database application.

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 noncompliance, nonmaterial noncompliance, 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 checked="" type="checkbox"/> yes	<input 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



Amanda Blomberg, CPA, Firm Director

5. Date of report July 20, 2023