

LINCOLN COUNTY, WISCONSIN
FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE REPORT
DECEMBER 31, 2013



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LINCOLN COUNTY, WISCONSIN

December 31, 2013

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To the County Board
Lincoln County, Wisconsin

Report on Compliance for Each Major Federal and State Program

We have audited Lincoln County, Wisconsin's compliance with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 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 Lincoln County, Wisconsin's major federal and state programs for the year ended December 31, 2013. Lincoln 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 Lincoln 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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration. 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 state program occurred. An audit includes examining, on a test basis, evidence about Lincoln 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 Lincoln County, Wisconsin's compliance.

Opinion on Each Major Federal and State Program

In our opinion, Lincoln 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, 2013.



Report on Internal Control Over Compliance

Management of Lincoln 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 Lincoln 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 or 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 Lincoln 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. 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.

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.

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

We have audited the financial statements of the governmental activities, the business-type activities, the each major fund, and the aggregate remaining fund information of Lincoln County, Wisconsin as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise Lincoln County, Wisconsin's basic financial statements. We issued our report thereon dated July 31, 2014, 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 OMB Circular A-133 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.



Certified Public Accountants
Green Bay, Wisconsin
July 31, 2014

LINCOLN COUNTY, WISCONSIN
 Schedule of Expenditures of Federal Awards
 For the Year Ended December 31, 2013

Federal Grantor Agency/Program Title	Pass-through Agency	Federal CFDA Number	(Accrued)/ Deferred 1/1/2013	Cash Received	Accrued/ (Deferred) 12/31/2013	Total Revenue	Total Expenditures
U.S. Department of Agriculture							
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	WI Department of Children and Families	10.561	\$ -	\$ 161	\$ 34	\$ 195	\$ 195
Nutrition Assistance Program	Wood County	10.561	(17,708)	75,302	31,816	89,410	89,410
Total U.S. Department of Agriculture			(17,708)	75,463	31,850	89,605	89,605
U.S. Department of Justice							
Missing Children's Assistance	Direct Program	16.543	-	928	191	1,119	1,119
Bulletproof Vest Partnership Program	Direct Program	16.607	(1,050)	3,605	-	2,555	2,555
Project Safe Neighborhoods	Oneida County	16.609	-	7,200	-	7,200	7,200
Enforcing Underage Drinking Laws Program	WI Department of Transportation	16.727	(1,042)	1,042	-	-	-
Total U.S. Department of Justice			(2,092)	12,775	191	10,874	10,874
U.S. Department of Transportation							
Highway Planning and Construction	WI Department of Transportation	20.219	(8,736)	8,736	-	-	-
State and Community Highway Safety	WI Department of Transportation	20.600	(2,148)	16,313	-	14,165	14,165
Total U.S. Department of Transportation			(10,884)	25,049	-	14,165	14,165
U. S. Department of Education							
Early Intervention Services (IDEA) Cluster							
Special Education - Grants for Infants and Families	WI Department of Health Services	84.181	(21,041)	32,955	(4,029)	7,885	7,885

(Continued)

LINCOLN COUNTY, WISCONSIN
 Schedule of Expenditures of Federal Awards (Continued)
 For the Year Ended December 31, 2013

Federal Grantor Agency/Program Title	Pass-through Agency	Federal CFDA Number	Accrued/ (Deferred) 1/1/2013	Cash Received	Accrued/ (Deferred) 12/31/2013	Total Revenue	Total Expenditures
U.S. Department of Health and Human Services							
Public Health Emergency Preparedness	WI Department of Health Services	93.069	358	(358)	-	-	-
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP)							
Aligned Cooperative Agreements	WI Department of Health Services	93.074	-	49,137	(104)	49,033	49,033
Immunization Cooperative Agreements	WI Department of Health Services	93.268	-	9,685	-	9,685	9,685
State Nutrition, Physical Activity, and Obesity Programs	WI Department of Health Services	93.548	-	10,000	-	10,000	10,000
Promoting Safe and Stable Families	WI Department of Children and Families	93.556	(2,254)	22,676	13,431	33,853	33,853
Temporary Assistance for Needy Families	WI Department of Health Services	93.558	(184)	19,201	-	19,017	19,017
Temporary Assistance for Needy Families	WI Department of Children and Families	93.558	(13,666)	78,361	28,025	92,720	92,720
Temporary Assistance for Needy Families	Wood County	93.558	(572)	2,393	697	2,518	2,518
Total Temporary Assistance for Needy Families			(14,422)	99,955	28,722	114,255	114,255
Child Support Enforcement (Title IV-D)	WI Department of Children and Families	93.563	(101,084)	361,654	82,869	343,439	343,439
Low-income Home Energy Assistance	WI Department of Administration	93.568	(10,728)	28,642	2,989	20,903	20,903
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	WI Department of Children and Families	93.596	(11,480)	86,068	1,133	75,721	75,721
Stephanie Tubbs Jones Child Welfare Services Program							
Child Welfare Services Program	WI Department of Children and Families	93.645	(8,690)	19,848	5,865	17,023	17,023
Child Welfare Services Program	WI Department of Corrections	93.645	(799)	4,531	254	3,986	3,986
Total Stephanie Tubbs Jones Child Welfare Services Program			(9,489)	24,379	6,119	21,009	21,009
Foster Care (Title IV-E)	WI Department of Children and Families	93.658	(1,402)	70,530	36,343	105,471	105,471
Foster Care (Title IV-E)	WI Department of Children and Families	93.658	(1,279)	6,877	381	5,979	5,979
Total Foster Care (Title IV-E)			(2,681)	77,407	36,724	111,450	111,450
Social Services Block Grant	WI Department of Health Services	93.667	(360)	33,529	-	33,169	33,169
Social Services Block Grant	WI Department of Children and Families	93.667	(3,842)	34,404	16,067	46,629	46,629
Total Social Services Block Grant			(4,202)	67,933	16,067	79,798	79,798

(Continued)

LINCOLN COUNTY, WISCONSIN
 Schedule of Expenditures of Federal Awards (Continued)
 For the Year Ended December 31, 2013

Federal Grantor Agency/Program Title	Pass-through Agency	Federal CFDA Number	Accrued/ (Deferred) 1/1/2013	Cash Received	Accrued/ (Deferred) 12/31/2013	Total Revenue	Total Expenditures
U.S. Department of Health and Human Services (Continued)							
Chafee Foster Care Independence Program	WI Department of Children and Families	93.674	(1,680)	2,158	-	478	478
Children's Insurance Program	Wood County	93.767	(3,314)	14,023	5,397	16,106	16,106
Medical Assistance	WI Department of Health Services	93.778	-	6,059	67	6,126	6,126
Medical Assistance	WI Department of Children and Families	93.778	-	(188)	308	120	120
Medical Assistance	WI Department of Health Services	93.778	(135)	951	-	816	816
Medical Assistance	Wood County	93.778	(24,557)	104,012	40,753	120,208	120,208
Total Medical Assistance			(24,692)	110,834	41,128	127,270	127,270
Preventive Health and Health Services Block Grant	WI Department of Health Services	93.991	-	4,012	-	4,012	4,012
Maternal and Child Health Services							
Block Grant to the States	WI Department of Health Services	93.994	(1,840)	15,258	-	13,418	13,418
Total U.S. Department of Health and Human Services			(187,508)	983,463	234,475	1,030,430	1,030,430
U.S. Department of Homeland Security							
Hazard Mitigation Grant	WI Department of Military Affairs	97.039	(26,250)	26,250	-	-	-
Emergency Management Performance Grants	WI Department of Military Affairs	97.042	(27,768)	37,298	27,132	36,662	36,662
Total U.S. Department of Homeland Security			(54,018)	63,548	27,132	36,662	36,662
TOTAL FEDERAL AWARDS			\$ (293,251)	\$ 1,193,253	\$ 289,619	\$ 1,189,621	\$ 1,189,621

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

LINCOLN COUNTY, WISCONSIN
 Schedule of State Financial Assistance
 For the Year Ended December 31, 2013

Grantor Agency/Program Title	Pass-through Agency	State ID Number	(Accrued)/ Deferred 11/2013	Cash Received	Accrued/ (Deferred) 12/31/2013	Total Revenue	Total Expenditures
Department of Agriculture, Trade and Consumer Protection							
Soil and Water Resource Management Grant Program	Direct Program	115.15	\$ (17,972)	\$ 80,777	\$ 33,876	\$ 96,681	\$ 96,681
County Staff and Support Grants	Direct Program	115.40	(59,014)	98,799	55,998	95,783	95,783
Land and Water Resource Management Projects							
Total Department of Agriculture, Trade and Consumer Protection			(76,986)	179,576	89,874	192,464	192,464
Department of Safety and Professional Services							
Wisconsin Fund Private Sewage System Replacement or Rehabilitation Grant Program	Direct Program	165.202	-	34,011	-	34,011	34,011
Department of Natural Resources							
Local Park Aids Stewardship Grant	Direct Program	370.421	(2,580)	6,987	-	4,407	4,407
S-ADLP2-984 Underdown Trail Development	Direct Program	370.550	(9,492)	9,279	8,311	8,098	8,098
Boating Enforcement Aids	Direct Program	370.551	(22,830)	28,552	28,555	34,277	34,277
All Terrain Enforcement Aids	Direct Program	370.552	(5,000)	13,042	13,000	21,042	21,042
Snowmobiling Enforcement Aids	Direct Program	370.553	(11,459)	11,459	-	-	-
Wildlife Damage Abatement and Claims	Direct Program		-	9,107	7,145	16,252	16,252
2012							
2013							
Resource Aids-County Conservation Aids	Direct Program	370.563	-	4,892	-	4,892	4,892
CC-4889	Direct Program		-	5,009	-	5,009	5,009
Recreational Aids- Fish	Direct Program	370.564	-	-	-	-	-
Trail Management Grant	Direct Program	370.572	-	-	7,282	7,282	7,282
County Forest Administrator Grant	Direct Program	370.572	-	50,531	-	50,531	50,531
Sustainable Forestry Grant	Direct Program	370.572	16,860	17,000	-	33,860	33,860
Recreational Aids-Snowmobile Trail and Area Aid	Direct Program	370.574 & 370.575	-	39,175	-	39,175	39,175
S-3764	Direct Program		(17,696)	17,696	-	-	-
S-4024	Direct Program		39,175	66,820	15,895	121,890	121,890
S-4148	Direct Program		1,901	1,840	-	3,741	3,741
S-4212	Direct Program		2,228	705	-	2,933	2,933
S-4213	Direct Program		-	39,219	(39,219)	-	-
S-4268	Direct Program		-	-	-	-	-

(Continued)

LINCOLN COUNTY, WISCONSIN
 Schedule of State Financial Assistance (Continued)
 For the Year Ended December 31, 2013

Grantor Agency/Program Title	Pass-through Agency	State ID Number	(Accrued/Deferred 1/1/2013)	Cash Received	Accrued/ (Deferred) 12/31/2013	Total Revenue	Total Expenditures
Department of Natural Resources (continued)							
All-Terrain Vehicle (ATV) Program		370.576					
ATV-2202	Direct Program		2,704	8,245	-	10,949	10,949
ATV-2246	Direct Program		(5,219)	16,668	-	11,449	11,449
ATV-2285	Direct Program		10,002	10,002	-	20,004	20,004
ATV-3007	Direct Program		6,175	-	(5,903)	272	272
ATV-3068	Direct Program		-	13,338	2,113	15,451	15,451
ATV-3107	Direct Program		-	10,002	(10,002)	-	-
UTV-14009	Direct Program		-	2,166	2,166	4,332	4,332
Targeted Runoff Management Program		370.602					
TRC-CW-31-35000-13A	Direct Program		-	-	150,000	150,000	150,000
Aquatic Invasive Species Control		370.678					
AEPP-189-09	Direct Program		(46,630)	70,135	-	23,505	23,505
AEPP-258-11	Direct Program		(2,187)	2,187	-	-	-
AEPP-383-13	Direct Program		-	-	2,262	2,262	2,262
AEPP-419-14	Direct Program		-	25,767	-	25,767	25,767
Total Department of Natural Resources			(44,048)	479,823	181,605	617,380	617,380
Wisconsin Department of Transportation							
Elderly and Handicapped Transportation		395.101					
County Aids	Direct Program		56,997	82,424	(54,917)	84,504	84,504
Department of Corrections							
Community Intervention Program		410.302					
Community Youth and Family Aids	Direct Program		(77,847)	19,074	-	19,074	19,074
Total Department of Corrections	Direct Program	410.313	(77,847)	441,711	24,750	388,614	388,614
			(77,847)	460,785	24,750	407,688	407,688

(Continued)

LINCOLN COUNTY, WISCONSIN
 Schedule of State Financial Assistance (Continued)
 For the Year Ended December 31, 2013

Grantor Agency/Program Title	Pass-through Agency	State ID Number	(Accrued)/ Deferred 1/1/2013	Cash Received	Accrued/ (Deferred) 12/31/2013	Total Revenue	Total Expenditures
Department of Health Services							
Income Maintenance Administration - State Share	Wood County	435.283	-	109,198	-	109,198	109,198
Affordable Care Act State Share	Wood County	435.297	-	2,780	22,647	25,427	25,427
Federal Share	Wood County	435.298	-	23	190	213	213
Grants for Infants and Toddlers w/Disabilities	Direct Program	435.550	(20,119)	31,811	(3,954)	7,738	7,738
Basic County Allocation	Direct Program	435.561	(2,701)	198,783	-	196,082	196,082
Family Support Program	Direct Program	435.577	(2,662)	5,947	-	3,285	3,285
Community Services and Mental Health	Direct Program	435.681	-	8,590	-	8,590	8,590
CLTS DD Autism CWA Administration	Direct Program	435.832	-	4,012	-	4,012	4,012
Wisconsin Well Woman's Program	Direct Program	435.157000	(3,339)	18,650	-	15,311	15,311
Lead Poisoning	Direct Program	435.157720	(1,472)	3,759	946	3,233	3,233
Maternal and Child Health Svc Blk	Direct Program	435.159320	(135)	951	-	816	816
Total Department of Health Services			(30,428)	384,504	19,829	373,905	373,905

(Continued)

LINCOLN COUNTY, WISCONSIN
 Schedule of State Financial Assistance (Continued)
 For the Year Ended December 31, 2013

Grantor Agency/Program Title	Pass-through Agency	State ID Number	(Accrued)/ Deferred 1/1/2013	Cash Received	Accrued/ (Deferred) 12/31/2013	Total Revenue	Total Expenditures
Department of Children and Families							
Food Stamp Agency Collections Take Back	Direct Program	437.237	-	(188)	308	120	120
Food Stamp Agency Incentives Take Back	Direct Program	437.267	-	161	34	195	195
Promoting Safe and Stable Families	Direct Program	437.3306	-	-	-	-	-
Title IV-E Youth Independent Living	Direct Program	437.3365	-	-	-	-	-
Basic County Allocation	Direct Program	437.3561	(13,877)	124,264	58,033	168,420	168,420
Community Services and Mental Health	Direct Program	437.3681	(29,243)	29,243	-	-	-
Child Support Enforcement	Direct Program	437.7603	-	25,645	-	25,645	25,645
Total Department of Children and Families			<u>(43,120)</u>	<u>179,125</u>	<u>58,375</u>	<u>194,380</u>	<u>194,380</u>
Department of Justice							
DNA Grant	Direct Program	455.221	-	120	-	120	120
Law Enforcement Training	Direct Program	455.231	(6,720)	6,720	-	-	-
Reimbursement for Victim Witness Services	Direct Program	455.503 &	-	-	-	-	-
2012	Direct Program	455.532 &	(14,488)	14,488	-	-	-
2013	Direct Program	455.537	-	14,127	18,818	32,945	32,945
Total Department of Justice			<u>(21,208)</u>	<u>35,455</u>	<u>18,818</u>	<u>33,065</u>	<u>33,065</u>
Department of Military Affairs							
Hazard Mitigation Planning Grant	Direct Program	465.305	(4,375)	4,375	-	-	-
Hazmat Training Grant	Direct Program	465.310	-	5,592	-	5,592	5,592
Emergency Planning Grant Program	Direct Program	465.337	(3,453)	3,453	-	-	-
2012	Direct Program		-	3,784	5,676	9,460	9,460
2013	Direct Program		(4,000)	8,217	-	4,217	4,217
Computer & Hazmat Equipment Grant	Direct Program	465.367	(11,828)	25,421	5,676	19,269	19,269
Total Department of Military Affairs			<u>(19,653)</u>	<u>37,055</u>	<u>11,352</u>	<u>34,681</u>	<u>34,681</u>
Department of Administration							
Land Information Grants	Direct Program	505.118	-	11,204	-	11,204	11,204
Public Benefits Funds	Direct Program	505.371	(7,826)	20,982	3,118	16,274	16,274
Total Department of Administration			<u>(7,826)</u>	<u>32,186</u>	<u>3,118</u>	<u>27,478</u>	<u>27,478</u>
TOTAL STATE PROGRAMS			\$ (256,294)	\$ 1,893,310	\$ 347,128	\$ 1,984,144	\$ 1,984,144

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

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LINCOLN COUNTY, WISCONSIN

Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance
December 31, 2013

NOTE A - BASIS OF PRESENTATION

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance for Lincoln County, Wisconsin, are presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration.

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 2013 basic financial statements. Accrued revenue at year-end consists of federal and state program expenditures scheduled for reimbursement to the County in the succeeding year while deferred revenue 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 and are determined as follows:

Federal Programs: Lincoln County, Wisconsin, qualifies as a low risk auditee in accordance with paragraph 530 of OMB Circular A-133. Therefore major programs represent those with combined expenditures exceeding 25% of total federal awards that also were deemed major programs based on the auditor's risk assessment. All other federal programs are considered non-major programs.

State Programs: Lincoln County, Wisconsin, qualifies as a low risk auditee in accordance with the *State Single Audit Guidelines*. Therefore major programs represent those with combined expenditures exceeding 25% of total state financial assistance that also were deemed major programs based on the auditor's 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.

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

NOTE D - TITLE 19 MEDICAL ASSISTANCE PAYMENTS

The Schedule of Federal Awards and Schedule of State Financial Assistance do not include amounts received by the County for Title 19 Medical Assistance. 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.

LINCOLN COUNTY, WISCONSIN

Notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance (Continued)
December 31, 2013

NOTE E - STATE DIRECT PAYMENTS

Payments made under the FoodShare Wisconsin program directly to recipients and vendors by the State of Wisconsin are not included in the Schedule of Federal Awards and Schedule of State Financial Assistance.

NOTE F - STATE OF WISCONSIN REPORTING SYSTEMS

The Wisconsin Departments of Health Services (DHS) and Children and Families (DCF) 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 and DCF programs agree with the expenditures reported on the May, 2014 CARS for the Human Services Department and the December, 2013 CORe for the Child Support and Child Care programs.

LINCOLN COUNTY, WISCONSIN
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2013

Section I - Summary of Auditors' Results

Basic Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified? None Reported

Noncompliance material to basic financial statements noted? No

Federal and State Awards Programs

Internal control over major program:

- Material weakness(es) identified? No
- Significant deficiency (ies) identified? None Reported

Type of auditors' report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported
in accordance with Section 510(a) of Circular A-133? No

Any audit findings disclosed that are required to be reported
in accordance with the State Single Audit Guidelines? No

Identification of major federal and state programs:

CFDA Number	Name of Federal Programs
10.561	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program
93.563	Child Support Enforcement
93.596	Child Care Mandatory and Matching Funds of the Child Care and Development Fund
93.778	Medical Assistance Program

State ID Number	Name of State Programs
370.574 & 370.575	Snowmobile Trail and Area Aid
370.602	Targeted Runoff Management Program
395.101	Elderly and Handicapped Transportation County Aids
410.313	Community Youth and Family Aids
435.283	IMAA State Share
437.7603	Child Support Enforcement

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

Federal Awards	\$300,000
State Awards	\$100,000

Auditee qualified as low-risk auditee Yes

LINCOLN COUNTY, WISCONSIN
 Schedule of Findings and Questioned Costs (Continued)
 For the Year Ended December 31, 2013

Section II - Financial Statement Findings

Finding No.	Financial Statement Findings
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There are 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, 2013.

Section III - Federal and State Awards Findings and Questioned Costs

Finding No.	Federal and State Awards Findings
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There are no findings related to the internal control or compliance required to be reported under OMB Circular A-133 or the *State Single Audit Guidelines* for the year ended December 31, 2013.

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	_____ Yes	<u> X </u>	No
Department of Safety and Professional Services	_____ Yes	<u> X </u>	No
Department of Natural Resources	_____ Yes	<u> X </u>	No
Department of Transportation	_____ Yes	<u> X </u>	No
Department of Corrections	_____ Yes	<u> X </u>	No
Department of Health Services	_____ Yes	<u> X </u>	No
Department of Children and Families	_____ Yes	<u> X </u>	No
Department of Justice	_____ Yes	<u> X </u>	No
Department of Military Affairs	_____ Yes	<u> X </u>	No
Department of Administration	_____ Yes	<u> X </u>	No

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

_____ Yes X No

Name and signature of shareholder



 David L. Maccoux, CPA

Date of report

July 31, 2014

LINCOLN COUNTY, WISCONSIN
Schedule of Prior Year Audit Findings and Corrective Action Plan
For the Year Ended December 31, 2013

Prior Year Audit Findings

There were no findings or questioned costs reported for the year ended December 31, 2012.

Corrective Action Plan

None required.

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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
Lincoln 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, each major fund, and the aggregate remaining fund information of Lincoln County, Wisconsin, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise Lincoln County's basic financial statements, and have issued our report thereon dated July 31, 2014.

Internal Control Over Financial Reporting

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



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 Lincoln 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 Lincoln County, Wisconsin's internal control and on compliance. Accordingly, this communication is not suitable for any other purpose.



Certified Public Accountants
Green Bay, Wisconsin
July 31, 2014