

# Lincoln County, Wisconsin

## FEDERAL AND STATE AWARDS REPORT

December 31, 2020



WEALTH ADVISORY | OUTSOURCING  
AUDIT, TAX, AND CONSULTING

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# Lincoln County, Wisconsin

DECEMBER 31, 2020

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## Table of Contents

### FEDERAL AND STATE AWARDS

Independent Auditors' Report on Compliance for Each Major Federal and State Program and Report on Internal Control Over Compliance Required by the Uniform Guidance and the <i>State Single Audit Guidelines</i>	1
Schedule of Expenditures of Federal Awards	4
Schedule of Expenditures of State Awards	6
Notes to the Schedule of Expenditures of Federal and State Awards	8
Schedule of Findings and Questioned Costs	10

### 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 <i>Government Audit Standards</i>	14
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## FEDERAL AND STATE AWARDS

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## Independent auditors' report on compliance for each major federal and state program and report on internal control over compliance required by the Uniform Guidance and the *State Single Audit Guidelines*

To the County Board  
Lincoln County, Wisconsin

### REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM

We have audited Lincoln County, Wisconsin's (the "County's") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration that could have a direct and material effect on each of the County's major federal and state programs for the year ended December 31, 2020. The County'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 federal and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to its federal and state programs.

#### AUDITORS' RESPONSIBILITY

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

#### OPINION ON EACH MAJOR FEDERAL AND STATE PROGRAM

In our opinion, the 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 state programs for the year ended December 31, 2020.

## **OTHER MATTERS**

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the *State Single Audit Guidelines* and which are described in the accompanying schedule of findings and questioned costs as item 2020-001. Our opinion on each major state program is not modified with respect to these matters.

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

## **REPORT ON INTERNAL CONTROL OVER COMPLIANCE**

Management of the 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 the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and the *State Single Audit Guidelines*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the 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 combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control over compliance, described in the accompanying schedule of findings and questioned costs as items 2020-001 and 2020-002, that we consider to be significant deficiencies.

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

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

**REPORT ON SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS REQUIRED BY THE UNIFORM GUIDANCE 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 the County as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated July 30, 2021, 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 *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 are fairly stated in all material respects in relation to the basic financial statements as a whole.



**CliftonLarsonAllen LLP**

Wausau, Wisconsin  
October 21, 2021

# Lincoln County, Wisconsin

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2020

Grantor Agency/Federal Program Title	CFDA Number	Pass-Through Agency	Pass-Through Entity Identifying Number	(Accrued) Deferred Revenue 11/20	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/20	Total Expenditures	Subrecipient Payment
<b>U.S. DEPARTMENT OF AGRICULTURE</b>								
SNAP Cluster								
State Administrative Matching Grants for Food Stamp Program	10.561	Wood County	264	\$ (26,711)	\$ 106,707	\$ 23,568	\$ 103,564	\$ -
<b>U.S. DEPARTMENT OF JUSTICE</b>								
Public Safety Partnership and Community Policing Grants	16.710	Direct Program	N/A	-	7,493	-	7,493	-
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>								
Highway Planning and Construction Cluster								
National Recreational Trails Program	20.219	WI DNR	RTP-969-19D	(9,845)	-	21,581	11,736	-
National Recreational Trails Program	20.219	WI DNR	RTP-912-18M	(9,845)	-	39,797	39,797	-
Total Highway Planning and Construction Cluster								
Highway Safety Cluster								
State and Community Highway Safety	20.600	WI DOT	2020-20-05-OP	-	11,479	6,685	18,164	-
Total Highway Safety Cluster								
Total U.S. Department of Transportation				(9,845)	11,479	68,063	69,697	-
<b>U.S. DEPARTMENT OF TREASURY</b>								
COVID 19 - Coronavirus Relief Fund	21.019	WI DHS	155803	-	-	10,734	10,734	-
COVID 19 - Coronavirus Relief Fund	21.019	WI DHS	155804	-	-	23,347	23,347	-
COVID 19 - Coronavirus Relief Fund	21.019	WI DHS	155805	-	-	108,509	108,509	-
COVID 19 - Coronavirus Relief Fund	21.019	WI DOA	N/A	-	504,892	-	504,892	-
Total COVID 19 - Coronavirus Relief Fund								
Total U.S. Department of Treasury					504,892	142,590	647,482	-
<b>U.S. ELECTIONS ASSISTANCE COMMISSION</b>								
2018 HAVA Election Security Grants	90.404	WI Elections Commission	N/A	-	46,142	-	46,142	-
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>								
Public Health Emergency Preparedness	93.069	WI DHS	155015	(10,564)	41,009	4,255	34,700	-
Public Health Emergency Preparedness	93.069	WI DHS	155050	(10,564)	6,975	-	6,975	-
Total Public Health Emergency Preparedness								
Immunization Cooperative Agreements	93.266	WI DHS	155020	-	8,824	-	8,824	-
Public Health Optoid Response	93.354	WI DHS	155131	(9,363)	9,363	-	-	-
Promoting Safe and Stable Families	93.556	WI DCF	33306	-	26,334	16,464	42,798	-
<b>TANF Cluster</b>								
Temporary Assistance for Needy Families	93.536	WI DCF	3612	(1,244)	1,703	-	459	-
Temporary Assistance for Needy Families	93.536	WI DCF	3632	-	47,941	2,554	20,495	-
Total TANF Cluster								
Child Support Enforcement (Title IV-D)	93.563	WI DCF	7332	(1,203)	21,009	559	20,365	-
Child Support Enforcement (Title IV-D)	93.563	WI DCF	7477	(100,323)	271,910	90,576	262,163	-
Child Support Enforcement (Title IV-D)	93.563	WI DCF	7482	530	(2,883)	(1,368)	(9,751)	-
Child Support Enforcement (Title IV-D)	93.563	WI DCF	7506	(250)	1,051	528	1,329	-
Child Support Enforcement (Title IV-D)	93.563	WI DCF	7560	-	1,654	-	1,654	-
Child Support Enforcement (Title IV-D)	93.563	WI DCF	7618	(107,246)	60,963	-	80,963	-
Total Child Support Enforcement (Title IV-D)								
Total Child Support Enforcement (Title IV-D)					353,704	90,265	342,723	-
<b>CCDF Cluster</b>								
Child Care and Development Block Grant	93.575	WI DCF	831	(241)	10,250	1,192	11,201	-
Child Care and Development Block Grant	93.575	Vilas County, WI	852	(24,195)	107,193	37,293	174,390	-
Total Child Care and Development Block Grant								
Stephanie Tubbs Jones Child Welfare Services Program	93.645	WI DCF	3413	-	1,684	301	1,985	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	WI DCF	3561	-	20,800	-	20,800	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	WI DCF	3661	-	1,685	-	1,685	-
Total Stephanie Tubbs Jones Child Welfare Services Program								
Total Stephanie Tubbs Jones Child Welfare Services Program					24,169	301	24,470	-

# Lincoln County, Wisconsin

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2020

Grantor Agency/Federal Program Title	CFDA Number	Pass-Through Agency	Pass-Through Entity Identifying Number	(Accrued) Deferred Revenue 1/1/20	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/20	Total Expenditures	Subrecipient Payment
Foster Care (Title IV-E)	93.658	WI DCF	3396	-	20	28	46	-
Foster Care (Title IV-E)	93.658	WI DCF	3413	-	3,019	539	3,558	-
Foster Care (Title IV-E)	93.658	WI DCF	3561	-	268,784	-	268,784	-
COVID 19 - Foster Care (Title IV-E)	93.658	WI DCF	3619	-	11,000	-	11,000	-
Foster Care (Title IV-E)	93.658	WI DCF	3691	-	21,769	-	21,769	-
Foster Care (Title IV-E)	93.658	WI DCF	3604	(2,554)	5,379	-	2,825	-
Total Foster Care (Title IV-E)				(2,554)	309,971	567	307,984	-
Children's Health Insurance Program	93.767	Wood County, WI	264	(3,497)	16,808	3,922	17,233	-
Medicaid Cluster								
Medical Assistance Program	93.776	Wood County, WI	284	(34,593)	197,939	48,125	211,471	-
Preventive Health and Health Services Block Grant	93.991	WI DHS	159220	-	7,677	-	7,677	-
Maternal and Child Health Services Block Grant to the States	93.994	WI DHS	159320	-	8,677	5,806	14,683	-
Total U.S. Department of Health and Human Services				(187,438)	1,142,737	210,744	1,166,043	-
U.S. DEPARTMENT OF HOMELAND SECURITY								
Pre-Disaster Mitigation Program	97.039	WI DMA	N/A	-	-	4,875	4,875	-
Emergency Management Performance Grants	97.042	WI DMA	2020-EMPG-01-11647	(18,278)	21,725	22,902	26,349	-
Total U.S. Department of Homeland Security				(18,278)	21,725	27,777	31,224	-
<b>TOTAL FEDERAL AWARDS</b>				<b>\$ (242,272)</b>	<b>\$ 1,841,175</b>	<b>\$ 472,742</b>	<b>\$ 2,071,645</b>	<b>\$ -</b>

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



# Lincoln County, Wisconsin

## SCHEDULE OF EXPENDITURES OF STATE AWARDS FOR THE YEAR ENDED DECEMBER 31, 2020

Grantor Agency/State Program Title	State ID Number	Pass-Through Agency	Pass-Through/ State Entity Identifying Number	(Accrued) Deferred Revenue 1/1/20	Cash Received (Retained)	Accrued (Deferred) Revenue 12/31/20	Total Expenditures	Subrecipient Payment
<b>DEPARTMENT OF AGRICULTURE, TRADE AND CONSUMER PROTECTION</b>								
County Staff and Support	115.15	Direct Program	Unknown	\$ (83,481)	\$ 83,461	\$ 85,451	\$ 85,451	\$ -
LWRM Plan Implementation Projects	115.40	Direct Program	Unknown	(15,523)	51,171	13,112	48,708	-
Total Department of Agriculture, Trade and Consumer Protection				(99,004)	134,632	98,563	134,159	-
<b>DEPARTMENT OF SAFETY AND PROFESSIONAL SERVICES</b>								
Wisconsin Fund - POWTS Replacement or Rehabilitation Financial Assistance Program	370.403	Direct Program	201735	-	9,305	-	9,305	-
<b>DEPARTMENT OF NATURAL RESOURCES</b>								
Venison Processing Grant	370.549	Direct Program	Unknown	(14,136)	845	-	845	-
Boating Enforcement	370.550	Direct Program	Unknown	(24,141)	10,603	15,880	12,347	-
ATV Enforcement	370.551	Direct Program	Unknown	(15,505)	29,581	41,409	46,849	-
Snowmobile Enforcement	370.552	Direct Program	Unknown	(6,476)	8,463	9,138	3,086	-
Wildlife Damage Abatement and Claims	370.553	Direct Program	Unknown	-	28,246	8,236	31,086	-
County Conservation Aids	370.563	Direct Program	CC18-35WAM	-	-	541	541	-
County Fish, Wildlife & Forestry	370.564	Direct Program	2020 FWHIG - Lincoln	-	4,713	(972)	3,741	-
County Forest Administration	370.572	Direct Program	2020CFADMINGRANT	-	86,345	(27,375)	58,970	-
<b>Recreational Aids - Snowmobile Trail and Area Aid</b>								
Snowmobile Trail Aids	370.574 & 370.575	Direct Program	S-5358	43,980	77,082	30,905	151,977	-
Snowmobile Trail Aids	370.574 & 370.575	Direct Program	S-5228	(22,485)	22,486	-	-	-
Snowmobile Trail Aids	370.574 & 370.575	Direct Program	S-5275	15,989	-	3,809	19,888	-
Snowmobile Trail Aids	370.574 & 370.575	Direct Program	S-5285	(427)	427	-	-	-
Snowmobile Trail Aids	370.574 & 370.575	Direct Program	S-5468	37,056	43,950	(43,950)	-	-
Total Recreational Aids - Snowmobile Trail and Area Aid				73,083	143,955	(13,160)	171,875	-
<b>All-Terrain Vehicle (ATV) Program</b>								
All-Terrain Vehicle Trails	370.576	Direct Program	ATV-4016	(16,748)	16,748	-	-	-
All-Terrain Vehicle Trails	370.576	Direct Program	ATV-4658	11,212	11,212	-	22,424	-
All-Terrain Vehicle Trails	370.576	Direct Program	ATV-4218	-	18,128	3,526	22,684	-
All-Terrain Vehicle Trails	370.576	Direct Program	ATV-4275T	-	126	-	315	-
All-Terrain Vehicle Trails	370.576	Direct Program	ATV-4256	-	11,307	(11,307)	-	-
All-Terrain Vehicle Trails	370.576	Direct Program	ATV-3902	15,771	-	3,809	19,680	-
All-Terrain Vehicle Trails	370.576	Direct Program	ATV-3903	(427)	427	-	-	-
Total All-Terrain Vehicle (ATV) Program				9,006	58,957	(2,662)	65,003	-
Total Department of Natural Resources				(13,394)	373,710	34,339	394,555	-
<b>DEPARTMENT OF TRANSPORTATION</b>								
Elderly and Handicapped Transportation Aids	395.101	Direct Program	Unknown	7,527	89,831	-	97,358	-
<b>DEPARTMENT OF HEALTH SERVICES</b>								
Seal-a-Smile	435.152	Children's Health Alliance of Wisconsin	Unknown	(1,695)	3,689	-	1,994	-
IMAA State Share	435.283	Wood County, WI	283	(22,697)	150,758	34,783	152,842	-
IMAA Federal Share	435.284	Wood County, WI	284	(444)	1,760	388	1,704	-
Enhanced IM Funding	435.488	Wood County, WI	488	(23,657)	96,042	30,509	102,894	-
PH Emergency Quarantine	435.105000	WI DHS	105000	-	228	-	228	-
Comm Disease Ctr & Prev	435.155800	WI DHS	155800	-	3,800	-	3,800	-
Cons Contracts CHHD LD	435.157720	WI DHS	157720	-	2,047	1,565	3,612	-
Total Department of Health Services				(58,493)	258,323	67,245	267,075	-

Lincoln County, Wisconsin

SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2020

Grantor Agency/State Program Title	State I.D. Number	Pass-Through Agency	Pass-Through/ State Entity Identifying Number	(Accrued) Deferred Revenue 1/1/20	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/20	Total Expenditures	Subrecipient Payment
<b>DEPARTMENT OF CHILDREN AND FAMILIES</b>								
Food Stamp Agency Incentives	437.0665	Direct Program	965	(260)	4,349	766	4,855	-
Medicaid Agency Incentives	437.0680	Direct Program	980	(328)	2,677	228	2,578	-
Kinship Care Program - Benefits	437.3377	Direct Program	3377	-	130,903	25,400	186,303	-
Kinship Care Program - Assessment	437.3380	Direct Program	3380	-	11,285	-	21,253	-
JJ Youth Justice Innovation Grants 2018-19	437.3407	Direct Program	3407	(90,721)	98,902	16,835	23,516	-
Community Intervention Program	437.3410	Direct Program	3410	(934)	18,121	1,346	229,857	-
Youth Aids	437.3413	Direct Program	3413	-	183,842	33,725	289,876	-
Basic County Allocation	437.3561	Direct Program	3561	-	289,876	-	23,472	-
State County Match	437.3561	Direct Program	3561	-	23,472	-	6,782	-
Child Support Additional Funding	437.3661	Direct Program	3661	-	42,343	-	42,343	-
Child Support Activities	437.7335	Direct Program	7335	-	-	-	-	-
Child Support Medical Support	437.7502	Direct Program	7502	-	-	-	-	-
Child Support Medical Support	437.7606	Direct Program	7606	-	-	-	-	-
Total Department of Children and Families				(92,243)	819,448	78,295	895,500	-
<b>DEPARTMENT OF JUSTICE</b>								
Victim Witness Cluster	455.532	Direct Program	N/A	(18,093)	32,247	13,541	27,695	-
<b>DEPARTMENT OF MILITARY AFFAIRS</b>								
Emergency Training Grant Program	465.337	Direct Program	2020-EPCRA-LEPC-01-11646	(9,391)	15,267	1,959	7,835	-
Hazard Mitigation Grant	465.305	Direct Program	N/A	-	-	766	766	-
Computer & Hazmat Response Equipment	465.308	Direct Program	2020-EPCRA-01-11582	-	6,247	-	6,247	-
Total Department of Military Affairs				(9,391)	21,514	2,725	14,848	-
<b>DEPARTMENT OF ADMINISTRATION</b>								
Land Information Grant	505.166	Direct Program	AD169028	145,407	53,600	(161,060)	37,947	-
Land Information Program Training & Education Grant	505.166	Direct Program	Unknown	5,180	1,000	(4,824)	1,556	-
Land Information Program Strategic Initiative Grant	505.166	Direct Program	AD169087	(15,782)	45,000	20,000	49,208	-
Total Land Information Grant				134,795	99,600	(145,684)	88,711	-
Public Benefits - Low Income Energy Assistance Program	506.371	Direct Program	AD1698975.35	(12,390)	12,390	-	-	-
Public Benefits - Low Income Energy Assistance Program	506.371	Direct Program	AD1698976.35	(12,390)	60,641	24,376	85,017	-
Total Public Benefits - Low Income Energy Assistance Program				(24,780)	73,031	24,376	85,017	-
Total Department of Administration				122,405	172,631	(121,308)	173,728	-
<b>TOTAL STATE PROGRAMS</b>				<b>\$ (160,738)</b>	<b>\$ 1,911,661</b>	<b>\$ 173,400</b>	<b>\$ 1,824,323</b>	<b>\$ 85,017</b>

(1) Victim Witness is a cluster program funded by the following State ID Numbers: 455.503, 455.532, 455.636, 455.537 and 455.539

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

# Lincoln County, Wisconsin

## NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS FOR THE YEAR ENDED DECEMBER 31, 2020

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### **NOTE 1: BASIS OF PRESENTATION**

The accompanying Schedules of Expenditures of Federal and State Awards for the County are 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* issued by the Wisconsin Department of Administration.

The Schedules of Expenditures of Federal and State Awards include all federal and state awards of the County. Because the schedules present only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

### **NOTE 2: 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 2020 fund financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and the *State Single Audit Guidelines*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Expenditures for CFDA 21.019 follow criteria determined by the Department of the Treasury for allowability of costs. Accrued revenue at year-end consists of federal and state program expenditures scheduled for reimbursement to the County in the succeeding year while unearned revenue represents advances for federal and state programs that exceed recorded County expenditures. Because of subsequent program adjustments, these amounts may differ from the prior year's ending balances. Negative amounts shown on the Schedules represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

The County has not elected to charge a de minimis rate of 10% of modified total costs.

### **NOTE 3: OVERSIGHT AGENCIES**

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

Federal - U.S. Department of Justice

State - Wisconsin Department of Children and Families

### **NOTE 4: TITLE 19 MEDICAL ASSISTANCE PAYMENTS**

The Schedules of Expenditures of Federal and State Awards do not include recorded revenues received by the County for Title 19 Medical Assistance programs. The payments are considered a contract for services between the State and the County and therefore are not reported as federal or state awards.

### **NOTE 5: PASS THROUGH ENTITIES**

Federal awards have been passed through the following entities:

WI DCF - Wisconsin Department of Children and Families

WI DHS - Wisconsin Department of Health Services

WI DMA - Wisconsin Department of Military Affairs

WI DNR - Wisconsin Department of Natural Resources

WI DOA - Wisconsin Department of Administration

WI DOT - Wisconsin Department of Transportation

# Lincoln County, Wisconsin

## NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS FOR THE YEAR ENDED DECEMBER 31, 2020

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### **NOTE 6: STATE DIRECT PAYMENTS**

Payments made directly to recipients and vendors by the State of Wisconsin under the FoodShare Wisconsin program on behalf of the County are not included in the Schedules of Expenditures of Federal and State Awards.

### **NOTE 7: STATE OF WISCONSIN COMMUNITY AIDS REPORTING SYSTEM**

The Wisconsin Departments of Health Services (DHS) and Children and Families (DCF) utilize the Community Aids Reporting System (CARS) and the System for Payments and Reports of Contracts (SPARC) for reimbursing the County for various federal and state program expenditures. The expenditures reported on the Schedules of Expenditures of Federal and State Awards for various DHS & DCF programs agree with the expenditures reported on the May 2021 CARS for the Human Services and Public Health Departments, and the December 2020 SPARC for Child Support and Child Care programs.

# Lincoln County, Wisconsin

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2020

### 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?	No
Noncompliance material to basic financial statements noted?	No

#### FEDERAL AND STATE AWARDS

Internal control over major program:	
▶ Material weakness(es) identified?	No
▶ Significant deficiency(ies) identified?	Yes
Type of auditors' report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No
Any audit findings disclosed that are required to be reported in accordance with the <i>State Single Audit Guidelines</i> ?	Yes
Identification of major federal program:	

CFDA Number	Name of Federal Program
21.019	Coronavirus Relief Funds

Identification of major state programs:

State ID Number	Name of State Programs
115.15	County Staff and Support
437.3561	Basic County Allocation
437.3681	State County Match

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

Federal Awards	\$750,000
State Awards	\$250,000
Auditee qualified as low-risk auditee	Yes

# Lincoln County, Wisconsin

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2020

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### SECTION II - FINANCIAL STATEMENT FINDINGS

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, 2020.

### SECTION III - FEDERAL AND STATE AWARD FINDINGS AND QUESTIONED COSTS

#### UNIFORM GUIDANCE AND STATE SINGLE AUDIT GUIDELINES FINDINGS

##### 2020 – 001

State agency: Department of Agriculture, Trade, and Consumer Protection

State program title: County Staff and Support

State ID Number: 115.15

Award Period: January 1, 2020 – December 31, 2020

Type of Finding:

- Significant Deficiency in Internal Control over Compliance
- Other Matters

**Criteria or specific requirement:** The State Single Audit Guide appendix issued by the Department of Agriculture, Trade and Consumer Protection states: "Counties must establish and maintain an accounting and recordkeeping system that fully and clearly accounts for the receipt, handling and disposition of all DATCP grant funds that the LCC receives and includes accurate records of work performed and activities conducted that support each request for reimbursement."

**Condition:** The County when filing and submitting the annual Grant Staff & Support Reimbursement Form reported budgeted costs and not actual costs incurred.

**Questioned costs:** None

**Context:** The County is required to complete an annual report which details the costs incurred which are eligible for reimbursement under the grant. The annual report is used by the State to determine the amount that will be paid to the County to assist in the operations of the Land Conservation Department.

**Cause:** The department and the positions responsible for preparing, reviewing, and approving the report experienced turnover resulting in the missed reporting requirements.

**Effect:** If the County incurred under budgeted costs for the year, the County could receive grant funds it was not entitled to under the grant agreement.

**Repeat finding:** No

**Recommendation:** We recommend the County review its written procedures to ensure they are still reasonable and accurate given the employee turnover in the department. In addition, we recommend the County improve the transition process to ensure that when future turnover does occur within departments, there is a process to ensure all grant related requirements continue to be met.

**Views of responsible officials:** There is no disagreement with the audit finding.

# Lincoln County, Wisconsin

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2020

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### **2020 – 002**

State agency: Department of Children & Families

State program title: Basic County Allocation, State County Match

State ID Number: 437.3561, 437.3681

Award Period: January 1, 2020 – December 31, 2020

Type of Finding:

- Significant Deficiency in Internal Control over Compliance

**Criteria or specific requirement:** Grant claims filed by the County to the various granting agencies must be accurate, reconcile to the County general ledger system, and for cost-reimbursement grants, represent costs incurred. Internal controls should be designed and implemented to prevent and detect errors in the data reported on the grant claims. Segregation of duties is an internal control intended to prevent or decrease the occurrence of errors or intentional fraud. Segregation of duties ensures that no single employee has control over all phases of a transaction.

**Condition:** There was no review of the reports and claims for reimbursement by someone other than the preparer for grants within the social services department. Accordingly, this does not allow for a proper segregation of duties for internal control purposes over reporting compliance requirements.

**Questioned costs:** None

**Context:** While performing audit procedures, it was noted that management does not internal controls in place to provide and document proper segregation of duties over grant reporting for the social services SPARC grants.

**Cause:** The department and the positions responsible for preparing, reviewing, and approving the report experienced turnover resulting in the missed reporting requirements.

**Effect:** If the County incurred under budgeted costs for the year, the County could receive grant funds it was not entitled to under the grant agreement.

**Repeat finding:** No

**Recommendation:** We recommend the County review it's written procedures to ensure they are still reasonable and accurate given the employee turnover in the department. In addition, we recommend the County improve the transition process to ensure that when future turnover does occur within departments, there is a process to ensure all grant related requirements continue to be met.

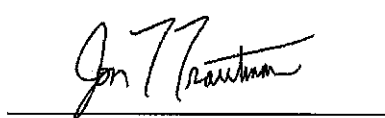
**Views of responsible officials:** There is no disagreement with the audit finding.

# Lincoln County, Wisconsin

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2020

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### SECTION IV - OTHER ISSUES

- |  |  |
|--|--|
| 1. Does the auditor have substantial doubt as to the auditee's ability to continue as a going concern?   | No   |
| 2. Does the audit report show audit issues (i.e. material non-compliance, non-material non-compliance, questioned cost, material weakness, significant deficiencies, management letter comment, excess revenue or excess reserve) related to grant/contracts with funding agencies that require audits to be in accordance with the <i>State Single Audit Guidelines</i> : |  |
| Department of Agriculture, Trade and Consumer Protection   | Yes  |
| Department of Safety and Professional Services   | No   |
| Department of Natural Resources  | No   |
| Department of Transportation   | No   |
| Department of Health Services  | No   |
| Department of Children and Families  | Yes  |
| Department of Justice  | No   |
| Department of Military Affairs   | No   |
| Department of Administration   | No   |
| 3. Was a Management Letter or other document conveying audit comments issued as a result of this audit?  | Yes  |
| 4. Name and signature of partner   |  |
| 5. Date of report  | Jon Trautman, CPA<br>October 21, 2021  |



ADDITIONAL INDEPENDENT AUDITORS' REPORT

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## 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 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, (the "County") as of and for the year ended December 31, 2020, 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 30, 2021.

### **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 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

### **COMPLIANCE AND OTHER MATTERS**

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

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

Wausau, Wisconsin

July 30, 2021