

County of Racine

Report on Federal and State Awards

December 31, 2020

County of Racine

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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 Honorable Members of the Board of Supervisors of the County of Racine

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 the County of Racine, Wisconsin, as of and for the year ended December 31, 2020 and the related notes to the financial statements, which collectively comprise the County of Racine's basic financial statements and have issued our report thereon dated July 28, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County of Racine's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County of Racine's internal control. Accordingly, we do not express an opinion on the effectiveness of the County of Racine'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2020-001, that we consider to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County of Racine's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The County of Racine's Response to Finding

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Baker Tilly US, LLP

Milwaukee, Wisconsin
July 28, 2021

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

To the Honorable Members of the Board of Supervisors of the County of Racine

Report on Compliance for Each Major Federal and Major State Program

We have audited the County of Racine, Wisconsin's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *State Single Audit Guidelines* that could have a direct and material effect on each of the County of Racine's major federal and major state programs for the year ended December 31, 2020. The County of Racine's major federal and major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal and state statutes, regulations and the terms and conditions of its federal and state awards applicable to its federal and state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County of Racine's major federal and major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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*. 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 major state program occurred. An audit includes examining, on a test basis, evidence about the County of Racine's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and major state program. However, our audit does not provide a legal determination of the County of Racine's compliance.

Opinion on Each Major Federal and Major State Program

In our opinion, the County of Racine complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and major state programs for the year ended December 31, 2020.

Report on Internal Control Over Compliance

Management of the County of Racine 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 of Racine's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal or major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and major state program and to test and report on internal control over compliance in accordance with 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 of Racine's internal control over compliance.

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

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

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and the *State Single Audit 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 *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 of Racine, Wisconsin as of and for the year ended December 31, 2020 and the related notes to the financial statements, which collectively comprise the County of Racine's basic financial statements. We issued our report thereon dated July 28, 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 is fairly stated in all material respects in relation to the basic financial statements as a whole.

Baker Tilly US, LLP

Milwaukee, Wisconsin
November 4, 2021

County of Racine

Schedule of Expenditures of Federal and State Awards
 Year Ended December 31, 2020

| Grantor Agency / Program Title | Federal CFDA Number | Pass- Through Agency | Pass- Through Agency ID | Expenditures | Payments to Subrecipients |
|---|---------------------------|----------------------------|-------------------------------|----------------|------------------------------|
| Federal Programs | | | | | |
| U. S. Department of Agriculture | | | | | |
| Child Nutrition Cluster | | | | | |
| School Breakfast Program | 10.553 | DPI | 515370 | \$ 2,339 | \$ - |
| National School Lunch Program | 10.555 | DPI | 515370 | <u>3,829</u> | <u>-</u> |
| Total Child Nutrition Cluster | | | | <u>6,168</u> | <u>-</u> |
| SNAP Cluster | | | | | |
| State Administrative Matching Grants for the Supplemental Nutrition Assistance Program | 10.561 | DHS | 277, 284 | <u>604,561</u> | <u>-</u> |
| Total SNAP Cluster | | | | <u>604,561</u> | <u>-</u> |
| Total U.S. Department of Agriculture | | | | <u>610,729</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-PS-20-01 | <u>172,629</u> | <u>-</u> |
| Total U.S. Department of Housing and Urban Development | | | | <u>172,629</u> | <u>-</u> |
| U.S. Department of Justice | | | | | |
| CEASE Grant (Drug Enforcement Administration) | 16.000 | DOJ | N/A | 1,018 | 299 |
| Victim Witness - Victim Advocate Grant | 16.575 | DOJ | 12149 | 119,318 | - |
| OCDETF (Organized Crime Drug Enforcement Task Forces) | 16.XXX | DOJ | N/A | 50,088 | - |
| NCS-X Planning | 16.734 | DOJ | 2015-NCSX-01-12907 | 7,500 | - |
| Edward Byrne Grant (Federal Task Force Operations) | 16.738 | DOJ | 2017-DJ-01-14929 | <u>122,114</u> | <u>83,920</u> |
| Total U.S. Department of Justice | | | | <u>300,038</u> | <u>84,219</u> |

See notes to schedule of expenditures of federal awards

County of Racine

Schedule of Expenditures of Federal and State Awards
 Year Ended December 31, 2020

| Grantor Agency / Program Title | Federal CFDA Number | Pass- Through Agency | Pass- Through Agency ID | Expenditures | Payments to Subrecipients |
|--|---------------------------|----------------------------|-------------------------------|------------------|------------------------------|
| Federal Programs | | | | | |
| U.S. Department of Transportation | | | | | |
| Transit Services Programs Cluster | | | | | |
| New Freedom (Enhanced Mobility) | 20.513 | DOT | 1245-2018-1 | \$ 68,434 | \$ - |
| Total Transit Services Programs Cluster | | | | <u>68,434</u> | <u>-</u> |
| Highway Safety Cluster | | | | | |
| Speed Enforcement | 20.600 | DOT | FG-2020-RACINE C-05340 | 49,248 | 32,006 |
| Alcohol Impaired Driving Countermeasures Grants | 20.601 | DOT | FG-2020-RACINE C-04189 | 64,111 | 15,504 |
| Alcohol Impaired Driving Countermeasures Grants | 20.601 | DOT | FG-2021-RACINE C-05485 | 12,906 | 4,767 |
| | | | | <u>77,017</u> | <u>20,271</u> |
| Occupant Protection Incentive Grant (Seatbelt Enforcement) | 20.602 | DOT | FG-2019-RACINE C-04205 | 25,420 | 17,096 |
| Occupant Protection Incentive Grant (Seatbelt Enforcement) | 20.602 | DOT | FG-2021-RACINE C-05507 | 6,981 | 3,559 |
| | | | | <u>32,401</u> | <u>20,655</u> |
| Total Highway Safety Cluster | | | | <u>158,666</u> | <u>72,932</u> |
| Hazardous Materials Emergency Planning Grant (HMEP) | 20.703 | DMA | 11840 | 8,499 | 8,499 |
| Total U.S. Department of Transportation | | | | <u>235,599</u> | <u>81,431</u> |
| U.S. Department of Treasury | | | | | |
| COVID-19 Coronavirus Relief Fund | 21.019 | DOA | N/A | 3,379,949 | - |
| Total U.S. Department of Treasury | | | | <u>3,379,949</u> | <u>-</u> |

See notes to schedule of expenditures of federal awards

County of Racine

Schedule of Expenditures of Federal and State Awards
Year Ended December 31, 2020

| Grantor Agency / Program Title | Federal CFDA Number | Pass- Through Agency | Pass- Through Agency ID | Expenditures | Payments to Subrecipients |
|--|---------------------------|----------------------------|-------------------------------|------------------|------------------------------|
| Federal Programs | | | | | |
| U.S. Department of Education | | | | | |
| Special Education-Grants for Infants and Families | 84.181 | DHS | 550 | \$ 213,036 | \$ - |
| Total U.S. Department of Education | | | | <u>213,036</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 | DHS | 560510 | 2,677 | - |
| COVID-19 Special Program for the Aging, Title IV, and Title II, Discretionary Projects | 93.048 | DHS | 560200 | 21,781 | - |
| Aging Cluster | | | | | |
| Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers | 93.044 | DHS | 560340 | 190,189 | - |
| Special Programs for the Aging, Title III, Part C, Nutrition Services | 93.045 | DHS | 560350, 560360 | 385,650 | - |
| COVID-19 Special Programs for the Aging, Title III, Part C, Nutrition Services | 93.045 | DHS | 560350, 560360 | <u>537,868</u> | <u>-</u> |
| Subtotal | | | | <u>923,518</u> | <u>-</u> |
| Nutrition Services Incentive Program | 93.053 | DHS | 560422 | <u>79,168</u> | <u>-</u> |
| Total Aging Cluster | | | | <u>1,192,875</u> | <u>-</u> |
| Anti-Heroin Task Force Grant | 93.276 | DOJ | 455COPSHEROIN15 | 52,265 | 38,997 |
| Anti-Heroin Task Force Vent Hood Grant | 93.276 | DOJ | 455COPSHEROIN18 | (4,040) | - |
| High Intensity Drug Traffic Area DOJ Grant | 93.276 | DOJ | B0324P1 | <u>70,995</u> | <u>5,142</u> |
| Subtotal | | | | <u>119,220</u> | <u>44,139</u> |
| National Family Caregiver Support, Title III, Part E | 93.052 | DHS | 560520 | 63,262 | - |
| Medicare Enrollment Assistance Program | 93.071 | DHS | 560620 | 12,539 | - |
| State Health Insurance Assistance Program | 93.324 | DHS | 560432 | 2,683 | - |
| Promoting Safe and Stable Families | 93.556 | DCF | 3306 | 76,220 | - |
| Temporary Assistance for Needy Families | 93.558 | DHS | 561 | 825,603 | - |

See notes to schedule of expenditures of federal awards

County of Racine

Schedule of Expenditures of Federal and State Awards
Year Ended December 31, 2020

| Grantor Agency / Program Title | Federal CFDA Number | Pass- Through Agency | Pass- Through Agency ID | Expenditures | Payments to Subrecipients |
|---|---------------------------|----------------------------|-------------------------------|----------------------|------------------------------|
| Federal Programs | | | | | |
| U. S. Department of Health and Human Services (cont.) | | | | | |
| Child Support Enforcement | 93.563 | DCF | 701, 7477, 7482, 7506, 7588 | \$ 3,107,234 | \$ - |
| Five County ELEVATE | 93.563 | DCF | 7702A | <u>136,237</u> | <u>-</u> |
| Subtotal | | | | <u>3,243,471</u> | <u>-</u> |
| Low Income Home Energy Assistance Block Grant | 93.568 | DOA | 831, 840, 852 | 236,079 | - |
| CCDF Cluster | | | | | |
| Child Care and Development Block Grant | 93.575 | DCF | 831, 840, 852 | <u>778,692</u> | <u>-</u> |
| Total CCDF Cluster | | | | 778,692 | - |
| Grants to States for Access and Visitation Programs | 93.597 | DCF | 7703 | 21,439 | - |
| Adoption and Legal Guardianship Incentive Payments | 93.603 | DCF | 3394, 3394A | 3,804 | - |
| Stephanie Tubbs Jones Child Welfare Services Program | 93.645 | DCF | 3413, 3561, 3681 | 211,305 | - |
| Foster Care - Title IV-E | 93.658 | DCF | 3396, 3413, 3554, 3561, 3681 | 2,417,551 | - |
| COVID-19 Foster Care - Title IV-E | 93.658 | DCF | 3396, 3413, 3554, 3561, 3681 | <u>115,449</u> | <u>-</u> |
| Subtotal | | | | <u>2,533,000</u> | <u>-</u> |
| Adoption Assistance | 93.659 | DCF | 3574 | 45,265 | - |
| COVID-19 Emergency Grants to Address Mental and Substance Use Disorders During COVID-19 | 93.665 | DHS | 533279 | 32,669 | - |
| Social Services Block Grant | 93.667 | DHS | 561 | 909,654 | - |
| Children's Health Insurance Program | 93.767 | DHS | 284 | 94,939 | - |
| Medicaid Cluster | | | | | |
| Medical Assistance Program | 93.778 | DHS | 878, 560081, 560087, 560091 | 2,383,600 | - |
| Medical Assistance Program - CLTS | 93.778 | DHS | 872, 875 | 1,333,397 | - |
| Medical Assistance Program - WIMCR | 93.778 | DHS | 561 | <u>336,679</u> | <u>-</u> |
| Total Medicaid Cluster | | | | <u>4,053,676</u> | <u>-</u> |
| Opioid STR | 93.788 | DHS | 515, 569 | 70,376 | - |
| Maternal, Infant and Early Childhood Home Visiting Grant Program | 93.870 | DCF | 1008 | 236,023 | - |
| Block Grants for Community Mental Health Services | 93.958 | DHS | 570, 586, 589 | 407,456 | - |
| Block Grants for Prevention and Treatment of Substance Abuse | 93.959 | DHS | 533118 | <u>708,183</u> | <u>-</u> |
| Total U.S. Department of Health and Human Services | | | | <u>15,902,891</u> | <u>44,139</u> |
| U.S. Department of Homeland Security | | | | | |
| Emergency Management Performance Grant | 97.042 | DOJ | 4040-0007 | <u>99,680</u> | <u>-</u> |
| Total U.S. Department of Homeland Security | | | | <u>99,680</u> | <u>-</u> |
| Total federal programs | | | | <u>\$ 20,914,551</u> | <u>\$ 209,789</u> |

See notes to schedule of expenditures of federal awards

County of Racine

Schedule of Expenditures of Federal and State Awards
 Year Ended December 31, 2020

| 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 | | | | | |
| County Staff and Support | 115.150 | N/A | 9214-17-52-00 | \$ 148,554 | \$ - |
| Land and Water Resource Management | 115.400 | N/A | 9214-17-52-00 | <u>253,497</u> | <u>-</u> |
| Total Wisconsin Department of Agriculture, Trade, and Consumer Protection | | | | <u>402,051</u> | <u>-</u> |
| Wisconsin Department of Natural Resources | | | | | |
| Water Safety Aid | 370.550 | N/A | 227.52 | 31,414 | - |
| Recreational Aids - Snowmobile Trail and Area | 370.574 | N/A | S-5528 | <u>40,806</u> | <u>-</u> |
| Total Wisconsin Department of Natural Resources | | | | <u>72,220</u> | <u>-</u> |
| Wisconsin Department of Transportation | | | | | |
| Elderly and Handicapped County Aids | 395.101 | N/A | N/A | <u>518,410</u> | <u>-</u> |
| Total Wisconsin Department of Transportation | | | | <u>518,410</u> | <u>-</u> |
| Wisconsin Department of Corrections | | | | | |
| Windows to work | 410.112 | Kenosha County | N/A | 172,179 | - |
| State Probation & Parole Offenders | 410.116 | N/A | 302.33(2)(a)3 | <u>248,920</u> | <u>-</u> |
| Total Wisconsin Department of Corrections | | | | <u>421,099</u> | <u>-</u> |

See notes to schedule of expenditures of federal awards

County of Racine

Schedule of Expenditures of Federal and State Awards
Year Ended December 31, 2020

| Grantor Agency / Program Title | State ID Number | Pass- Through Agency | Pass- Through Agency ID | Expenditures | Payments to Subrecipients |
|--|--------------------|----------------------------|-------------------------------|--------------|------------------------------|
| State Programs | | | | | |
| Wisconsin Department of Health Services | | | | | |
| Infant Mortality-Racine | 435.110190 | City of Racine | 110190 | \$ 44,686 | \$ - |
| IMAA State Share | 435.283 | N/A | 283 | 868,112 | - |
| IMAA Federal Share | 435.284 | N/A | 284 | 8,877 | - |
| IM FSET FED MA Amounts | 435.286 | N/A | 286 | 322 | - |
| APS-Adult Protective Services | 435.312 | N/A | 312 | 214,490 | - |
| Children's COP | 435.377 | N/A | 377 | 188,142 | - |
| Alzheimers Family Support | 435.381 | N/A | 381 | 85,972 | - |
| Coordinated Services Team Initiative | 435.515 | N/A | 515 | 50,585 | - |
| Community Mental Health | 435.516 | N/A | 516 | 963,375 | - |
| Non-Resident | 435.531 | N/A | 531 | 15,729 | - |
| Mat In A Jail Setting | 435.533264 | GWAAR | 533264 | 75,473 | - |
| Birth to Three Initiative | 435.550 | N/A | 550 | 265,590 | 265,590 |
| ADRC MFP-NH Relocation | 435.560065 | N/A | 560065 | 19,004 | - |
| Aging & Dis Resource Ctr | 435.560100 | GWAAR | 560100 | 1,106,828 | - |
| State Aging Unit EBS | 435.560321 | GWAAR | 560321 | 34,824 | - |
| EBSOCI Replacement | 435.560327 | GWAAR | 560327 | 9,021 | - |
| Senior Community Svs Prog | 435.560330 | GWAAR | 560330 | 13,034 | - |
| Title 3C-1 Cong Meal Prog | 435.560350 | GWAAR | 560350 | 32,233 | - |
| Title 3C-2 Home Meals | 435.560360 | GWAAR | 560360 | 18,072 | - |
| Elder Abuse Service | 435.560490 | GWAAR | 560049 | 73,013 | - |
| Basic County Allocation | 435.561 | N/A | 561 | 5,214,646 | - |
| FPI Non-Fed | 435.60 | N/A | 60 | 72,794 | - |
| STATE/COUNTY MATCH | 435.681 | N/A | 681 | 567,471 | - |
| CLTS Waiver GPR | 435.871 | N/A | 871 | 554,692 | - |
| CLTS Grandfather GPR | 435.874 | N/A | 874 | 146,060 | - |
| CLTS WAIVER CWA ADMIN GPR | 435.877 | N/A | 877 | 65,256 | - |
| CLTS GRANDFATHER ADMN GPR | 435.880 | N/A | 880 | 15,080 | - |
| Total Wisconsin Department of Health Services | | | | 10,723,381 | 265,590 |

See notes to schedule of expenditures of federal awards

County of Racine

Schedule of Expenditures of Federal and State Awards
Year Ended December 31, 2020

| Grantor Agency / Program Title | State ID Number | Pass- Through Agency | Pass- Through Agency ID | Expenditures | Payments to Subrecipients |
|--|--------------------|----------------------------|-------------------------------|------------------|------------------------------|
| State Programs | | | | | |
| Wisconsin Department of Children and Families | | | | | |
| CF Children First | 437.0700 | N/A | 700 | \$ 41,912 | \$ - |
| Food Stamp Agency Incentives | 437.0965 | N/A | 965 | 40,095 | - |
| AFDC Agency Incentives | 437.0975 | N/A | 975 | 82 | - |
| Medicaid Agency Incentives | 437.0980 | N/A | 980 | 20,402 | - |
| OTH - Family Foundations Comprehensive Home Visitation Program | 437.1008 | N/A | 1008 | 22,841 | - |
| BFI - SABG | 437.1401 | N/A | 1401 | 125,133 | - |
| CW Kinship Care Program - Benefits | 437.3377 | N/A | 3377 | 1,034,745 | - |
| CW Kinship Care Program - Assessment | 437.3380 | N/A | 3380 | 120,476 | - |
| Youth Justice Innovation Grants | 437.3407 | N/A | 3407 | 50,000 | - |
| JJ Community Intervention Program | 437.3410 | N/A | 3410 | 137,998 | - |
| JJ AODA | 437.3411 | N/A | 3411 | 49,271 | - |
| JJ Youth Aids | 437.3413 | N/A | 3413 | 3,730,953 | - |
| CW Children and Families Allocation | 437.3561 | N/A | 3561 | 2,295,512 | - |
| CW Children & Families Allocations | 437.3681 | N/A | 3681 | 185,110 | - |
| CW WiSACWIS Annual Operation Maintenance Fee | 437.3935 | N/A | 3935 | (26,423) | - |
| PDS Partnership Fees | 437.3940 | N/A | 3940 | (8,782) | - |
| CS State GPR/PR Funding Allocation | 437.7502 | N/A | 7502 | 439,230 | - |
| CS Medical Support GPR Earned | 437.7606 | N/A | 7606 | 8,399 | - |
| Five County Demonstration Project | 437.7702 | N/A | 7702 | 49,307 | - |
| Total Wisconsin Department of Children and Families | | | | <u>8,316,261</u> | <u>-</u> |
| Wisconsin Department of Workforce Development | | | | | |
| Fast Forward Training Grant | 445.109 | N/A | FF182ML13550 | 185,880 | - |
| Total Wisconsin Department of Workforce Development | | | | <u>185,880</u> | <u>-</u> |
| Wisconsin Department of Justice | | | | | |
| Treatment Alternatives | 455.271 | N/A | 2020-TD-02-15476 | 107,954 | - |
| Victim and Witness Assistance Program | 455.532 | N/A | DJ-CVS-27 | 171,809 | - |
| Total Wisconsin Department of Justice | | | | <u>279,763</u> | <u>-</u> |

See notes to schedule of expenditures of federal awards

County of Racine

Schedule of Expenditures of Federal and State Awards
 Year Ended December 31, 2020

| Grantor Agency / Program Title | State ID Number | Pass- Through Agency | Pass- Through Agency ID | Expenditures | Payments to Subrecipients |
|---|--------------------|----------------------------|-------------------------------|----------------------|------------------------------|
| State Programs | | | | | |
| Wisconsin Department of Military Affairs | | | | | |
| Emergency Planning Grant | 465.337 | N/A | 4040-0007 | \$ 36,232 | \$ - |
| Emergency Police Services Program Grant | 465.312 | N/A | 2018-MFF-01-11872 | 25,365 | - |
| Emergency Response Equipment Grant - EPCRA Hazmat Grant | 465.308 | N/A | N/A | <u>7,336</u> | <u>7,336</u> |
| Total Wisconsin Department of Military Affairs | | | | <u>68,933</u> | <u>7,336</u> |
| Wisconsin Department of Administration | | | | | |
| Public Utility Benefits Program | 505.371 | N/A | AD1599973.51 | 283,983 | - |
| Land Information Board Grants | 505.438 | DOA | AD199102 | 21,000 | - |
| State Task Force Operation | 505.630 | N/A | 2017-DJ-01-14929 | 86,616 | 59,893 |
| State Task Force Operation Equipment Grant | 505.630 | N/A | 2020-DJ-1-15766 | <u>24,906</u> | <u>19,532</u> |
| Subtotal | | | | <u>111,522</u> | <u>79,425</u> |
| Total Wisconsin Department of Administration | | | | <u>416,505</u> | <u>79,425</u> |
| Total state programs | | | | <u>\$ 21,404,504</u> | <u>\$ 352,351</u> |

See notes to schedule of expenditures of federal awards

County of Racine

Notes to Schedule of Expenditures of Federal and State Awards
December 31, 2020

1. Basis of Presentation

The accompanying schedule of expenditures of federal and state awards (the Schedule) includes the federal and state grant activity of the County of Racine under programs of the federal and state government for the year ended December 31, 2020. 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 the County of Racine, it is not intended to and does not present the financial position, changes in net position or cash flows of the County of Racine.

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, 2021 Community Aids Reporting System (CARS) reports and the December 31, 2020 SPARC report.

4. Pass-Through Entities

Federal and state awards have been passed through the following entities:

| | |
|----------------|---|
| DHS | Wisconsin Department of Human Services |
| DPI | Wisconsin Department of Public Instruction |
| Kenosha Cty | Kenosha County, Wisconsin |
| DOA | Wisconsin Department of Administration |
| DOJ | Wisconsin Department of Justice |
| City of Racine | City of Racine, Wisconsin |
| DOT | Wisconsin Department of Transportation |
| DCF | Wisconsin Department of Children and Families |
| GWAAR | Greater Wisconsin Agency on Aging Resources |

5. Indirect Cost Rate

The County of Racine has not elected to use the 10 percent de minimis indirect cost rate of the Uniform Guidance.

County of Racine

Schedule of Findings and Questioned Costs
Year Ended December 31, 2020

Section I – Summary of Auditors’ Results

Financial Statements

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

Internal control over financial reporting:

| | | |
|--|-----------------|--------------------------|
| Material weakness (es) identified? | <u> X </u> yes | <u> </u> no |
| Significant deficiencies identified that are not considered to be material weaknesses? | <u> </u> yes | <u> X </u> none reported |
| Noncompliance material to financial statements noted? | <u> </u> yes | <u> X </u> no |

Federal and State Awards

Internal control over major programs:

| | <u>Federal Programs</u> | | <u>State Programs</u> | |
|---|-------------------------|--------------------------|-----------------------|--------------------------|
| Material weakness(es) identified? | <u> </u> yes | <u> X </u> no | <u> </u> yes | <u> X </u> no |
| Significant deficiencies identified that are not considered to be material weakness(es)? | <u> </u> yes | <u> X </u> none reported | <u> </u> yes | <u> X </u> none reported |
| Type of auditor’s report issued on compliance for major programs: | unmodified | | unmodified | |
| Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a) of the Uniform Guidance or the <i>State Single Audit Guidelines</i> ? | <u> </u> yes | <u> X </u> no | <u> </u> yes | <u> X </u> no |
| Auditee qualified as low-risk auditee? | <u> </u> yes | <u> X </u> no | <u> </u> yes | <u> X </u> no |
| Dollar threshold used to distinguish between type A and type B programs: | <u>\$750,000</u> | | | |
| Dollar threshold used to distinguish between Wisconsin DHS type A and type B programs | <u>\$597,200</u> | | | |
| Dollar threshold used to distinguish between other state type A and type B programs: | <u>\$250,000</u> | | | |

Identification of major federal programs:

| <u>CFDA Numbers</u> | <u>Name of Federal Program or Cluster</u> |
|---------------------|---|
| 21.019 | COVID-19 Coronavirus Relief Fund |
| 93.563 | Child Support Enforcement |
| 93.658 | COVID-19 Foster Care – Title IV-E |
| 93.658 | Foster Care – Title IV-E |

County of Racine

Schedule of Findings and Questioned Costs

Year Ended December 31, 2020

Identification of major state programs:

| <u>State Numbers</u> | <u>Name of State Program</u> |
|----------------------|---------------------------------------|
| 435.561 | Basic County Allocation |
| 435.681 | Basic County Allocation – State Match |
| 437.3561 | Basic County Allocation |
| 437.3681 | CW Children & Families Allocation |
| 437.7502 | CS State GPR Funding |
| 505.371 | Public Utility Benefits Program |

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

Finding 2020-001: Internal Control Over Financial Reporting

Repeat of Finding 2019-001

Preparation of Financial Statements

Criteria: According to Statement on Auditing Standards AU-C Section 265, *Communicating Internal Control Related Matters Identified in an Audit*, sufficient internal controls should be in place that provide for the preparation of reliable financial statements including the schedule of federal and state awards that are fairly presented in conformity with generally accepted accounting principles. Sufficient internal controls should exist to prevent or detect and correct, misstatements on a timely basis.

Condition: Our evaluation of the internal controls over financial reporting has identified control deficiencies that are considered material weakness surrounding the preparation of financial statements and footnotes and an independent review of financial reports. Management has not prepared financial statements that are in conformity with generally accepted accounting principles.

Cause: Due to limited resources, the County of Racine contracted with the auditors to prepare the financial statements.

Effect: The auditors prepared the financial statements which presents risks over financial reporting that errors may occur and not be detected.

Recommendation: We recommend that the County of Racine put in place procedures to determine if resources would be available to prepare a complete set of financial statements without material changes.

Management's Response: We feel that our Finance Department has sufficient internal controls in place to either prevent, or detect and correct, misstatements in a timely manner, and provide for the preparation of reliable financial statements which are fairly presented in conformity with generally accepted accounting principles. Due to tight budget constraints and continual staff turnover, the County does not have the necessary resources to prepare its financial statements in-house, and therefore contracts the work out to Baker Tilly for a reasonable fee.

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

No findings were reported.

County of Racine

Schedule of Findings and Questioned Costs
Year Ended December 31, 2020

Section IV – Other Issues

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 X no

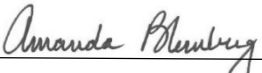
Does the audit report show audit issues (i.e., material noncompliance, nonmaterial noncompliance, questioned costs, material weakness, significant deficiency, management letter comment, excess revenue or excess reserve) related to grants/contracts with funding agencies that require audits to be in accordance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

| | | |
|--|-----------|-----------------|
| Department of Health Services | _____ yes | <u> X </u> no |
| Department of Children and Families | _____ yes | <u> X </u> no |
| Department of Agriculture, Trade and Consumer Protection | _____ yes | <u> X </u> no |
| Department of Justice | _____ yes | <u> X </u> no |
| Department of Military Affairs | _____ yes | <u> X </u> no |
| Department of Corrections | _____ yes | <u> X </u> no |
| Department of Transportation | _____ yes | <u> X </u> no |
| Department of Administration | _____ yes | <u> X </u> no |
| Department of Natural Resources | _____ yes | <u> X </u> no |
| Department of Workforce Development | _____ Yes | <u> X </u> no |

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

 X yes _____ no

Name and signature of partner



Amanda R. Blomberg, CPA, Firm Director

Date of report

November 4, 2021