JBC JOHNSON BLOCK CPAs

Dodge County, WI

Schedules of Expenditures of Federal and State Awards

For the Year Ended December 31, 2017

Together with Independent Auditor's Reports

Johnson Block & Company, Inc.
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COUNTY OF DODGE

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Independent Auditor's 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 Dodge:

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, and each major fund of the County of Dodge (the "County") as of and for the year ended December 31, 2017, 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 9, 2018.

Internal Control Over Financial Reporting

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

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

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

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County of Dodge'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.*

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.

Johnson Block & Company, Inc.

Johnson Block & Company, Inc.
Certified Public Accountants
Madison, Wisconsin
July 9, 2018

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Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance and the Schedules 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 Dodge:

Report on Compliance for Each Major Federal and State Program

We have audited the County of Dodge's (the "County") 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, 2017. The County's major federal and 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 statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's 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*. 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 or state program. However, our audit does not provide a legal determination of the County's compliance.

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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, 2017.

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 and 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. 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.

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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 and each major fund of the County of Dodge, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the County of Dodge's basic financial statements. We issued our report thereon dated July 9, 2018, 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 schedules of expenditures of federal and state awards are presented for purposes of additional analysis as required by the Uniform Guidance 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 schedules of expenditures of federal and state awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

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.

Johnson Block & Company, Inc.

Johnson Block & Company, Inc.
Certified Public Accountants
Madison, Wisconsin
August 14, 2018

County of Dodge
Schedule of Expenditures of Federal Awards
For The Year Ended December 31, 2017

Grantor Agency/Pass Through Agency/Federal Program Title	Pass Through Entity	CFDA #	CARS/SPARC Profile #	Federal Expenditures	Expenditures provided to Subrecipients
U. S. Department of Agriculture					
Special Supplemental Nutrition Program					
for Women, Infants and Children		10.557			
Nutritional Services	DHS		154710	$ 273,511	
WIC Peer Counseling	DHS		154760	12,517	
Total 10.557				286,028	
State Administrative Matching Grants	DHS/DCF	10.561			
Program-					
FS FPI Fed			61	23,368	
IMAA Federal Share			284	290,661	
Total 10.561				314,029	
Total U. S. Department of Agriculture				600,057	
U.S. Department of Justice					
Byrne Formula Grant Program:	n/a	16.579			
Anti-Drug Enforcement (SEADOG)				26,152	
State Criminal Alien Assistance Program		16.606		3,307	
Bulletproof Vest Partnership Program	DOJ	16.607			
Bullet Proof Vests				9,729	
Body Worn Camera Grant	DOJ			79,500	
Total 16.607				89,229	
Total U. S. Department of Justice				118,688	
U.S. Department of Transportation					
Highway Safety Cluster					
State and Community Highway Safety	DOT	20.600			
Seatbelt Enforcement				48,145	
Carseat Enforcement	DOT	20.616		2,006	
Highway Safety Cluster Sub-Total				50,151	
Total U.S. Department of Transportation				50,151	
U.S. Department of Education					
Grants for Infants and Toddlers with		84.181			
Disabilities	DHS				
Birth-to-Three Initiative			550	75,960	$ 75,960
Total U.S. Department of Education				75,960	
U. S. Dept. of Health and Human Services					
Special Program for the Aging-Title III-D ,	AAA	93.043			
Promotion Services			560510	4,583	
Nation Family Caregiver Support Program	AAA	93.052			
Title III-E			560520	34,439	
Aging Cluster					
Special Program for the Aging-Title III-B,		93.044			
Grants for Supportive Services and	AAA				
Senior Centers			560340	75,389	
Special Program for the Aging-Title III-C,	AAA	93.045			
Nutrition Services					
Congregate Meals-Title III-C-1			560350	116,554	
Home Delivered Meals-Title III-C-2			560360	53,147	
Total 93.045				169,701	

County of Dodge
Schedule of Expenditures of Federal Awards
For The Year Ended December 31, 2017

Grantor Agency/Pass Through Agency/Federal Program Title	Pass Through Entity	CFDA #	CARS/SPARC Profile #	Federal Expenditures	Expenditures provided to Subrecipients
U. S. Dept. of Health and Human Services (Continued)					
Nutrition Services Incentive	AAA	93.053			
Cash in Lieu of Commodities-					
Nutrition Services					
Congregate Meals-USDA					
October 1, 2016 to September 30, 2017			560422	13,228	
Home Delivered Meals-USDA					
October 1, 2016 to September 30, 2017			560422	18,620	
Total 93.053				31,848	
Aging Cluster Sub-Total				276,938	
PH Emergency Preparedness 17-18	DHS	93.074	155015	63,098	
HPP and PHEP Aligned Coop Agreements	DHS	93.074			
PHEP Ebola 2			11111	4,874	
Childhood Immunization Grants	DHS	93.268			
Consolidated Contracts--Immunization			155020	16,723	
SHIP		93.324	560432	3,000	
Family Preservation and Support Services	DHS	93.556			
Safe & Stable Families			3306	43,265	
Block Grants for Temporary Assistance for Needy Families	DHS/DCF	93.558			
IMAA Federal Share					
Basic County Allocation--Unified Services			561	144,262	
Kinship Care Base Benefit			3377	111,133	
Kinship Care Assessments			3380	7,572	
WVR Save Children First			700		
Child Care Administration & Operation Costs			0852	84,447	
Total 93.558				347,414	
Child Support Enforcement	DCF	93.563			
Indirect Costs			70469	232,494	
Other Direct Costs			70477	781,193	
Total 93.563				1,013,687	
Low-Income Home Energy Assistance	DOA	93.568			
LIHEAP Operations					
October 1, 2017 to September 30, 2018				37,296	37,296
LIHEAP Crisis Client Services					
October 1, 2017 to September 30, 2018				45,961	45,961
Total 93.568				83,257	
Child Care Mandatory and Matching Funds of the Child Care Development Fund	DCF	93.596			
Child Care Certification Costs			0831	9,332	
Fraud Prevention and Investigation			0840	3,904	
Child Care Administration & Operation Costs			0852	84,447	
Total 93.596				97,683	
Child Welfare Services-State Grants	DCF	93.645			
CW Children and Families Allocation			3561	38,860	
Youth Aids-Community			3413	5,297	
Total 93.645				44,157	
Foster Care-Title IV-E	DCF	93.658			
Foster Parent Competency Based Training			3396	547	
Youth Aids-Community			3413	9,499	
CW Children and Families Allocation			3561	436,112	
Total 93.658				446,158	

County of Dodge
Schedule of Expenditures of Federal Awards
For The Year Ended December 31, 2017

Grantor Agency/Pass Through Agency/Federal Program Title	Pass Through Entity	CFDA #	CARS/SPARC Profile #	Federal Expenditures	Expenditures provided to Subrecipients
U. S. Dept. of Health and Human Services (Continued)					
Adoption Assistance	DCF	93.659			
CW TPR Adoption Services			3574	734	
Social Services Block Grant	DHS	93.667			
Basic County Allocation--Unified			561	270,492	
Capacity Building - PPHF	DHS	93.733			
Immunization - Adult			155032	2,488	
Adult Immunization			non-CARS	3,467	
Total 93.733				5,955	
Consolidated Contracts PHHS	DHS	93.758			
Oct 1, 2016 to Aug 31, 2018			159220	6,941	
State Children's Insurance Program	DHS	93.767			
IMAA Federal Share			284	38,525	
Medical Assistance	DHS	93.778			
MA FPI Fed			62	23,368	
Income Maintenance Admin Allocation			284	396,256	
CLTS CCOP Fed Match			822	68,925	
CLTS Waiver FED			872	170,496	
CLTS Grandfather FED			875	141,765	
CLTS Federal Other - Admin			878	12,813	
CLTS Autism Federal - Admin			881	5,964	
MA Crisis Training - FED Pass through Columbia County			81078	2,288	
STR Waitlist Opioid Grant			533118	55,749	
Consolidate Contracts MCH			159320	1,173	
I & A Elderly Benefit Specialist Replacement			560021	18,365	
ADRC MFP-NH RELOCATE FED			560061	3,742	
DBS Medicaid I&A Fed			560081	28,062	
Resource CTR MA I&A Fed			560087	264,235	
Resource CTR Screen Fed			560091	68,681	
ADRC DEMENTIA CARE MA-FED			560155	33,212	
I & A EBS Replacement			560327	1,473	
Total 93.778				1,296,567	
Block Grants for Community Mental Health Services	DHS	93.958			
Coordinated Services County			515	6,822	
Mental Health Block Grant			569	33,451	
Total 93.958				40,273	
Block Grants for Prevention and Treatment of Substance Abuse	DHS	93.959			
AODA Block Grant			570	111,966	
Treatment Alternative PRG			576	64,440	
Total 93.959				176,406	
Maternal & Child Health Services	DHS	93.994			
Consolidated Contracts MCH			159320	22,070	
Total U. S. Dept. of Health and Human Services				4,337,239	
U.S Department of Homeland Security					
Emergency Management Performance Grant	DMA	94.042			
October 1, 2016 to September 30, 2017				60,210	
October 1, 2017 to September 30, 2018				15,536	
Total 94.042				75,745	
Total U.S. Department of Homeland Security				75,745	
Total Federal Awards				$ 5,257,840	

County of Dodge
Schedule of Expenditures of State Awards
For The Year Ended December 31, 2017

Grantor Agency/Pass Though Agency/State Program Title	State ID # CARS/SPARC Profile #	State Expenditures	Expenditures provided to Subrecipients
Wisconsin Department of Administration			
Low-Income Home Energy Assistance Program	505.371		
Public Benefits			
Oct 1, 2017 to Sept 30, 2018		$ 16,649	$ 16,649
Outreach			
Oct 1, 2017 to Sept 30, 2018		25,150	25,150
Weatherization Operations			
Oct 1, 2017 to Sept 30, 2018		26,606	26,606
Total 505.371		68,405	
WLIP Training/Education	505.166		
WLIP Grant EDUC-17-14		1,000	
WLIP SIG Grant AD179065		22,503	
Total 505.166		23,503	
Total Wisconsin Department of Administration		91,908	
Wisconsin Department of Agriculture, Trade and Consumer Protection			
County Staff and Support Programs	115.15		
SWRM Grant		138,382	
Land and Water Resource Management Projects	115.40	38,652	
Total Wisconsin Department of Agriculture		177,034	
Wisconsin Department of Safety & Professional Services			
Wisconsin Fund Private Sewage System	143.11	7,000	
Total Wisconsin Department of Safety & Professional Services		7,000	
Wisconsin Department of Natural Resources			
Local Park Aids Stewardship	370.421		
Recreational Trail Aids			
Wild Goose State Trail--RTA 636-14		21,226	
Gold Star Trail NRTA 706-15		8,366	
Gold Star Trail NRTA 744-15		13,066	
Gold Star Trail S-ADLP 316-1250 - (2017)		1,039	
Total 370.421		43,697	
Enforcement Aids-Boating Enforcement	370.55	9,997	
Enforcement Aids-All Terrain Vehicle Enforcement	370.551	4,523	
Enforcement Aids-Snowmobile	370.552	6,983	
Wildlife Damage Abatement and Claims	370.553	24,707	
Snowmobile Trail Aids	370.574		
July 1, 2016 to June 30, 2017 (S-4755)		66,922	
July 1, 2017 to June 30, 2018 (S-5055)		9,350	
Total 370.574		76,271	
All Terrain Vehicle Aids	370.577		
July 1, 2016 to June 30, 2017 (ATV3455)		745	
July 1, 2017 to June 30, 2018 (ATV3655)		121	
Petroleum Environmental Cleanup Fund Award (PECFA)		5,944	
WI Act 358 S 100		2,671	
Total 370.577		9,481	
Total Wisconsin Department of Natural Resources		175,658	
Wisconsin Department of Transportation			
Elderly and Handicapped County Aids, State Funds	395.101	213,281	
Total Wisconsin Department of Transportation		213,281	

See Notes to Schedules of Expenditures of Federal and State Awards

County of Dodge
Schedule of Expenditures of State Awards
For The Year Ended December 31, 2017

Grantor Agency/Pass Though Agency/State Program Title	State ID # CARS/SPARC Profile #	State Expenditures	Expenditures provided to Subrecipients
Wisconsin Department of Health Services			
FPI-Non Fed	435.600	8,637	
IMAA State Share	435.283	247,778	
IMAA State Share	435.284	8,366	
APS-Adult Protective Services	435.312	54,705	
Children's COP	435.377	39,365	
Alzheimer's Family Support	435.381	38,471	
Coordinated Services County	435.515	53,178	
Community Mental Health	435.516	124,070	
Birth to Three Initiative	435.550	74,545	74,545
Basic County Allocation	435.561		
Unified Services		1,545,332	
Treatment Alternatives PRg	435.576	35,560	
State and County Match - Unified	435.681	211,597	
CLTS CCOP Local Match	435.826	48,582	
CLTS Waiver GPR	435.871	120,499	
CLTS Grandfather GPR	435.874	100,198	
CLTS Adm GPR Other	435.877	12,813	
CLTS Adm GPR Autism	435.880	5,964	
PF non Federal Program rev	435.882&883	(3,671)	
MA Crisis Training Non FED pass through Columbia County	435.81079	2,288	
WIC Farmers Market Grant	435.154720	1,851	
Consolidated Contract-CHHD LD	435.157720	10,331	
Consolidate Contract-MCH	435.159320	1,173	
ADRC MFP_NH Relocation	435.560065	9,444	
Aging & Disability Resource Center	435.560100	457,199	
Aging & Disability Resource Center	435.560158	80,000	
Dementia Care Innovation	435.560203	45,586	
(Passed through Area Agency on Aging)			
Elderly Benefit Specialist Program	435.560024	18,365	
(Passed through Area Agency on Aging)			
July 1, 2016 to June 30, 2017	435.560327	6,261	
July 1, 2017 to June 30, 2018	435.560327	1,001	
State Senior Community Services	435.560330	9,102	
(Passed through Area Agency on Aging)			
Congregate Meals-Title III-C-1	435.560350	42,781	
Home Delivered Meals-Title III-C-2	435.560360	5,840	
Elder Abuse Grant	435.560490	32,199	
Total Wisconsin Department of Health Services		3,449,410	

County of Dodge
Schedule of Expenditures of State Awards
For The Year Ended December 31, 2017

Grantor Agency/Pass Though Agency/State Program Title	State ID # CARS/SPARC Profile #	State Expenditures	Expenditures provided to Subrecipients
Wisconsin Department of Children and Families			
Food Stamp Agency Incentives	437.0965	5,779	
Medicaid Agency Incentives	437.0980	4,170	
CW Children & Families Allocation	437.3561	445,873	
CW State/County Match	437.3681	72,929	
JJ Community Intervention Program	437.3410		
July 1, 2017 to June 30, 2018		29,867	
July 1, 2016 to June 30, 2017		13,677	
Total 437.3410		43,544	
JJ Youth Aids	437.3413	594,098	
Child Support Enforcement			
CS Medical Support Liability (MSL) Incentive	437.7332	40,949	
CS State GPR/PR Funding Allocation	437.7502	102,377	
CS Medical Support GPR Earned	437.7606	5,937	
CS Federal Parent Locator Services	437.7903	(2,476)	
Total Wisconsin Department of Children and Families		1,313,180	
Wisconsin Department of Justice			
Victim and Witness Assistance Program	455.530, 532 & 539	79,744	
Law Enforcement Training (Jail)	455.202	30,893	
Law Enforcement Training	455.231	8,800	
Treatment Alternative & Diversion (TAD)	455.271	192,501	
Total Wisconsin Department of Justice		311,938	
Wisconsin Department of Military Affairs			
Emergency Planning Grant Program	465.337		
October 1, 2016 to September 30, 2017		22,833	
October 1, 2017 to September 30, 2018		7,385	
Total 465.337		30,218	
SARA Computer & Hazmat Equipment Grant 2017	465.367	6,489	
Training & Education Grant 2016 HMEP-01-10866		1,600	
Total 465.367		8,089	
Total Wisconsin Department of Military Affairs		38,306	
Wisconsin Department of Veterans Affairs			
County Veterans Service Officer	485.001	8,450	
Total Wisconsin Department of Veterans Affairs		8,450	
Total State Awards		$ 5,786,166	

See Notes to Schedules of Expenditures of Federal and State Awards

1. Basis of Presentation

The Schedules of Expenditures of Federal and State Awards (the Schedules) were prepared on the modified accrual basis of accounting.

2. Financial Awards

Oversight and Cognizant Agencies – The Wisconsin Department of Health Services is the County's State cognizant audit agency for the single audit.

Federal Awards - Federal awards are those programs which the County has contracted with Federal agencies or the State of Wisconsin and are funded with Federal resources. Major Federal awards for 2017 were determined in accordance with the Uniform Guidance.

State Awards - State awards are those programs, including Federal programs, which are funded by the State of Wisconsin. Major programs are defined in the State Single Audit Guidelines.

Program Period - If the program period is not the year ended December 31, 2017, the fiscal period is disclosed in the Schedules.

3. Disclosure Requirements of the State of Wisconsin

Direct Payments by the State of Wisconsin - As reported to the County, the State of Wisconsin made direct payments of $8,807,341 under the Food Share Program to recipients residing within the boundaries of the County for the year ended December 31, 2017. Those benefits are not reflected in the Schedules.

Medical Assistance - Medical Assistance payments to the County's group facilities for the care of the elderly and the mentally ill are excluded from the Schedules. For the year ended December 31, 2017, these payments were approximately $13,633,000.

4. Indirect Cost Rate

The County did not elect to use the 10% de minimus indirect cost rate.

COUNTY OF DODGE, WISCONSIN
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2017

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
*Material weakness(es) identified?	No
*Significant deficiencies identified?	None Reported
Noncompliance material to financial statements noted?	No

Federal and State Awards

Internal control over major programs:	
*Material weakness(es) identified?	No
*Significant deficiencies identified?	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)?	No
Identification of major programs:	See table on next page
Dollar threshold for distinguishing Types A and B programs:	$750,000
Auditee qualified as low-risk auditee?	No

Section II - Summary Schedule of Prior Audit Findings

See the tables on pages 16 - 18.

Section III – Financial Statement Findings

None.

Section IV – Federal Award Findings and Questioned Costs

None.

Section V – 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 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 Administration	No
Department of Agriculture, Trade and Consumer Protection	No
Department of Children and Families	No
Department of Corrections	N/A
Department of Health Services	No
Department of Justice	No
Department of Military Affairs	No
Department of Natural Resources	No
Department of Safety & Professional Services	No
Department of Transportation	No
Department of Veteran's Affairs	No

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

4. Name and signature of partner — Kevin Krysinski

Kevin Krysinski, CPA

5. Date of report: — August 14, 2018

COUNTY OF DODGE, WISCONSIN
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2017

Identification of Major Programs

Program Description	ID Number
Federal Programs	
Child Support Enforcement	93.563
Medical Assistance	93.778
State Programs	
Land and Water Resource Management Projects	115.40
CLTS Waiver GPR	435.871
CLTS Grandfather GPR	435.874
CLTS Adm GPR Other	435.877
CLTS Adm GPR Autism	435.880
Basic County Allocation	435.561
State and County Match	435.681
Aging and Disability Resource Center	435.5601
CW Children & Families Allocation	437.3561
CS Medical Support Liability (MSL) Incentive	437.7332
CS State GPR/PR Funding Allocation	437.7502
CS Medical Support GPR Earned	437.7606
CS Federal Parent Locator Services	437.7903

Section II - Summary Schedule of Prior Audit Findings

2016-001 Clerical Services Billing and Receivables – Human Services

Criteria: Management is responsible for establishing and maintaining internal controls, including monitoring, and for the fair presentation in the financial statements of financial position, results of operations, and cash flows, including the notes to financial statements, in conformity with U.S. generally accepted accounting principles. In order to ensure the financial statements are fairly stated, reconciliation procedures and controls should be in place to ensure the following:

- A proper system of written procedures and internal controls over significant transaction processes should be established.
- Timely data entry and reporting of billings, collections and outstanding receivables.
- Documented reconciliations of receivables and aging reports between the billing software and the County's general ledger.
- An analysis of bad debts and the need for an allowance for doubtful accounts has been reviewed for reasonableness.
- Revenue recognition is assessed and adjusted if necessary.

Condition/Cause: We had previously noted various deficiencies and weaknesses in the internal controls and financial reporting over the billing and collections of the Human Services Clinical Services that still should be addressed. The following weaknesses were noted:

- The County's Human Services billing software utilized during 2016 was limited in its ability to provide relevant financial data and reports.
- Time consuming manual processes are required to generate useful financial data.
- The billing system is not integrated with the County's financial general ledger. This requires regular journal entries be made which limits the likelihood that the billing system and general ledger are in agreement on a continuous basis.
- The billing, collection and data entry department process improved during the year but there were still limitations related to the level of relevant financial information available from the billing system.
    - The County, in 2016, did get caught up with client billing and receivables through year-end.

Recommendation: We recommend the County commit time and resources to understanding the deficiencies, completing the migration to the new billing software and developing standard procedures to ensure that accounts are reconciled, proper cutoff is established and that the financial information that ultimately gets reported is accurate based on creditable documentation. Management appears to be committed to implementing improved procedures and compensating controls. Management has already started documenting and implementing procedures but the process is not finalized and in 2017, the County has started running billings through the new software but the impact on improved financial reporting is yet to be determined. We recommend procedures be updated on a regular basis to ensure they are up to date with changes in new software systems and personnel.

Current Status: The County has developed and implemented the financial policies in the Human Services and Health Department. No similar findings were noted in the 2017 audit.

2016-002 Material Adjustments Relating to Health Insurance Expenditures

Condition: The County's governmental fund balance was restated to increase beginning fund balance by $977,710 across its major funds. The increase was due to the County reflecting prepayments of health insurance as an asset and recording the health insurance expenditure in the period it relates.

Criteria: Internal controls over financial reporting include management's judgement on the use of estimates and the application of accounting policies. Prepaid health insurance was not recorded since the County's change in policies in 2003.

Cause/Effect: The County initially reflected the adjustment to prepaid insurance by recording only 11 months of expenditures in 2016. An audit adjustment was proposed to reflect an adjustment to health insurance expenditures and fund balance for $977,710. The financial statements previously issued should be restated.

Recommendation: Our recommendation includes restatement of the financial statements due to a correction. The current financial statements include these restatements. We recommend the County review the effect of changes due to corrections prior to the application of the change.

Current Status: The County implemented the prepaid health insurance reporting policy in 2017. No similar findings were noted in the 2017 audit.

2016-003 Reconciliation procedures of Schedule of Federal and State Awards

Criteria / Condition / Cause / Effect: The County is responsible for the preparation of the schedules of expenditures of federal and state awards in accordance with the Uniform Guidance and State Single Audit Guidelines. The information in the schedules of awards should be derived from the accounting records used to prepare the financial statements. During our testing of the schedules of federal and state awards it was noted that expenditures reported in the general ledger did not, in some instances, reconcile with the expenditures reported in the schedules of awards. This resulted in a variance between the financial statements and the schedules of awards. We also noted allocations between the federal and state awards schedules that required adjustments/reclassifications.

Recommendation: We continue to recommend the County implement procedures to reconcile the schedules of federal and state awards to the general ledger. We also recommend these procedures include a review by individuals other than those preparing the schedules.

Current Status: Procedures were implemented to reconcile the schedules of federal and state awards to the general ledger in 2017. No similar findings were noted in the 2017 audit.

2016-004 Department of Health Services Audit Guide
– 2.7 Subrecipient Monitoring and Department of Children and Family Audit Guide
– 2.4 Subrecipient Monitoring

Condition/Criteria/Cause**:** Federal and state rules require the County to monitor subrecipient activities and to ensure that required audits are performed in accordance with federal standards and that corrective action is taken. At the date of the audit, the County had not properly documented review of an audit report for 2016 to ensure compliance with federal and state rules.

Recommendation: The County should review provider audits to ensure all audits were properly completed in compliance with federal and state rules.

Current Status: The 2016 Daybreak, Inc's audit was received and reviewed by the County. No similar findings were noted in the 2017 audit.