County of Dodge
Wisconsin

Schedules of Expenditures of Federal and State Awards

For the Year Ended December 31, 2016

Together with Independent Auditor's Reports

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County of Dodge

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Johnson Block and Company, Inc.
Certified Public Accountants

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*

July 26, 2017

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, 2016, 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 26, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2016-001 and 2016-002 that we consider to be material weaknesses.

Compliance and Other Matters

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

The County of Dodge's Response to Findings

The County of Dodge's response to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County of Dodge's response were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

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 result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control over 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.

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Certified Public Accountants
Madison, Wisconsin

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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

September 27, 2017

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 its major federal and state programs for the year ended December 31, 2016. 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 the requirements of laws, regulations, contracts, and grants applicable to its federal and state 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 the 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.

Opinion on Each of the Other 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 identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs for the year ended December 31, 2016.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2016-003 through 2016-004. Our opinion on each major federal and state program is not modified with respect to these matters.

The County of Dodge’s responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County of Dodge’s responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

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, and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 2016-003 through 2016-004, which we consider to be significant deficiencies.

The County's responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

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, 2016, 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 26, 2017, 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 is 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.

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Certified Public Accountants
Madison, Wisconsin

County of Dodge

Schedule of Expenditures of Federal Awards

For The Year Ended December 31, 2016

	Federal Catalog Number and Program	State Dept.* /Contract Amount	Accounts Receivable Dec. 31, 2015	Allowable Expenditures Federal	Allowable Expenditures Local	Cash Receipts Federal Prior Yr.	Cash Receipts Federal Current Yr.	Local	Accounts Receivable Dec. 31, 2016	Payment to Sub-Recipients
U. S. Department of Agriculture										
10.557	**Special Supplemental Nutrition Program**	DHS								
	for Women, Infants and Children									
154710	Nutritional Services	278,119	$ 950	$ 278,119	$ -	$ 950	$ 278,119	$ -	$ -	$ -
154760	WIC Peer Counseling	12,048	-	12,048			-		12,048	
	Total 10.557		950	290,167	-	950	278,119	-	12,048	
10.561	**State Administrative Matching Grants**	DHS/DCF								
	Program-									
61	FS FPI Fed	-	-	9,273					9,273	
284	IMAA Federal Share	201,143	76,816	201,143		76,816	201,143		-	
14	FS Agency Incentives	-	100			100			-	
	Total 10.561		76,916	210,416	-	76,916	201,143	-	9,273	
	Total U. S. Department of Agriculture		**77,866**	**500,583**	**-**	**77,866**	**479,262**	**-**	**21,321**	
U.S. Department of Justice										
16.579	**Byrne Formula Grant Program:**									
	Anti-Drug Enforcement (SEADOG)	n/a	-	26,152			26,152		-	
16.607	**Bulletproof Vest Partnership Program**	DOJ								
	Bullet Proof Vests		-	402			402		-	
16.738	**Alcohol Treatment Court Grant**	DOJ	-	80,000			59,640		20,360	
16.710	**COPS Anti-Heroin TF**	DOJ	-	622			622		-	
	Total U. S. Department of Justice		**-**	**107,176**	**-**	**-**	**86,816**	**-**	**20,360**	
U.S. Department of Transportation										
	Highway Safety Cluster									
20.600	**State and Community Highway Safety**	DOT								
	Alcohol Enforcement		-	55,326			43,472		11,854	
	Speed Enforcement		-	8,574			8,574		-	
	Seatbelt Enforcement		-	53,661			49,805		3,856	
20.616	**Carseat Enforcement**	DOT	-	3,661			3,661		-	
	Highway Safety Cluster Sub - Total		-	121,222	-	-	105,512	-	15,710	
20.703	**Hazmat Refresher**	DOT	-	1,600			1,600		-	
	Total U.S. Department of Transportation		**-**	**122,822**	**-**	**-**	**107,112**	**-**	**15,710**	
U.S. Department of Education										
84.181	**Grants for Infants and Toddlers with**									
	Disabilities	DHS								
550	Birth-to-Three Initiative	76,682	-	76,682			76,682		-	76,682
	Total U.S. Department of Education		**-**	**76,682**	**-**	**-**	**76,682**	**-**	**-**	
U. S. Dept. of Health and Human Services										
93.043	**Special Program for the Aging-Title III-D**	AAA								
	Disease Prevention and Health									
	Promotion Services	4,615	-	3,887			1,508		2,379	
93.052	**Nation Family Caregiver Support Program**	AAA								
	Title III-E	38,213	3,036	38,213		3,036	30,898		7,315	
	Aging Cluster									
93.044	**Special Program for the Aging-Title III-B,**	AAA								
	Grants for Supportive Services and Senior Centers	76,214	6,864	76,214		6,864	56,810		19,404	

See Notes to Schedules of Expenditures of Federal and State Awards.

County of Dodge
Schedule of Expenditures of Federal Awards
For The Year Ended December 31, 2016

	Federal Catalog Number and Program	State Dept.* /Contract Amount	Accounts Receivable Dec. 31, 2015	Allowable Expenditures Federal	Allowable Expenditures Local	Cash Receipts Federal Prior Yr.	Cash Receipts Federal Current Yr.	Cash Receipts Local	Accounts Receivable Dec. 31, 2016	Payment to Sub-Recipients
93.045	**Special Program for the Aging-Title III-C, Nutrition Services**	AAA								
	Congregate Meals-Title III-C-1	158,872	-	75,194			75,194		-	
	Home Delivered Meals-Title III-C-2	59,122	-	55,315			55,093		222	
	Total 93.045		-	130,509	-	-	130,287	-	222	
93.053	**Nutrition Services Incentive**	AAA								
	Cash in Lieu of Commodities-									
	Nutrition Services									
	Congregate Meals-USDA									
560422	October 1, 2015 to September 30, 2016	15,201	-	15,201			15,119		82	
	Home Delivered Meals-USDA									
560422	October 1, 2015 to September 30, 2016	18,763	-	18,763			18,763		-	
	Total 93.053		-	33,964	-	-	33,882	-	82	
	Aging Cluster Sub-Total		6,864	240,687	-	6,864	220,979	-	19,708	
93.069	**Public Health Emergency Preparedness**	DHS								
155015	PH Emergency Preparedness 15-16	61,259	(9,668)	44,839		(9,668)	44,839		-	
155015	PH Emergency Preparedness 16-17	57,287	-	9,656			-		9,656	
	Total 93.069		(9,668)	54,495	-	(9,668)	44,839	-	9,656	
93.074	**HPP and PHEP Aligned Coop Agreements**	DHS								
11111	PHEP Ebola 2	20,949	4,331	4,374		4,331	4,374		-	
93.268	**Childhood Immunization Grants**	DHS								
155021	Consolidated Contracts--Immunization	17,312	-	17,312			16,696		616	
93.324	**SHIP**	AAA	-	3,376					3,376	
93.556	**Family Preservation and Support Services**	DHS								
3306	Safe & Stable Families	52,345	4,223	40,268		4,223	33,862		6,406	
93.558	**Block Grants for Temporary Assistance for Needy Families**	DHS/DCF								
284	IMAA Federal Share		978			978			-	
561	Basic County Allocation--Unified Services	31,898	-	31,898			31,796		102	
561	Basic County Allocation--Unified Services	103,537	-	103,537			103,206		331	
3612	In Home Safety Services	484,384	91,789	484,384		91,789	375,642		108,742	474,574
3770	Kinship Care Base Benefit	116,241	20,346	116,241		20,346	92,810		23,431	
3800	Kinship Care Assessments	12,705	1,324	7,538		1,324	5,992		1,546	
700	WVR Save Children First	4,000	2,000			2,000			-	
841	Child Care Fraud	9,473	1,307			1,307			-	
852	Child Care Administration & Operation Costs	83,972	-	83,972			67,918		16,054	
	Total 93.558		117,744	827,570	-	117,744	677,364	-	150,206	
93.563	**Child Support Enforcement**	DCF								
70469	Indirect Costs		31,443	207,444		31,443	155,583		51,861	
70477	Other Direct Costs		190,370	616,300		190,370	513,193		103,107	
	Total 93.563		221,813	823,744	-	221,813	668,776	-	154,968	
93.568	**Low-Income Home Energy Assistance**	DOA								
	Operations									
	October 1, 2015 to September 30, 2016	37,104	12,338	24,766		12,338	24,766		-	24,766
	October 1, 2016 to September 30, 2017	35,022	-	7,717			3,067		4,650	7,177
	Energy Crisis Grants									
	October 1, 2015 to September 30, 2016	63,751	12,198	50,426		12,198	50,426		-	50,426
	October 1, 2016 to September 30, 2017	34,121	-	11,871			5,104		6,767	11,871
	Total 93.568		24,536	94,780	-	24,536	83,363	-	11,417	

See Notes to Schedules of Expenditures of Federal and State Awards.

County of Dodge
Schedule of Expenditures of Federal Awards
For The Year Ended December 31, 2016

Federal Catalog Number and Program		State Dept.* /Contract Amount	Accounts Receivable Dec. 31, 2015	Allowable Expenditures Federal	Allowable Expenditures Local	Cash Receipts Federal Prior Yr.	Cash Receipts Federal Current Yr.	Cash Receipts Local	Accounts Receivable Dec. 31, 2016	Payment to Sub-Recipients
93.596	**Child Care Mandatory and Matching Funds of the Child Care Development Fund**	DCF								
831	Child Care Certification Costs	14,100	1,548	13,063		1,548	12,047		1,016	
840	Fraud Prevention and Investigation	6,238		6,238			5,417		821	
852	Child Care Administration & Operation Costs	83,973	24,168	83,973		24,168	67,919		16,054	
	Total 93.596		25,716	103,274	-	25,716	85,383	-	17,891	
93.674	**Youth Independent Living**	DCF	-	4,445			4,106		339	
93.645	**Child Welfare Services-State Grants**	DCF								
3561& 81	Basic County Allocation--Social Services	40,975	-	40,975			40,975		-	
369	JJ AODA	117	-	117			117		-	
366	Youth Aids-Community	5,550	2,652	5,550		2,652	5,550		-	
	Total 93.645		2,652	46,642	-	2,652	46,642	-	-	
93.658	**Foster Care-Title IV-E**	DCF								
3324	AW Fingerprint Background	1,678	232			232			-	
3396	Foster Parent Competency Based Training		443			443			-	
369	JJ AODA	210	-	210			210		-	
366	Youth Aids-Community	9,952	4,420	9,952		4,420	9,952		-	
3561&81	Basic County Allocation - Social Services	389,292	-	389,292			389,292		-	
	Total 93.658		5,095	399,454	-	5,095	399,454	-	-	
93.659	**Adoption Assistance**	DCF								
3574	CW TPR Adoption Services	43,776	-	10,252			9,772		480	
93.667	**Social Services Block Grant**	DHS								
560100	Aging & Disability Resource Center		(135)			(135)			-	
561	Basic County Allocation--Unified	60,111	-	60,111			59,919		192	
561	Basic County Allocation--Unified	195,111	-	195,111			194,487		624	
	Total 93.667		(135)	255,222	-	(135)	254,406	-	816	
93.758	**Consolidated Contracts PHHS**	DHS								
159220	Oct 1, 2014 to Aug 31, 2016	7,547	-	7,587			7,587		-	
159220	Oct 1, 2015 to Aug 31, 2017	8,133	-	2,313					2,313	
	Total 93.758		-	9,900	-	-	7,587	-	2,313	
93.767	**State Childrens Insurance Program**	DHS								
284	IMAA Federal Share	26,348	9,511	26,348		9,511	26,348		-	
93.778	**Medical Assistance**	DHS								
62	MA FPI Fed		-	9,273					9,273	
284	Income Maintenance Admin Allocation	296,155	90,468	296,155		90,468	296,155		-	
291	Medicaid Subrogation Collection	-	(735)	390		(735)	390		-	
872	TPA CLTS Federal Other	331,789	-	180,195			180,195		-	
875	TPA CLTS Autism Federal	381,552	-	255,638			255,638		-	
878	CLTS Federal Other - Admin		17,341	13,163		17,341			13,163	
881	CLTS Autism Federal - Admin		12,002	18,285		12,002			18,285	

See Notes to Schedules of Expenditures of Federal and State Awards.

County of Dodge
Schedule of Expenditures of Federal Awards
For The Year Ended December 31, 2016

Federal Catalog Number and Program		State Dept.* /Contract Amount	Accounts Receivable Dec. 31, 2015	Allowable Expenditures Federal	Allowable Expenditures Local	Cash Receipts Federal Prior Yr.	Cash Receipts Federal Current Yr.	Local	Accounts Receivable Dec. 31, 2016	Payment to Sub-Recipients
159322	Consolidate Contracts MCH	1,296	-	1,296			1,296		-	
560021	I & A Elderly Benefit Specialist Replacement		-	12,987			7,630		5,357	
560029	SPAP Federal Portion		273	765		273	765		-	
560061	ADRC MFP-NH Relocate Fed		95	2,337		95	1,567		770	
560081	DBS Medicaid I&A Fed		8,705	37,282		8,705	26,991		10,291	
560087	Resource CTR MA I&A Fed		52,837	203,675		52,837	138,302		65,373	
560091	Resource CTR Screen Fed		14,619	54,035		14,619	36,241		17,794	
560155	ADRC Dementia Care MA-FED		9,777	35,671		9,777	26,896		8,775	
56032	I & A EBS Replacement		2,512	997		2,512	253		744	
9025-2-0980	Incentives Medicaid Agency		67			67			-	
	Total 93.778		207,961	1,122,144	-	207,961	972,319	-	149,825	
93.958	**Block Grants for Community Mental Health Services**	DHS								
	Coordinated Services County	9,470	13,750	9,470		13,750	9,470		-	
	Mental Health Block Grant	22,724	-	22,724			9,163		13,561	
	Total 93.958		13,750	32,194	-	13,750	18,633	-	13,561	
93.959	**Block Grants for Prevention and Treatment of Substance Abuse**	DHS								
	Coordinated Services County		1,030	1,290		1,030	1,290		-	
	AODA Block Grant	111,966	-	111,966			111,966		-	
	Treatment Alternative PRG	79,930	5,292	79,930		5,292	62,231		17,699	
	Alcohol Treatment Court	-	35,763			35,763			-	
	Total 93.959		42,085	193,186	-	42,085	175,487	-	17,699	
93.991	**Preventive Health and Health Services**	DHS								
159220	Consolidated Contract PHHS	-	1,964			1,964			-	
93.994	**Maternal & Child Health Services**	DHS	-							
159322	Consolidated Contracts MCH	24,406	-	24,406			24,406		-	
	Total U. S. Dept. of Health and Human Services		**681,478**	**4,376,173**	**-**	**681,478**	**3,807,202**	**-**	**568,971**	
Department of Homeland Security										
97.042	**Emergency Management Performance Grant**	DMA								
	October 1, 2014 to September 30, 2015		31,726			31,726			-	
	October 1, 2015 to September 30, 2016		15,863	60,999		15,863	60,999		-	
	October 1, 2016 to September 30, 2017		-	15,812					15,812	
	Total 97.042		47,589	76,811	-	47,589	60,999	-	15,812	
97.000	**Federal Immigration and Customs Enforcement**									
	ICE Detention Compliance Removals	n/a	-	111,885			111,885		-	
	Total Department of Homeland Security		**47,589**	**188,696**	**-**	**47,589**	**172,884**	**-**	**15,812**	
	Total Federal Awards		**$ 806,933**	**$ 5,372,132**	**$ -**	**$ 806,933**	**$ 4,729,958**	**$ -**	**$ 642,174**	

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, 2016

State Appropriation Number and Program		Contract Amount	Local	Accounts Receivable Dec. 31, 2015	Allowable Expenditures State	Allowable Expenditures Local	Cash Receipts State Prior Yr.	Cash Receipts State Current Yr.	Local	Accounts Receivable Dec. 31, 2016	Payment to Sub-Recepients
Wisconsin Department of Administration											
505.371	**Low-Income Home Energy Assistance Crisis Grant**										
	Operations										
	Oct 1, 2015 to Sept 30, 2016	$ 15,985		$ 4,106	$ 11,879		$ 4,106	$ 11,879		$ -	$ 11,879
	Oct 1, 2016 to Sept 30, 2017	15,063		-	2,728			1,046		1,682	2,728
	Outreach									-	
	Oct 1, 2015 to Sept 30, 2016	34,998		8,559	26,439		8,559	26,439		-	26,439
	Oct 1, 2016 to Sept 30, 2017	16,859		-	8,494			3,124		5,370	8,494
	Weatherization Operations										
	Oct 1, 2015 to Sept 30, 2016	25,576		7,450	18,126		7,450	18,126		-	18,126
	Oct 1, 2016 to Sept 30, 2017	24,084		-	4,397			1,691		2,706	4,397
	Total 505.371			20,115	72,063	-	20,115	62,305	-	9,758	
505.166	**WLIP Training/Education**	153									
	Training & Education Grant EDUC	1,000		-	1,000			1,000		-	
	Wisconsin Land Information Program Grant										
	January 1, 2016 to December 30, 2016			-	25,000			25,000		-	
	Total 505.166		-	-	26,000	-	-	26,000	-	-	
Total Wisconsin Department of Administration			**-**	**20,115**	**98,063**	**-**	**20,115**	**88,305**	**-**	**9,758**	
Wisconsin Department of Agriculture											
115.15	**County Staff and Support Programs**	137,622		-	137,622			137,622		-	
	SWRM Grant			-						-	
115.40	**Land and Water Resource Management Projects**	-		11,977	8,378		11,977	7,878		500	
Total Wisconsin Department of Agriculture			**-**	**11,977**	**146,000**	**-**	**11,977**	**145,500**	**-**	**500**	
Wisconsin Department of Natural Resources											
370.421	**Local Park Aids Stewardship**										
	Recreational Trail Aids										
	Wild Goose State Trail--RTA 636-14	31,000	3,969	19,095			19,095			-	
	Gold Star Trail NRTA 706-15			-	9,434					9,434	
	County Conservation Aid			-	5,000			3,101		1,899	
	Total 370.421		3,969	19,095	14,434	-	19,095	3,101	-	11,333	
370.550	**Enforcement Aids-Boating Enforcement**	-		-	23,359			11,093		12,266	
370.551	**Enforcement Aids-All Terrain Vehicle Enforcement**	-		-	2,466			2,466		-	
370.552	**Enforcement Aids-Snowmobile**	-		-	8,360			8,360		-	
370.553	**Wildlife Damage Abatement and Claims**			9,437	28,743		9,437	18,216		10,527	
370.574	**Snowmobile Trail Aids**										
	July 1 2014 to June 30, 2015 (S-4358)			40,063			40,063			-	
	July 1 2015 to June 30, 2016 (S-44452)			6,389	73,736		6,389	40,063		33,673	
	July 1 2016 to June 30, 2017 (S-4755)			-	13,203			40,063		(26,860)	
	Total 370.574		-	46,452	86,939	-	46,452	80,126	-	6,813	

County of Dodge
Schedule of Expenditures of State Awards
For The Year Ended December 31, 2016

State Appropriation Number and Program		Contract Amount	Local	Accounts Receivable Dec. 31, 2015	Allowable Expenditures State	Allowable Expenditures Local	Cash Receipts State Prior Yr.	Cash Receipts State Current Yr.	Cash Receipts Local	Accounts Receivable Dec. 31, 2016	Payment to Sub-Recepients
370.577	**All Terrain Vehicle Aids**										
	July 1, 2015 to June 30, 2016 (ATV3305)	2,000		177	1,823		177	1,823		-	
	July 1, 2016 to June 30, 2017 (ATV3455)	2,000		-	1,255					1,255	
	Total 370.577		-	177	3,078	-	177	1,823	-	1,255	
370.000	**Petroleum Environmental Cleanup Fund Award (PECFA)**			3,188	5,530			1,007		7,711	
	WI Act 358 S 100			187				187		-	
	Total 370.000		-	3,375	5,530	-	-	1,194	-	7,711	
	Total Wisconsin Department of Natural Resources		**3,969**	**78,536**	**172,909**	**-**	**75,161**	**126,379**	**-**	**49,905**	
Wisconsin Department of Transportation											
395.101	**Elderly and Handicapped County Aids, State Funds**	205,470		-	205,470			205,470		-	
	Section 5310 Grant	44,121		-	44,121					44,121	
	Total Wisconsin Department of Transportation		**-**	**-**	**249,591**	**-**	**-**	**205,470**	**-**	**44,121**	
Wisconsin Department of Corrections											
410.302	**Contracts with Counties--State Funded**										
	Capacity Building-Early and Intensive Intervention										
	July 1, 2015 to June 30, 2016	12,500		5,662	11,325		5,662	11,325		-	
410.303	Youth Aids	657,135		287,579			287,579			-	
	Total Wisconsin Department of Corrections		**-**	**293,241**	**11,325**	**-**	**293,241**	**11,325**	**-**	**-**	
Wisconsin Department of Health Services											
435.60	**FPI-Non Fed**	7,596		-	7,596					7,596	
435.284	**IMAA State Share**	250,160		40,333	250,160		40,333	250,160		-	
435.284	**IMAA Federal Share**	3,320		-	3,320			3,320		-	
435.291	**Medicaid Subrogation Collection**			(735)			(735)				
435.312	**APS-Adult Protective Services**	58,961		31,314	58,961		31,314	4,923		54,038	
435.377	**Children's COP**										
	Social Services	94,102		2,368	75,110		2,368	38,833		36,277	
435.367	Unified Services	-		5,322	(3,040)		5,322	(3,040)		-	
435.381	**Alzheimers Family Support**	30,345		2,814	26,451		2,814	13,709		12,742	
435.515	**Coordinated Services County**	49,240		36,718	49,240		36,718	49,240		-	
435.516	**Community Mental Health**	127,391		43,957	127,391		43,957	29,546		97,845	
435.550	**Birth to Three Initiative**	73,823		-	73,823			73,823		-	73,823
435.561	**Basic County Allocation**										
	Unified Services	363,031		-	363,031			361,869		1,162	
	Unified Services	1,178,348		6,163	1,178,348		6,163	1,174,577		3,771	
	Total 435.561		-	6,163	1,541,379	-	6,163	1,536,446	-	4,933	

County of Dodge
Schedule of Expenditures of State Awards
For The Year Ended December 31, 2016

State Appropriation Number and Program		Contract Amount	Local	Accounts Receivable Dec. 31, 2015	Allowable Expenditures State	Allowable Expenditures Local	Cash Receipts State Prior Yr.	Cash Receipts State Current Yr.	Cash Receipts Local	Accounts Receivable Dec. 31, 2016	Payment to Sub-Recepients
435.576	**Treatment Alternatives PRg**	20,070		5,591	20,070		5,591	15,626		4,444	
435.577	**Family Support**	78,171		8,595			8,595			-	
435.681	**State and County Match**										
681	Unified	211,597		-	211,597			211,597		-	
435.871	TPA CLTS GPR Other	238,494		-	128,344			128,344		-	
435.874	TPA CLTS GPR Autism	274,261		-	182,326			182,326		-	
435.877	**CLTS Adm GPR Other**	-		17,342	13,163		17,342			13,163	
435.880	**CLTS Adm GPR Autism**	-		12,002	18,285		12,002			18,285	
435.883	**PF non Federal Program rev**	-		(210)	2,251		(210)	1,083		1,168	
435.154720	**WIC Farmers Market Grant**	1,851		-	1,851			-		1,851	
435.157721	**Consolidated Contract-CHHD LD**	10,374		579	10,374		579	10,141		233	
435.159322	**Consolidate Contract-MCH**	1,296		-	1,296		-	1,296		-	
435.560065	**ADRC MFP_NH Relocation**	11,000		(5,274)	4,062		(5,274)	5,685		(1,623)	
435.560100	**Aging & Disability Resource Center**	570,733		(38,329)	386,603		(38,329)	409,753		(23,150)	
435.560203	**Aging & Disability Resource Center**	80,000		(3,210)	80,000		(3,210)	77,163		2,837	
435.560158	**Dementia Care Innovation**	15,275		-	15,725			20,905		(5,180)	
(Passed through Area Agency on Aging)											
435.560320	**Elderly Benefit Specialist Program**	15,228		3,237	15,228		3,237	10,000		5,228	
435.560024	**I & A EBS Replacement**	12,987		-	12,987			7,629		5,358	
(Passed through Area Agency on Aging)											
	SPAP										
	7/1/14-6/30/17			-	996			252		744	
435.560327	**7/1/15-6/30/16**			273	6,148		273	6,148		-	
435.560330	**State Senior Community Services**	9,102		-	9,102			9,102		-	
(Passed through Area Agency on Aging)											
435.560350	**Congregate Meals-Title III-C-1**	158,872		94,000	83,678		94,000	83,678		-	
435.560360	**Home Delivered Meals-Title III-C-2**	59,122		-	3,807			3,792		15	
435.560490	**Elder Abuse Grant**	32,199		(1,276)	32,199		(1,276)	16,502		15,697	
	South Central HealthCare Coalition-Micro Grant			-	3,025			3,025		-	
	Total Wisconsin Department of Health Services		**-**	**261,574**	**3,453,508**	**-**	**261,574**	**3,201,007**	**-**	**252,501**	

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, 2016

State Appropriation Number	and Program	Contract Amount	Local	Accounts Receivable Dec. 31, 2015	Allowable Expenditures State	Allowable Expenditures Local	Cash Receipts State Prior Yr.	Cash Receipts State Current Yr.	Cash Receipts Local	Accounts Receivable Dec. 31, 2016	Payment to Sub-Recepients
Wisconsin Department of Children and Families											
437.265	Children First	4,000		2,000			2,000			-	
437.965	Incentives Food Stamp Agency			101	3,513		101	3,176		337	
437.980	Incentives Medicaid Agency			67	1,057		67	969		88	
437.267	Collections Medicaid Take Back									-	
3324	AW Fingerprint Background	1,678		626			626			-	
437.339	Foster Parent Competency Based Testing			787			787			-	
437.3561	Basic Allocation - Social Services	522,576		-	522,576			522,576		-	
437.3681	State/County Match	41,561		-	41,561			41,561		-	
437.3410	**JJ Community Intervention Program**										
	July 1, 2016 to June 30, 2017	12,500		-	11,323			7,552		3,771	
437.3411	JJ AODA	13,123		-	13,123			13,123		-	
437.3413	JJ Youth Aids	622,444		-	622,444			622,444		-	
437.7332	**Child Support Enforcement**										
	Other Direct Costs	150,055		-	150,055			145,031		5,024	
								1,602		(1,602)	
	Other Direct Costs			-	155,674			155,674		-	
980	MA Agency Incentives	-		(166)			(166)			-	
	Total Wisconsin Department of Children and Families		**-**	**3,415**	**1,521,326**	**-**	**3,415**	**1,513,708**	**-**	**7,618**	
Wisconsin Department of Justice											
455-503, 532 & 539	**Victim and Witness Assistance Program**		67,421	50,130	78,712		50,130	33,441		45,271	
455.202	**Law Enforcement Training (Jail)**		-	-	29,293			25,978		3,315	
455-271	**Treatment Alternative & Diversion (TAD)**	132,566	42,191	32,692	132,566		32,692	101,747		30,819	
	Total Wisconsin Department of Justice		**109,612**	**82,822**	**240,571**	**-**	**82,822**	**161,166**	**-**	**79,405**	
Wisconsin Department of Military Affairs											
465.337	**Emergency Planning Grant Program**										
	October 1, 2014 to September 30, 2015		-	14,949			14,949			-	
	October 1, 2015 to September 30, 2016		-	7,475	23,480		7,475	23,480		-	
	October 1, 2016 to September 30, 2017		-	-	7,611					7,611	
	Total 465.337		-	22,424	31,091	-	22,424	23,480	-	7,611	
465.367	**SARA Computer & Hazmat Equipment Grant**		-	-	7,579			7,045		534	
465.342	**Training Grant Emergency Management**		-	-	8,798					8,798	
	Total Wisconsin Department of Military Affairs		**-**	**22,424**	**47,468**	**-**	**22,424**	**30,525**	**-**	**16,943**	
Wisconsin Department of Veterans Affairs											
485.001	**County Veterans Service Officer**		-	8,459	9,091		8,459	4,541		4,550	
	Total Wisconsin Department of Veterans Affairs		**-**	**8,459**	**9,091**	**-**	**8,459**	**4,541**	**-**	**4,550**	
	Total State Awards		**$ 113,581**	**$ 782,563**	**$ 5,949,852**	**$ -**	**$ 779,188**	**$ 5,487,926**	**$ -**	**$ 465,301**	

See Notes to Schedules of Expenditures of Federal and State Awards.

COUNTY OF DODGE, WISCONSIN
Notes to the Schedules of Expenditures of Federal and State Awards
For the Year Ended December 31, 2016

(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 2016 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, 2016, the fiscal period is disclosed in the Schedules.

Local Share - If a program required funding by the County, the amount funded is shown as the local share of expenditures.

(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 $9,584,371 under the Food Share Program to recipients residing within the boundaries of the County for the year ended December 31, 2016. 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, 2016, these payments were approximately $12,976,000.

(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, 2016

Section I - Summary of Auditor's Results

Financial Statements	
Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
*Material weaknesses identified?	Yes
*Significant deficiencies identified?	None Reported
Noncompliance material to financial statements noted?	No
Federal and State Awards	
Internal control over major programs:	
*Material weakness identified?	No
*Significant deficiencies identified?	Yes
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)?	Yes (see Section IV)

COUNTY OF DODGE, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Section I - Summary of Auditor's Results (Continued)

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 19 - 21.

Section III – Financial Statement Findings

See the tables on page 22 - 24.

Section IV – Federal Award Findings and Questioned Costs

See the tables on pages 25 – 26.

COUNTY OF DODGE, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2016

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	Yes
	Department of Agriculture, Trade and Consumer Protection	Yes
	Department of Children and Families	Yes
	Department of Corrections	Yes
	Department of Health Services	Yes
	Department of Justice	Yes
	Department of Military Affairs	Yes
	Department of Natural Resources	Yes
	Department of Transportation	Yes
	Department of Veteran's Affairs	Yes
3.	Was a Management Letter or other document conveying audit comments issued as a result of this audit?	Yes – An Audit Communication Letter was submitted to the oversight body
4.	Name and signature of partner ______________________ Kevin Krysinski, CPA	
5.	Date of report:	September 27, 2017

COUNTY OF DODGE, WISCONSIN
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2016

Identification of Major Programs

Program Description	ID Number
Federal Programs	
Block Grants for Temporary Assistance for Needy Families	93.558
Foster Care-Title IV-E	93.658
Medical Assistance	93.778
State Programs	
County Staff and Support Programs	115.150
Elderly and Handicapped County Aids	395.101
Youth Aids	437.3413
TPA CLTS GPR Other	435.871
TPA CLTS GPR Autism	435.874
CLTS Adm GPR Other	435.877
CLTS Adm GPR Autism	435.880
Basic County Allocation	435.561
Aging and Disability Resource Center	435.5601
Basic County Allocation	437.3561

2015-001 Clinical 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: During the audit we noted various deficiencies and weaknesses in the internal controls and financial reporting over the billing and collections of the Human Services Clinical Services. The following weaknesses were noted: • The County's billing software is limited in its ability to provide relevant financial data and reports. • Time consuming manual processes are required to generate useful financial data. • The County's billing system is not integrated with the County's financial general ledger. This requires regular journal entries be made limits the likelihood that the billing system and general ledger are in agreement on a continuous basis. • The billing, collection and data entry department was significantly behind in recording revenues and receivables, which resulted in delayed recording of revenues and receivables as well as delays in accrual financial reporting. Effect: The accuracy of financial information may not be reliable. Adjustments were proposed to adjust recognition of revenues. Recommendation: We recommend the County commit time and resources to understanding the deficiencies, catching up on billing and collection data entry 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's Response: Management agrees with the recommendation and the Human Services and Health Department (HSHD) will commit additional time and resources to the Clinical Services Billing and Receivables process to reduce the backlog of billing and collections. HSHD is in the process of implementing a new software system call MyEvolve (scheduled go live date is 9/1/16) to gain efficiencies and accuracy in billing, reporting and general ledger postings. A reconciliation process is being developed to ensure that the summation of the individual client receivable accounts in the MyEvolve billing system equal the receivable entry made in the County's financial general ledger. The reconciliation process will be a written procedure that is fully documented and understood. This reconciliation will be performed on a monthly basis and implemented with appropriate supervisory review process. Any discrepancies will be noted and documented to ensure prompt action is taken to correct the imbalance. The reconciliation process will also include an analysis of bad debts and the need for an allowance for doubtful accounts. Appropriate financial staff will monitor the activities being performed is executed competently and accurately. Current Status: The finding was repeated. See 2016-001	
2015-002 Reconciliation procedures of Schedule of Federal and State Awards	Criteria / Condition / Cause / Effect: The County is responsible for the preparation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance. The information in the schedule of awards should be derived from the accounting records used to prepare the financial statements. During our testing of the schedule of federal awards it was noted that expenditures reported in the general ledger did not, in some instances, reconcile with the expenditures reported in the schedule of awards. This resulted in a variance between the financial statements and the schedule 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 schedule 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. Management's Response: The current practice for preparing and entering the schedule of expenditures of federal awards is conducted by a supervisor in the Fiscal and Support Division. In order to maintain a segregation of duties, the reconciliation of the expenditures recorded in the federal awards and the input into the general ledger is conducted by the Division Manager of Fiscal and Support Services. Current Status: The finding was repeated. See 2016-003	

2015-003 Department of Health Services Audit Guide – 2.8.2 Purchase of Care and Services 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 2015 to ensure compliance with federal and state rules. Questioned Costs**:** Daybreak, Inc. **-** $401,331 Effect: Subrecipient audit reports could have questioned costs and internal control deficiencies that may affect Dodge County. Recommendation: The County should review provider audits to ensure all audits were properly completed in compliance with federal and state rules. Management's Response: In compliance with the Uniform Grant Guidance (UGG) requirements, a risk-assessment tool has been developed to review each subrecipient to determine risk factors and to ensure audits are performed in compliance with federal standards, among other requirements, and if not provided, that corrective action is taken. In addition, a spreadsheet/checklist has been developed to be utilized annually to review each Department Subrecipient to ensure they are in compliance with all federal and state rules. If a Subrecipient is not in compliance with applicable federal and state rules, a corrective action notice will be sent requiring all deficiencies be corrected and if corrections are not completed, the contract will be suspended until the subrecipient is in compliance with applicable state and federal rules. These tasks will be performed by the Audit and Compliance Officer and reviewed by the Fiscal and Support Services Division Manager. Current Status: The finding was repeated. See 2016-004	

COUNTY OF DODGE, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2016
Section III – Financial Statement Findings

	Finding/Material Weakness
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. o The County, in 2016, did get caught up with client billing and receivables through year-end. Effect: The accuracy of financial information may not be reliable or timely.

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.

Management's Response: Management recognizes the importance of this situation and has taken and continues to take steps to correct. Human Service and Health Department (HSHD) is committed to putting additional time and resources to the Clinical Services Billing and Receivables processes to eliminate the backlog of billings and collections. Contributing to the backlog was the lack of the functionality of the former clinical billing software system (TCM) as well as billing, collection work and accounting processes. In addition, between mid-2016 and early 2017, there was a significant change in key HSHD financial staff.

The following steps began mid-2016 and are still in process:

- The Dodge County Finance Department became involved and is assisting with accounting and posting client billing to the County's financial general ledger.
- Dodge County engaged a computer consultant to provide advance Excel training which drastically aided with efficiency and timely reporting. The computer consultant also assisted with extraction and conversion of TCM data to Excel.
- Dodge County initiated and engaged Baker Tilly Virchow Krause, LLP (Baker Tilly) to perform an independent operational review and make recommendations designed to improve efficiencies, strengthen internal controls and reduce risk. One of the key areas reviewed was revenues and accounts receivable – third party billing. The Baker Tilly recommendations have been sent and reviewed by MyEvolve and will be incorporated in the design and implementation.
- Implementation of a new clinical billing software system - MyEvolve (NetSmart) was planned for September 1, 2016 but delayed to March 1, 2017 to provide additional time for Dodge County and MyEvolve to address programming and configuration.
- MyEvolve will have policies and procedures relating to workflow and data extraction processes.

    - The software requires monthly closing to ensure timely and accurate financial reports.
    - MyEvolve (Netsmart) will produce reports that will enable HSHD to monitor outstanding receivables and ensure accurate client activity.
    - Reports from MyEvolve will have proper cutoffs to enable staff to accurately reconcile the MyEvolve (Netsmart) information to the file imported into the County's general ledger.
    - The reconciliation process will be a written procedure that is documented. The reconciliation will be performed on a monthly basis by the HSHD Fiscal Supervisor and will be reviewed with the HSHD Division Manager and HSHD Director.

	• HSHD has developed, implemented and trained staff with ten financial policies. • HSHD continues to review all current processes and is working on developing standard procedures department wide to ensure that accounts are reconciled with established proper cutoff dates, and financial information is recorded accurately and timely. • Dodge County initiated and engaged Baker Tilly Virchow Krause, LLP (Baker Tilly) to assist in analyzing the most significant areas of change under the Uniform Grant Guidance (UGG). A gap analysis has provided the County a mean to facilitate areas of change. • Dodge County is expanding the scope of its corrective action plan to include County-wide written financial policies and procedures. The new Human Services and Health Department financial staff possess formal education and work history to perform the duties required. Further, management is engaging consultants as needed to resolve.	
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. Management's Response: The County initiated this change to become compliant with Generally Accepted Accounting Principles (GAAP).	

COUNTY OF DODGE, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2016
Section IV – Federal and State Award Findings and Questioned Costs

	Finding/Significant Deficiencies
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. Management's Response: The current practice for preparing and entering the schedules of expenditures of federal and state awards is conducted by a supervisor in the Fiscal and Support Division. In order to maintain a segregation of duties, the reconciliation of the expenditures recorded in the federal and state awards and the input into the general ledger is conducted by the Division Manager of Fiscal and Support Services.
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. Questioned Costs**:** Daybreak, Inc. **-** $345,696 Effect: Subrecipient audit reports could have questioned costs and internal control deficiencies that may affect Dodge County. Recommendation: The County should review provider audits to ensure all audits were properly completed in compliance with federal and state rules.

	Management's Response: In compliance with the Uniform Grant Guidance (UGG) requirements, a risk-assessment tool has been developed to review each subrecipient to determine risk factors and to ensure audits are performed in compliance with federal standards, among other requirements, and if not provided, that corrective action is taken. In addition, a spreadsheet/checklist has been developed to be utilized annually to review each Department subrecipient to ensure they are in compliance with all federal and state rules. If a subrecipient is not in compliance with applicable federal and state rules, a corrective action notice will be sent requiring all deficiencies be corrected and if corrections are not completed, the contract will be suspended until the subrecipient is in compliance with applicable state and federal rules. These tasks will be performed by the Audit and Compliance Officer and reviewed by the Fiscal and Support Services Division Manager.	