
Single Audit Section

COUNTY OF CHAMPAIGN, ILLINOIS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2007

Federal Agency CFDA # / Federal Program Name County Department	Direct or Pass-Through Funding Agency Grant Number	Federal Revenues	Federal Expenditures
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U.S. DEPT. OF HEALTH & HUMAN SERVICES

93.600 Head Start Program **\$4,064,195** **\$4,080,770**

Regional Planning Comm.--Head Start Fund	U.S. Dept. of Health & Human Services Grant #05/CH/6105/13 (06/07)	\$1,154,328	\$1,152,549
Regional Planning Comm.--Head Start Fund	U.S. Dept. of Health & Human Services Grant #05/CH/6105/14 (07/08)	\$2,909,867	\$2,928,221

93.588 Low Income Home Energy Assistance Program **\$1,833,955** **\$1,591,220**

Regional Planning Commission	IL Dept. of Healthcare & Family Services LIHEAP Grant #07-22442 (06/07)	\$1,223,700	\$1,226,542
Regional Planning Commission	IL Dept. of Healthcare & Family Services LIHEAP Grant #08-22442 (07/08)	\$432,241	\$202,182
Regional Planning Commission	IL Dept. of Healthcare & Family Services Weatherization Grant #07-22142 (06/07)	\$86,635	\$97,597
Regional Planning Commission	IL Dept. of Healthcare & Family Services Weatherization Grant #08-22142 (07/08)	\$91,067	\$64,587
Regional Planning Commission	IL Dept. of Healthcare & Family Services LIHEAP Grant #07-22442 (06/07) (CSBG)	\$312	\$312

93.569 Community Services Block Grant **\$521,121** **\$522,072**

Regional Planning Commission	IL Dept. of Commerce & Econ. Opportunity Grant #06-231038 (2006)	\$42,696	\$41,266
Regional Planning Commission	IL Dept. of Commerce & Econ. Opportunity Grant #07-231038 (2007)	\$478,425	\$480,806

93.563 Child Support Enforcement Title IV-D **\$274,071** **\$267,362**

State's Attorney	IL Dept. of Healthcare & Family Services Grant #2006-55-013-Ka2 (06/07)	\$149,378	\$133,505
State's Attorney	IL Dept. of Healthcare & Family Services Grant #2008-55-013-K1A (07/08)	\$66,716	\$82,974
Circuit Clerk	IL Dept. of Healthcare & Family Services Grant #2005-55-007-K5 (06/07)	\$28,288	\$14,502
Circuit Clerk	IL Dept. of Healthcare & Family Services Grant #2008-55-007 (07/08)	\$11,575	\$18,267

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COUNTY OF CHAMPAIGN, ILLINOIS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2007

Federal Agency CFDA # / Federal Program Name County Department	Direct or Pass-Through Funding Agency Grant Number	Federal Revenues	Federal Expenditures
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U.S. DEPT. OF HEALTH & HUMAN SERVICES (continued)

93.563 Child Support Enforcement Title IV-D (continued)

Sheriff	IL Dept. of Healthcare & Family Services Grant #2005-55-005-DM2 (05/06)	\$2,128	\$2,128
Sheriff	IL Dept. of Healthcare & Family Services Grant #2005-55-005-K3 (06/07)	\$13,227	\$13,227
Sheriff	IL Dept. of Healthcare & Family Services Grant #2008-55-005-K (07/08)	\$2,759	\$2,759

93.283 CDC Investigations & Technical Assistance \$84,548 \$78,717

County Public Health Board	IL Dept. of Public Health Grant #77181009 (06/07)	\$46,904	\$39,927
County Public Health Board	IL Dept. of Public Health Grant #77181104 (06/07)	\$31,504	\$25,336
County Public Health Board	IL Dept. of Public Health Grant #87181009 (07/08)	\$6,140	\$13,454

93.044 Special Programs for the Aging Title III-B \$15,762 \$15,762

Regional Planning Commission	East Central Illinois Area Agency on Aging Grant #2007-29 (06/07)	\$13,790	\$13,790
Regional Planning Commission	East Central Illinois Area Agency on Aging Grant #2008-29 (07/08)	\$1,972	\$1,972

93.558 / 93.556 Temporary Assistance for Needy Families / Promoting Safe & Stable Families \$12,998 \$12,998

Regional Planning Commission	IL Dept. of Children & Family Services Grant #178742-6017 (06/07)	\$9,537	\$9,537
Regional Planning Commission	IL Dept. of Children & Family Services Grant #178742-6018 (07/08)	\$3,461	\$3,461

93.674 Chafee Foster Care Independence Program \$70 \$70

Regional Planning Commission	IL Dept. of Children & Family Services Grant #178742-6037 (06/07)	\$70	\$70
Regional Planning Commission	IL Dept. of Children & Family Services Grant #178742-6038 (07/08)	\$0	\$0

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COUNTY OF CHAMPAIGN, ILLINOIS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2007

Federal Agency CFDA # / Federal Program Name County Department	Direct or Pass-Through Funding Agency Grant Number	Federal Revenues	Federal Expenditures
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U.S. DEPT. OF HEALTH & HUMAN SERVICES (continued)

93.617 Voting Access for Individuals with Disabilities \$0 \$0

County Clerk--Election Assistance Fund	IL State Board of Elections Election Assistance for Indiv. with Disabilities	\$0	\$0
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U.S. DEPT. OF JUSTICE

16.575 Crime Victim Assistance \$90,546 \$104,109

State's Attorney--Victim Advocacy Fund	IL Criminal Justice Information Authority Grant #205078 (10/05-9/07)	\$25,789	\$27,513
State's Attorney--Victim Advocacy Fund	IL Criminal Justice Information Authority Grant #207078 (10/07-9/08)	\$10,445	\$7,054
Child Advocacy Center	IL Criminal Justice Information Authority Grant #205216 (11/05-10/07)	\$54,312	\$61,650
Child Advocacy Center	IL Criminal Justice Information Authority Grant #207216 (11/07-10/08)	\$0	\$7,892

16.585 Drug Court Discretionary Grant \$81,451 \$81,417

Mental Health Board--Drug Courts Fund	U.S. Dept. of Justice Grant #2005-DC-BX-0032 (05/08)	\$81,451	\$81,417
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16.579 Byrne Memorial Anti-Drug Abuse Formula Grant \$50,397 \$44,800

State's Attorney	IL Appellate Prosecutor Drug Prosecutor Contract 10/1/06-9/30/07	\$46,664	\$37,333
State's Attorney	IL Appellate Prosecutor Drug Prosecutor Contract 10/1/07-9/30/08	\$3,733	\$7,467

16.523 Juvenile Accountability Incentive Block Grant \$13,754 \$12,343

Court Services--Juv. Info. Sharing System Fund	IL Criminal Justice Information Authority Grant #503005 (2/06-11/06)	\$1,311	\$0
Court Services--Juv. Info. Sharing System Fund	IL Criminal Justice Information Authority Grant #504005 (11/06-5/07)	\$12,443	\$12,343

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COUNTY OF CHAMPAIGN, ILLINOIS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2007

Federal Agency CFDA # / Federal Program Name County Department	Direct or Pass-Through Funding Agency Grant Number	Federal Revenues	Federal Expenditures
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U.S. DEPT. OF JUSTICE (continued)

16.606 State Criminal Alien Assistance Program **\$25,841** **\$25,841**

Sheriff	U.S. Dept. of Justice Grant #2007-AP-BX-0461 (2007)	\$14,482	\$14,482
Sheriff	U.S. Dept. of Justice Grant #2008-AP-BX-0159 (2008)	\$11,359	\$11,359

16.543 Missing Children's Assistance **\$13,385** **\$13,694**

Child Advocacy Center	National Children's Alliance Program Support 1/1/06 - 12/31/06	\$7,307	\$384
Child Advocacy Center	National Children's Alliance Program Support 1/1/07 - 12/31/07	\$1,298	\$8,550
Child Advocacy Center	National Children's Alliance Equipment 1/1/07 - 12/31/07	\$4,760	\$4,760

16.738 Byrne Memorial Justice Assistance Grant **\$10,500** **\$10,500**

Sheriff	City of Champaign Grant #2006-F0936-IL-DJ (2006)	\$5,500	\$5,500
Sheriff	City of Champaign / ICJIA Grant #2007-F3231-IL-DJ (2007)	\$5,000	\$5,000

U.S. DEPT. OF TRANSPORTATION

20.205 FHWA Highway Planning & Construction **\$269,011** **\$285,019**

Regional Planning Commission	IL Dept of Transportation Grant #07T0056 (06/07)	\$178,204	\$155,746
Regional Planning Commission	IL Dept of Transportation Grant #08T0046 (07/08)	\$90,807	\$129,273

20.505 FTA Federal Transit Metropolitan Planning **\$60,276** **\$64,123**

Regional Planning Commission	IL Dept of Transportation Grant #07T0056 (06/07)	\$39,444	\$34,467
Regional Planning Commission	IL Dept of Transportation Grant #08T0046 (07/08)	\$20,832	\$29,656

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COUNTY OF CHAMPAIGN, ILLINOIS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2007

Federal Agency CFDA # / Federal Program Name County Department	Direct or Pass-Through Funding Agency Grant Number	Federal Revenues	Federal Expenditures
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U.S. DEPT. OF TRANSPORTATION (continued)

20.509 FTA Formula Grants for Other Than Urbanized Areas \$18,121 \$33,091

Regional Planning Commission	IL Dept of Transportation Grant #PT07074 (4/07-3/10)	\$18,121	\$33,091
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U.S. DEPT. OF HOUSING & URBAN DEVELOPMENT

14.238 Shelter Plus Care Program \$260,474 \$259,902

Regional Planning Commission	U.S. Dept. of Housing & Urban Development Shelter Plus Care I #IL01C503004 (06/07)	\$86,374	\$86,374
Regional Planning Commission	U.S. Dept. of Housing & Urban Development Shelter Plus Care I #IL01C603004 (07/08)	\$59,958	\$59,958
Regional Planning Commission	U.S. Dept. of Housing & Urban Development Shelter Plus Care II #IL01C903001 (06/07)	\$51,949	\$51,377
Regional Planning Commission	U.S. Dept. of Housing & Urban Development Shelter Plus Care II #IL01C603005 (07/08)	\$62,193	\$62,193

14.218 Community Development Block Grant \$40,904 \$31,983

Regional Planning Commission	City of Urbana Court Diversion 7/01/06-6/30/07	\$4,000	\$4,000
Regional Planning Commission	City of Urbana Court Diversion 7/01/07-6/30/08	\$2,650	\$2,650
Regional Planning Commission	City of Urbana Senior Services 10/01/06-9/30/07	\$4,000	\$4,000
Regional Planning Commission	City of Urbana Senior Services 10/01/07-9/30/08	\$2,250	\$2,250
Regional Planning Commission	City of Champaign Senior Home Repair Program 2/01/06-1/31/07	\$14,886	\$5,148
Regional Planning Commission	City of Champaign Senior Home Repair Program 2/01/07-1/31/08	\$13,118	\$13,935

14.239 H.O.M.E. Investment Partnerships Program \$5,363 \$5,363

Regional Planning Commission	City of Urbana Subgrant 7/1/06 - 6/30/07	\$0	\$0
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COUNTY OF CHAMPAIGN, ILLINOIS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2007

Federal Agency CFDA # / Federal Program Name County Department	Direct or Pass-Through Funding Agency Grant Number	Federal Revenues	Federal Expenditures
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U.S. DEPT. OF HOUSING & URBAN DEVELOPMENT (continued)

14.239 H.O.M.E. Investment Partnerships Program (continued)

Regional Planning Commission	City of Urbana Subgrant 7/1/07 - 6/30/08	\$0	\$0
Regional Planning Commission	City of Urbana Tenant Rental Assistance 7/1/07 - 6/30/08	\$5,363	\$5,363

U.S. DEPT. OF ENERGY

81.042 Weatherization Assistance for Low Income Persons \$245,068 \$291,665

Regional Planning Commission	IL Dept of Healthcare & Family Services Grant #07-40142 (06/07)	\$160,599	\$185,046
Regional Planning Commission	IL Dept of Healthcare & Family Services Grant #08-40142 (07/08)	\$84,469	\$106,619

U.S. DEPT. OF AGRICULTURE

10.558 Child & Adult Care Food Program \$175,171 \$220,734

Regional Planning Comm.--Head Start Fund	IL State Board of Education Grant No. 09-010-043P-00	\$175,171	\$220,734
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10.555 National School Lunch Program \$16,258 \$16,258

Juvenile Detention Center	IL State Board of Education Grant No. 09-010-043P-00	\$16,258	\$16,258
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10.553 National School Breakfast Program \$9,427 \$9,427

Juvenile Detention Center	IL State Board of Education Grant No. 09-010-043P-00	\$9,427	\$9,427
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U.S. DEPT. OF HOMELAND SECURITY

97.042 Emergency Management Performance Grant \$31,392 \$28,529

Emergency Management Agency	IL Emergency Management Agency 10/1/06 - 9/30/07	\$31,392	\$23,297
Emergency Management Agency	IL Emergency Management Agency 10/1/07 - 9/30/08	\$0	\$5,232

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COUNTY OF CHAMPAIGN, ILLINOIS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2007

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U.S. DEPT. OF HOMELAND SECURITY (continued)

97.074 Law Enforcement Terrorism Prevention \$7,428 \$1,282

Sheriff / Public Properties	IL Law Enforcement Alarm System 6/23/05 - 11/30/07	\$7,428	\$1,282
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97.024 Emergency Food & Shelter National Board Prog. \$8,517 \$8,517

Regional Planning Commission	Emergency Food & Shelter National Board Grant No. 20-2360-00 (06/07)	\$8,517	\$8,517
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GENERAL SERVICES ADMINISTRATION

39.011 Election Reform Payments \$12,412 \$3,816

County Clerk--Election Assistance Fund	IL State Board of Elections Election Administration Improvement Grant	\$0	\$0
County Clerk--Election Assistance Fund	IL State Board of Elections Polling Place Accessibility Grant	\$12,412	\$3,816

ELECTION COMMISSION

90.401 Help America Vote Act Requirements \$6,400 \$8,783

County Clerk--Election Assistance Fund	IL State Board of Elections Accessible Voting Equipment Grant	\$0	\$0
County Clerk--Election Assistance Fund	IL State Board of Elections Phase II Accessible Voting Equipment Grant	\$6,400	\$8,783

U.S. DEPT. OF EDUCATION

84.027 Special Education Grants to States \$5,054 \$90

Regional Planning Commission	IL State Board of Education Grant #2008-4630-10 / 09-010-043P-00 (07/08)	\$5,054	\$90
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U.S. ENVIRONMENTAL PROTECTION AGENCY

66.605 Performance Partnership Grants \$2,725 \$1,687

County Public Health Board	IL Dept. of Public Health Public Water Sys. Supvsn. 7/01/05 - 9/30/06	\$1,337	\$0
County Public Health Board	IL Dept. of Public Health Public Water Sys. Supvsn. 10/01/06 - 9/30/07	\$1,388	\$1,404

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COUNTY OF CHAMPAIGN, ILLINOIS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2007

Federal Agency CFDA # / Federal Program Name County Department	Direct or Pass-Through Funding Agency Grant Number	Federal Revenues	Federal Expenditures
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U.S. ENVIRONMENTAL PROTECTION AGENCY (continued)

66.605 Performance Partnership Grants (continued)

County Public Health Board	IL Dept. of Public Health Public Water Sys. Supvsn. 10/01/07 - 9/30/08	\$0	\$283
TOTAL FEDERAL AWARDS		\$8,266,575	\$8,131,944

Notes:

Accounting policy for this schedule: For federal awards where reimbursement is received after the expenditures are incurred, the federal expenditures are matched to the federal revenues by reporting the expenditures in the same period as the revenues. For federal awards where advance drawdowns are received, the federal expenditures are reported in the period when incurred.

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June 27, 2008

Champaign County Board
Urbana, IL

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Champaign County, Illinois, as of and for the year ended November 30, 2007, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 27, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be, in combination, significant deficiencies, and also those significant deficiencies, in combination, a material weakness.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects Champaign County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is a more than a remote likelihood that a misstatement of Champaign County's financial statements that is more than inconsequential will not be prevented or detected by Champaign County's internal control. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be, in combination, significant deficiencies, and the combined significant deficiencies to be a material weakness. (Findings 2007-1 through 2007- 4).

A material weakness is a significant deficiency, or a combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by Champaign County's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies and accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that the four significant deficiencies described above, in combination, constitute a material weakness

Compliance and Other Matters

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

We also noted certain other matters that we reported to the management of Champaign County, Illinois in a separate letter dated June 27, 2008.

This report is intended solely for the information and use of the Champaign County Board, management, others within the County, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



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JAMES P. BRAY, CPA (Retired)

June 27, 2008

Champaign County Board
Urbana, IL

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Compliance

We have audited the compliance of Champaign County, Illinois, with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended November 30, 2007. Champaign County, Illinois's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Champaign County, Illinois's management. Our responsibility is to express an opinion on Champaign County, Illinois's compliance based on our audit.

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; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 program occurred. An audit includes examining, on a test basis, evidence about Champaign County, Illinois'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. Our audit does not provide a legal determination on Champaign County, Illinois's compliance with those requirements.

In our opinion, Champaign County, Illinois, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended November 30, 2007.

Internal Control Over Compliance

The management of Champaign County, Illinois, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Champaign County, Illinois's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 Champaign County, Illinois's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or a combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is a more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or a combination of significant deficiencies, that results in more than a remote likelihood that a material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Champaign County Board, management, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.


BRAY, DRAKE, LILES & RICHARDSON LLP

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**COUNTY OF CHAMPAIGN, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED NOVEMBER 30, 2007**

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of the County of Champaign, Illinois as of and for the year ended November 30, 2007.
2. Four control deficiencies which in combination are considered to be significant deficiencies disclosed during the audit of the financial statements are reported in the Independent Auditor's Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*. The combined deficiencies are reported as a material weakness.
3. No instances of noncompliance material to the financial statements of the County of Champaign, Illinois, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiency in internal control over the major federal award programs is reported in the Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133.
5. The auditor's report on compliance for the major federal award programs for the County of Champaign, Illinois expresses an unqualified opinion on all major federal programs.
6. Audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 are reported in this Schedule.
7. The programs tested as major programs include:

Shelter Care Plus Program	CFDA No. 14.238
FHWA Highway Planning & Construction	CFDA No. 20.205
Low Income Home Energy Assistance Program	CFDA No. 93.568
8. The threshold for distinguishing types A and B programs was \$300,000.
9. The County of Champaign, Illinois qualified as a low-risk auditee.

B. FINDINGS – FINANCIAL STATEMENT AUDIT

IN COMBINATION, THE FOLLOWING FOUR FINDINGS ARE A SIGNIFICANT DEFICIENCY AND ALSO, IN COMBINATION, ARE A MATERIAL WEAKNESS

2007-1: Nursing Home accounts payable items not recorded in correct accounting period.

Condition: Expense items were not all being recorded in the fiscal year ended November 30, 2007 by the Nursing Home accountant.

Criteria: Internal controls should exist that provide reasonable assurance that all expense items have been recorded in the proper fiscal year under full accrual accounting.

Effect: This condition causes expenses to be understated and liabilities to be understated..

Recommendation: A consulting management firm has been hired to provide operational management assistance to the Nursing Home. We recommend that this firm be asked to provide specific improvements in the accounting processes at the Nursing Home to strengthen internal controls related to expense and liability reporting.

2007-2: Nursing Home recording of receipts.

Condition: Accounts receivable payments are not being recorded under the County policy. They are recorded when received by the Nursing Home, not when deposited to the Treasurer, which is the County policy.

Criteria: Internal controls should exist that provide reasonable assurance that the County policy of recording receipts only when deposits are made with the Treasurer is being followed.

2007-2 (continued):

Effect: This condition causes discrepancies between the Nursing Home records and the County Auditor's office records.

Recommendation: The Nursing Home should record receipts following the County policy.

2007-3: Delay in allowing the independent auditor to start the audit of the Nursing Home.

Condition: The outside independent auditor was not allowed to start the audit of the Nursing Home in a timely manner.

Criteria: Internal controls should exist that allow the audit to be completed in a timely manner.

Effect: This delays the completion of the overall County Audit and delays the preparation of the financial statements by the elected County Auditor's office.

Recommendation: The newly-hired management consulting firm should review the accounting controls in effect and adjust the procedures and processes so that the audit can be started and completed in a timely manner.

2007-4: Nursing Home fixed asset accounting.

Condition: Four different versions of the fixed asset schedules were presented to the outside auditor before a final correct one was completed.

Criteria: Internal controls should exist that allow for correct depreciation schedules to be maintained on a timely basis.

Effect: This again delays the completion of the overall County Audit. This also caused the outside independent auditor to have to re-do audit procedures several times.

Recommendation: The newly-hired management consulting firm should review the fixed assets accounting controls in effect and adjust the procedures and processes so that accurate fixed asset schedules can be maintained throughout the year.

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS

NONE

**COUNTY OF CHAMPAIGN, ILLINOIS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED NOVEMBER 30, 2007**

THERE WERE NO AUDIT FINDINGS IN THE PRIOR YEAR

