

# **Single Audit Section**

COUNTY OF CHAMPAIGN, ILLINOIS  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2008

Federal Agency CFDA # / Federal Program Name County Department	Direct or Pass-Through Funding Agency Grant Number	Federal Revenues	Federal Expenditures
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<b>U.S. DEPT. OF HEALTH &amp; HUMAN SERVICES</b>
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<b>93.600 Head Start Program</b>	<b>\$4,026,760</b>	<b>\$4,023,095</b>
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Regional Planning Comm.--Head Start Fund	U.S. Dept. of Health & Human Services Grant #05/CH/6105/14 (07/08)	\$1,017,588	\$999,234
Regional Planning Comm.--Head Start Fund	U.S. Dept. of Health & Human Services Grant #05/CH/6105/15 (08/09)	\$3,009,172	\$3,023,861

<b>93.568 Low Income Home Energy Assistance Program</b>	<b>\$1,890,641</b>	<b>\$2,132,783</b>
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Regional Planning Commission	IL Dept. of Healthcare & Family Services LIHEAP Grant #08-22442 (07/08)	\$1,117,399	\$1,347,565
Regional Planning Commission	IL Dept. of Healthcare & Family Services LIHEAP Grant #09-22442 (08/09)	\$525,130	\$538,800
Regional Planning Commission	IL Dept. of Healthcare & Family Services Weatherization Grant #08-22142 (07/08)	\$183,877	\$210,357
Regional Planning Commission	IL Dept. of Healthcare & Family Services Weatherization Grant #09-22142 (08/09)	\$39,788	\$36,061
Regional Planning Commission	IL Dept. of Healthcare & Family Services Weatherization Grant #09-22142 (08/09) [ U.S. Dept. Energy Grant #07-40142 (06/07) deficit ]	\$24,447	\$0

<b>93.569 Community Services Block Grant</b>	<b>\$486,334</b>	<b>\$529,524</b>
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Regional Planning Commission	IL Dept. of Commerce & Econ. Opportunity Grant #07-231038 (2007)	\$24,501	\$22,279
Regional Planning Commission	IL Dept. of Commerce & Econ. Opportunity Grant #08-231038 (2008)	\$429,068	\$495,745
Regional Planning Commission	Danville ECICAA Subgrant (2008)	\$32,765	\$11,500

<b>93.563 Child Support Enforcement Title IV-D</b>	<b>\$281,989</b>	<b>\$298,396</b>
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State's Attorney	IL Dept. of Healthcare & Family Services Grant #2008-55-013-K1A (07/08)	\$172,152	\$155,895
State's Attorney	IL Dept. of Healthcare & Family Services Grant #2008-55-013 (08/09)	\$70,050	\$88,467

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COUNTY OF CHAMPAIGN, ILLINOIS  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
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Federal Agency CFDA # / Federal Program Name County Department	Direct or Pass-Through Funding Agency Grant Number	Federal Revenues	Federal Expenditures
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<b>U.S. DEPT. OF HEALTH &amp; HUMAN SERVICES (continued)</b>
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<b>93.563 Child Support Enforcement Title IV-D (continued)</b>			
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Circuit Clerk	IL Dept. of Healthcare & Family Services Grant #2008-55-007-K11 (07/08)	\$22,007	\$18,647
Circuit Clerk	IL Dept. of Healthcare & Family Services Grant #2008-55-007-K21 (08/09)	\$0	\$20,522
Sheriff	IL Dept. of Healthcare & Family Services Grant #2008-55-005-K (07/08)	\$13,182	\$8,575
Sheriff	IL Dept. of Healthcare & Family Services Grant #2008-55-005-K2 (08/09)	\$4,598	\$6,290

<b>93.283 CDC Investigations &amp; Technical Assistance</b>		<b>(\$6,140)</b>	<b>(\$13,454)</b>
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County Public Health Board (Correction of 2007 activity to CFDA #93.069)	IL Dept. of Public Health Grant #87181009 (07/08)	(\$6,140)	(\$13,454)
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<b>93.069 Public Health Emergency Preparedness</b>		<b>\$87,705</b>	<b>\$98,167</b>
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County Public Health Board	IL Dept. of Public Health Grant #87181009 (07/08)	\$78,749	\$78,811
County Public Health Board	IL Dept. of Public Health Grant #97181009 (08/09)	\$8,956	\$19,356

<b>93.044 Special Programs for the Aging Title III-B</b>		<b>\$19,056</b>	<b>\$19,056</b>
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Regional Planning Commission	East Central Illinois Area Agency on Aging Grant #2008-29 (07/08)	\$14,416	\$14,416
Regional Planning Commission	East Central Illinois Area Agency on Aging Grant #2009-29 (08/09)	\$4,640	\$4,640

<b>93.558 Temporary Assistance for Needy Families</b>		<b>\$28,106</b>	<b>\$28,106</b>
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Regional Planning Commission	IL Dept. of Human Services Grant #81XK285000 (08/09)	\$28,106	\$28,106
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COUNTY OF CHAMPAIGN, ILLINOIS  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2008

Federal Agency CFDA # / Federal Program Name County Department	Direct or Pass-Through Funding Agency Grant Number	Federal Revenues	Federal Expenditures
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<b>U.S. DEPT. OF HEALTH &amp; HUMAN SERVICES (continued)</b>
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<b>93.556 Promoting Safe &amp; Stable Families</b>	<b>\$9,890</b>	<b>\$9,890</b>
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Regional Planning Commission	IL Dept. of Children & Family Services Grant #178742-6017 (07/08)	\$9,890	\$9,890
Regional Planning Commission	IL Dept. of Children & Family Services Grant #178742-6017 (08/09)	\$0	\$0

<b>93.674 Chafee Foster Care Independence Program</b>	<b>\$113</b>	<b>\$113</b>
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Regional Planning Commission	IL Dept. of Children & Family Services Grant #178742-6037 (07/08)	\$113	\$113
Regional Planning Commission	IL Dept. of Children & Family Services Grant #178742-6037 (08/09)	\$0	\$0

<b>U.S. DEPT. OF HOUSING &amp; URBAN DEVELOPMENT</b>
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<b>14.238 Shelter Plus Care Program</b>	<b>\$244,221</b>	<b>\$292,569</b>
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Regional Planning Commission	U.S. Dept. of Housing & Urban Development Shelter Plus Care I #IL01C603004 (07/08)	\$78,261	\$78,261
Regional Planning Commission	U.S. Dept. of Housing & Urban Development Shelter Plus Care I #IL01C703007 (08/09)	\$68,697	\$122,305
Regional Planning Commission	U.S. Dept. of Housing & Urban Development Shelter Plus Care II #IL01C603005 (07/08)	\$97,263	\$92,003

<b>14.239 H.O.M.E. Investment Partnerships Program</b>	<b>\$164,829</b>	<b>\$165,942</b>
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Regional Planning Commission	City of Urbana Subgrant 7/1/07 - 6/30/08	\$62,742	\$53,794
Regional Planning Commission	City of Urbana Subgrant 7/1/08 - 6/30/09	\$57,001	\$67,062
Regional Planning Commission	City of Urbana Tenant Rental Assistance 7/1/07 - 6/30/08	\$45,086	\$45,086

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COUNTY OF CHAMPAIGN, ILLINOIS  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2008

Federal Agency CFDA # / Federal Program Name County Department	Direct or Pass-Through Funding Agency Grant Number	Federal Revenues	Federal Expenditures
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<b>U.S. DEPT. OF HOUSING &amp; URBAN DEVELOPMENT (continued)</b>
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<b>14.218 Community Development Block Grant</b>		<b>\$31,609</b>	<b>\$45,440</b>
Regional Planning Commission	City of Urbana Court Diversion 7/1/07-6/30/08	\$2,650	\$2,650
Regional Planning Commission	City of Urbana Court Diversion 7/1/08-6/30/09	\$2,650	\$2,650
Regional Planning Commission	City of Urbana Senior Services 10/1/07-9/30/08	\$2,250	\$2,250
Regional Planning Commission	City of Urbana Senior Services 10/1/08-9/30/09	\$0	\$0
Regional Planning Commission	City of Champaign Senior Home Repair Program 2/1/07-1/31/08	\$15,761	\$15,386
Regional Planning Commission	City of Champaign Senior Home Repair Program 2/1/08-1/31/09	\$7,899	\$22,105
Regional Planning Commission	Village of Rantoul Senior Case Management 5/1/08-4/30/09	\$399	\$399
<b>14.235 Supportive Housing Program</b>		<b>\$5,812</b>	<b>\$5,812</b>
Regional Planning Commission	U.S. Dept. of Housing & Urban Development Grant #IL01B603001 (07/08)	\$5,812	\$5,812

<b>U.S. DEPT. OF TRANSPORTATION</b>
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<b>20.205 FHWA Highway Planning &amp; Construction</b>		<b>\$212,271</b>	<b>\$204,474</b>
Regional Planning Commission	IL Dept of Transportation Grant #08T0046 (07/08)	\$160,452	\$128,280
Regional Planning Commission	IL Dept of Transportation Grant #09T0058 (08/09)	\$42,819	\$67,194
Regional Planning Commission	IL Dept of Transportation GIS Grant #P35-039-07 (7/23/07-6/30/08)	\$9,000	\$9,000

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COUNTY OF CHAMPAIGN, ILLINOIS  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2008

Federal Agency CFDA # / Federal Program Name County Department	Direct or Pass-Through Funding Agency Grant Number	Federal Revenues	Federal Expenditures
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<b>U.S. DEPT. OF TRANSPORTATION (continued)</b>
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<b>20.505 FTA Federal Transit Metropolitan Planning</b>	<b>\$80,607</b>	<b>\$125,437</b>
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Regional Planning Commission	IL Dept of Transportation Grant #08T0046 (07/08)	\$36,824	\$30,070
Regional Planning Commission	IL Dept of Transportation Grant #09T0058 (08/09)	\$10,940	\$16,799
Regional Planning Commission	IL Dept of Transportation St. Mary's Road Grant #PT08063 (2/7/08-6/30/09)	\$32,843	\$78,568

<b>20.509 FTA Formula Grants for Other Than Urbanized Areas</b>	<b>\$69,405</b>	<b>\$83,094</b>
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Regional Planning Commission	IL Dept of Transportation Grant #PT07074 (4/1/07-3/31/10)	\$69,405	\$83,094
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<b>U.S. DEPT. OF AGRICULTURE</b>
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<b>10.558 Child &amp; Adult Care Food Program</b>	<b>\$230,812</b>	<b>\$230,471</b>
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Regional Planning Comm.--Head Start Fund	IL State Board of Education Grant #09-010-043P-00	\$230,812	\$230,471
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<b>10.555 National School Lunch Program</b>	<b>\$18,418</b>	<b>\$18,418</b>
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Juvenile Detention Center	IL State Board of Education Grant #09-010-043P-00	\$18,418	\$18,418
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<b>10.553 National School Breakfast Program</b>	<b>\$10,883</b>	<b>\$10,883</b>
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Juvenile Detention Center	IL State Board of Education Grant #09-010-043P-00	\$10,883	\$10,883
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<b>U.S. DEPT. OF ENERGY</b>
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<b>81.042 Weatherization Assistance for Low Income Persons</b>	<b>\$172,789</b>	<b>\$201,461</b>
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Regional Planning Commission	IL Dept of Healthcare & Family Services Grant #08-40142 (07/08)	\$123,859	\$101,671
Regional Planning Commission	IL Dept of Healthcare & Family Services Grant #09-40142 (08/09)	\$48,930	\$99,790

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COUNTY OF CHAMPAIGN, ILLINOIS  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2008

Federal Agency CFDA # / Federal Program Name County Department	Direct or Pass-Through Funding Agency Grant Number	Federal Revenues	Federal Expenditures
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<b>U.S. DEPT. OF JUSTICE</b>
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<b>16.575 Crime Victim Assistance</b>		<b>\$101,732</b>	<b>\$109,004</b>
State's Attorney--Victim Advocacy Fund	IL Criminal Justice Information Authority Grant #207078 (07/08)	\$25,132	\$28,523
State's Attorney--Victim Advocacy Fund	IL Criminal Justice Information Authority Grant #208078 (08/09)	\$0	\$6,944
Child Advocacy Center	IL Criminal Justice Information Authority Grant #207216 (07/08)	\$76,600	\$67,333
Child Advocacy Center	IL Criminal Justice Information Authority Grant #208216 (08/09)	\$0	\$6,204
<b>16.585 Drug Court Discretionary Grant</b>		<b>\$47,610</b>	<b>\$47,608</b>
Mental Health Board--Drug Courts Fund	U.S. Dept. of Justice Grant #2005-DC-BX-0032 (7/1/05-6/30/08)	\$47,610	\$47,608
<b>16.579 Byrne Memorial Anti-Drug Abuse Formula Grant</b>		<b>\$44,800</b>	<b>\$44,800</b>
State's Attorney	IL Appellate Prosecutor Drug Prosecutor Contract 10/1/07-9/30/08	\$41,067	\$37,333
State's Attorney	IL Appellate Prosecutor Drug Prosecutor Contract 10/1/08-9/30/09	\$3,733	\$7,467
<b>16.606 State Criminal Alien Assistance Program</b>		<b>\$17,340</b>	<b>\$17,340</b>
Sheriff	U.S. Dept. of Justice Grant #2008-AP-BX-0965 (2008)	\$17,340	\$17,340
<b>16.543 Missing Children's Assistance</b>		<b>\$11,470</b>	<b>\$10,125</b>
Child Advocacy Center	National Children's Alliance Program Support #Urba-IL-PS07 (2007)	\$8,702	\$1,385
Child Advocacy Center	National Children's Alliance Program Support #Cham-IL-PS08 (2008)	\$2,768	\$8,740
<b>16.523 Juvenile Accountability Incentive Block Grant</b>		<b>\$8,777</b>	<b>\$8,777</b>
Court Services--Juv. Info. Sharing System Fund	IL Criminal Justice Information Authority Grant #505005 (07/08)	\$8,777	\$8,777

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COUNTY OF CHAMPAIGN, ILLINOIS  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2008

Federal Agency CFDA # / Federal Program Name County Department	Direct or Pass-Through Funding Agency Grant Number	Federal Revenues	Federal Expenditures
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<b>U.S. DEPT. OF JUSTICE (continued)</b>
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<b>16.738 Byrne Memorial Justice Assistance Grant</b>		<b>\$0</b>	<b>\$0</b>
Sheriff	City of Champaign / ICJIA Grant #2008-F5910-IL-DJ (2008)	\$0	\$0

<b>U.S. DEPT. OF HOMELAND SECURITY</b>
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<b>97.047 Pre-Disaster Mitigation</b>		<b>\$21,118</b>	<b>\$32,751</b>
Regional Planning Commission	IL Emergency Management Agency 11/26/07 - 6/30/09	\$21,118	\$32,751

<b>97.042 Emergency Management Performance Grant</b>		<b>\$29,194</b>	<b>\$29,179</b>
Emergency Management Agency	IL Emergency Management Agency 10/1/07 - 9/30/08	\$29,194	\$24,328
Emergency Management Agency	IL Emergency Management Agency 10/1/08 - 9/30/09	\$0	\$4,851

<b>97.024 Emergency Food &amp; Shelter National Board Prog.</b>		<b>\$9,053</b>	<b>\$8,757</b>
Regional Planning Commission	Emergency Food & Shelter National Board Grant No. 20-2360-00 (07/08)	\$9,053	\$8,757

<b>97.074 Law Enforcement Terrorism Prevention</b>		<b>\$0</b>	<b>\$6,146</b>
Sheriff / Public Properties	IL Law Enforcement Alarm System 6/23/05 - 11/30/08	\$0	\$6,146

<b>ELECTION COMMISSION</b>
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<b>90.401 Help America Vote Act Requirements</b>		<b>\$144,414</b>	<b>\$143,031</b>
County Clerk--Election Assistance Fund	IL State Board of Elections Phase II Accessible Voting Equipment Grant	\$73,064	\$71,681
County Clerk--Election Assistance Fund	IL State Board of Elections Voter Registration Upgrade Grant	\$71,350	\$71,350

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COUNTY OF CHAMPAIGN, ILLINOIS  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2008

Exhibit K-1  
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 \* Corrected  
 9/1/09

Federal Agency CFDA # / Federal Program Name County Department	Direct or Pass-Through Funding Agency Grant Number	Federal Revenues	Federal Expenditures
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<b>GENERAL SERVICES ADMINISTRATION</b>
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<b>39.011 Election Reform Payments</b>		<b>\$0</b>	<b>\$12,412</b>
County Clerk--Election Assistance Fund	IL State Board of Elections Polling Place Accessibility Grant	\$0	\$12,412

<b>U.S. DEPT. OF EDUCATION</b>
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<b>84.027 Special Education Grants to States</b>		<b>\$13,981</b>	<b>\$14,333</b>
Regional Planning Commission	IL State Board of Education Grant #2008-4630-10 / 09-010-043P-00 (07/08) *	\$8,834	\$13,283
Regional Planning Commission	IL State Board of Education Grant #2009-4630-10 / 09-010-043P-00 (08/09)	\$5,147	\$1,050

<b>U.S. ENVIRONMENTAL PROTECTION AGENCY</b>
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<b>66.605 Performance Partnership Grants</b>		<b>\$1,700</b>	<b>\$1,700</b>
County Public Health Board	IL Dept. of Public Health Public Water Sys. Supvsn. 10/1/07 - 9/30/08	\$1,700	\$1,412
County Public Health Board	IL Dept. of Public Health Public Water Sys. Supvsn. 10/1/08 - 9/30/09	\$0	\$288

		<b>\$8,517,299</b>	<b>\$8,995,640</b>
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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.

# BRAY, DRAKE, LILES & RICHARDSON LLP

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JAMES P. BRAY, CPA (Retired)

June 30, 2009

**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, 2008, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 30, 2009. 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 a certain deficiency in internal control over financial reporting that we consider to be a significant deficiency.

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 deficiency described in the accompanying schedule of findings and questioned costs to be a significant deficiency in internal control over financial reporting. (Finding 2008-1)

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 significant deficiency described above is not 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 a certain other matter that we reported to the management of Champaign County, Illinois in the same letter as the deficiency listed above dated June 30, 2009.

Champaign County, Illinois' response to the finding identified in our report is described in the accompanying schedule of findings and questioned costs. We did not audit Champaign County, Illinois' response and, accordingly, we express no opinion on it.

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.

*Bray, Drake, Liles & Richardson LLP*  
**BRAY, DRAKE, LILES & RICHARDSON LLP**

Members of the American Institute of Certified Public Accountants  
Members of the Illinois CPA Society

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JAMES P. BRAY, CPA (Retired)

June 30, 2009

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, 2008. Champaign County, Illinois's major federal program is 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 its major federal program 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 its major federal program for the year ended November 30, 2008.

### 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*  
BRAY, DRAKE, LILES & RICHARDSON LLP

**COUNTY OF CHAMPAIGN, ILLINOIS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED NOVEMBER 30, 2008**

**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, 2008.
2. One control deficiency which is considered to be a significant deficiency disclosed during the audit of the financial statements is 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*.
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 program 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 only major federal award program (Head Start) for the County of Champaign, Illinois expresses an unqualified opinion on the major federal program.
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 program tested as the major program is:  

Head Start Program      CFDA No. 93.600
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**

The following item is considered to be a significant deficiency.

**2008-1: Regional Planning Commission Economic Development Loans:**

**Condition:** Testing indicated that documentation of economic development loan management and delinquencies of loans was lacking.

**Criteria:** Internal controls should exist that provide reasonable assurance that loans are being properly managed and that delinquencies are being properly controlled.

**Effect:** This condition has the potential of causing loans receivable to be misstated. It also increases the chance that a loan could become uncollectable.

**Recommendation:** Loan management processes should be evaluated and changes implemented to assure that all loans are being properly reviewed and managed on a regular basis.

**Management response:** Management has already placed new controls in place that will provide more assurance that these loans are being properly documented and managed.

**C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS**

NONE

**COUNTY OF CHAMPAIGN, ILLINOIS  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
YEAR ENDED NOVEMBER 30, 2008**

**THERE WERE NO AUDIT FINDINGS IN THE PRIOR YEAR**