

Single Audit Section

COUNTY OF CHAMPAIGN, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2011

Federal Agency CFDA # / Federal Program Name County Department	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures
U.S. DEPT. OF HEALTH & HUMAN SERVICES		
93.600 Head Start Program		\$4,199,842
Regional Planning Comm.--Head Start Fund	U.S. Dept. of Health & Human Services Grant #05/CH/6105/17 (3/10-2/11)	\$1,011,892
Regional Planning Comm.--Head Start Fund	U.S. Dept. of Health & Human Services Grant #05/CH/6105/18 (3/11-2/12)	\$3,187,950
93.708 ARRA - Head Start Program		\$862,195
Regional Planning Comm.--Head Start Fund	U.S. Dept. of Health & Human Services Grant #05/SH/6105/02 (10/10-9/11)	\$862,195
93.568 Low Income Home Energy Assistance Program		\$2,884,791
Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity LIHEAP Grant #10-224042 (7/09-6/11)	\$1,523,882
Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity LIHEAP Grant #11-224042 (11/10-4/12)	\$983,970
Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity Weatherization Grant #10-221042 (7/09-6/11)	\$163,580
Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity Weatherization Grant #11-221042 (11/10-4/12)	\$213,359
93.104 Community Mental Health Services for Children with Serious Emotional Disturbances		\$1,257,730
Mental Health Board--Access Initiative Fund	IL Dept. of Human Services Grant #40CM002237 (10/01/10 - 9/30/11)	\$1,076,604 (to subrecipients -- \$472,464)
Mental Health Board--Access Initiative Fund	IL Dept. of Human Services Grant #40CM002237 (10/01/11 - 9/30/12)	\$181,126 (to subrecipients -- \$77,468)
93.569 Community Services Block Grant		\$710,125
Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity Grant #10-231038 (2010)	\$213,675
Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity Grant #11-231038 (2011)	\$496,450

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COUNTY OF CHAMPAIGN, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2011

Federal Agency CFDA # / Federal Program Name County Department	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures
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U.S. DEPT. OF HEALTH & HUMAN SERVICES (continued)
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93.563 Child Support Enforcement Title IV-D	\$278,232
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State's Attorney	IL Dept. of Healthcare & Family Services Grant #2011-55-013-K1A (7/10-6/11)	\$143,980
State's Attorney	IL Dept. of Healthcare & Family Services Grant #2011-55-013-K2A (7/11-6/12)	\$83,085
Circuit Clerk	IL Dept. of Healthcare & Family Services Grant #2011-55-007-KAE (7/10-6/11)	\$14,554
Circuit Clerk	IL Dept. of Healthcare & Family Services Grant #2011-55-007-K2AE (7/11-6/12)	\$25,897
Sheriff	IL Dept. of Healthcare & Family Services 7/1/10-6/30/11	\$5,931
Sheriff	IL Dept. of Healthcare & Family Services 7/1/11-6/30/12	\$4,785

93.069 Public Health Emergency Preparedness	\$67,588
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County Public Health Board	IL Dept. of Public Health Grant #17180061 (Aug 2010)	\$0
County Public Health Board	IL Dept. of Public Health Grant #07181009 extension (8/10-7/11)	\$54,739
County Public Health Board	IL Dept. of Public Health Grant #27180009 (8/11-7/12)	\$12,849

93.575 Child Care and Development Block Grant	\$45,766
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Regional Planning Comm.--Head Start Fund	IL Dept. of Human Services 7/1/09-6/30/10	\$11,405
Regional Planning Comm.--Head Start Fund	IL Dept. of Human Services 7/1/10-6/30/11	\$34,361

93.713 ARRA - Child Care and Development Block Grant	\$6,972
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Regional Planning Comm.--Head Start Fund	IL Dept. of Human Services 7/1/10-6/30/11	\$6,972
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COUNTY OF CHAMPAIGN, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2011

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

93.556 Promoting Safe and Stable Families \$24,999

Regional Planning Commission	IL Dept. of Children & Family Services Grant #178742-6011 (7/10-6/11)	\$24,999
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93.283 CDC Investigations and Technical Assistance \$12,035

County Public Health Board	IL Dept. of Public Health West Nile Virus Grant #15380173 (4/11-3/12)	\$12,035
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93.518 Affordable Care Act - Medicare Improvements for Patients and Providers \$3,552

Regional Planning Commission	IL Dept. of Insurance Senior Services (10/1/10-6/30/11)	\$3,344
Regional Planning Commission	IL Dept. of Insurance Senior Services (7/1/11-9/30/12)	\$208

U.S. DEPT. OF ENERGY

81.042 ARRA - Weatherization Assistance for Low Income Persons \$1,987,347

Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity Grant #09-491042 (7/09-3/12)	\$1,987,347
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81.042 Weatherization Assistance for Low Income Persons \$173,019

Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity Grant #11-401042 (7/10-6/11)	\$147,321
Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity Grant #12-401042 (7/11-6/12)	\$25,698

81.128 ARRA - Energy Efficiency and Conservation Block Grant \$840,448

Regional Planning Commission	IL Assoc. of Regional Councils / IL DCEO Grant #10-451001-005 (5/10-3/12)	\$800,602 (to subrecipients -- \$749,716)
Public Properties	Champaign County Regional Planning Comm. Grant #864-17 (10/10-3/12)	\$39,846

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COUNTY OF CHAMPAIGN, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2011

Federal Agency CFDA # / Federal Program Name County Department	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures
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U.S. DEPT. OF HOUSING & URBAN DEVELOPMENT
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14.238 Shelter Plus Care Program	\$302,037
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Regional Planning Commission	U.S. Dept. of Housing & Urban Development Shelter Plus Care I #IL0039C5T030801 (7/10-6/11)	\$184,692
Regional Planning Commission	U.S. Dept. of Housing & Urban Development Shelter Plus Care I #IL0039C5T030801 (7/11-6/12)	\$114,668
Regional Planning Commission	U.S. Dept. of Housing & Urban Development Shelter Plus Care III #IL01C703001 (3/11-2/12)	\$2,677

14.239 HOME Investment Partnerships Program	\$293,047
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Regional Planning Commission	City of Urbana H.O.M.E. Program Subgrant 7/1/09 - 6/30/10	\$0
Regional Planning Commission	City of Urbana H.O.M.E. Program Subgrant 7/1/10 - 6/30/11	\$23,559
Regional Planning Commission	City of Urbana H.O.M.E. Program Subgrant 7/1/11 - 6/30/12	\$52,815
Regional Planning Commission	City of Urbana Tenant Rental Assistance 2/1/10 - 6/30/12	\$99,553
Regional Planning Commission	City of Champaign Tenant Rental Assistance 11/4/10 - 11/3/11	\$114,831
Regional Planning Commission	City of Champaign Tenant Rental Assistance 11/4/11 - 11/3/12	\$2,289

14.870 Resident Opportunity and Supportive Services - Service Coordinators	\$70,024
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Regional Planning Commission	Housing Authority of Champaign County Grant #2577-0229 (5/09-4/12)	\$70,024
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14.218 Community Development Block Grant / Entitlement Grant	\$60,949
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Regional Planning Commission	Village of Rantoul Court Diversion 7/1/10-6/30/11	\$7,500
Regional Planning Commission	Cunningham Township Court Diversion 7/1/10-6/30/11	\$2,619

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COUNTY OF CHAMPAIGN, ILLINOIS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2011

Federal Agency CFDA # / Federal Program Name County Department	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures
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U.S. DEPT. OF HOUSING & URBAN DEVELOPMENT (continued)
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14.218 Community Development Block Grant / Entitlement Grant (continued)	
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Regional Planning Commission	City of Urbana Senior Services Program 10/1/10-6/30/11	\$3,662
Regional Planning Commission	City of Champaign Senior Home Repair Program 7/1/10-6/30/11	\$30,192
Regional Planning Commission	City of Champaign Senior Home Repair Program 7/1/11-6/30/12	\$11,976
Regional Planning Commission	Village of Rantoul Senior Case Management 8/1/10-7/31/11	\$5,000

14.235 Supportive Housing Program	\$12,283
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Regional Planning Commission	U.S. Dept. of Housing & Urban Development Grant #IL01B603001 (1/1/10-12/31/10)	\$1,750
Regional Planning Commission	U.S. Dept. of Housing & Urban Development Grant #IL0367B5T030901 (1/1/11-12/31/11)	\$10,533

14.257 ARRA - Homelessness Prevention and Rapid Re-Housing Program	\$9,920
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Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity Grant #09-261008 (10/09-9/11)	\$9,920
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U.S. DEPT. OF TRANSPORTATION

20.205 FHWA Highway Planning and Construction	\$253,465
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Regional Planning Commission	IL Dept. of Transportation Grant #11T0058 (7/10-6/11)	\$127,900
Regional Planning Commission	IL Dept. of Transportation Grant #12T0004 (7/11-6/12)	\$114,245
Regional Planning Commission	IL Dept. of Transportation Signal Retiming Grant #HSIP-0019(129) (1/10-1/13)	\$8,396
Regional Planning Commission	IL Dept. of Transportation Illinois Modeling Initiative #SPR-PL-3000(47) (11/11-11/13)	\$2,924

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COUNTY OF CHAMPAIGN, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2011

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

20.509 FTA Formula Grants for Other Than Urbanized Areas \$245,303

Regional Planning Commission	IL Dept. of Transportation Human Services Transportation #PT07074 (4/07-3/10)	\$85,757
Regional Planning Commission	IL Dept. of Transportation Rural Mass Transit Grant #4022 (7/10-6/11) (to subrecipients -- \$65,860)	\$65,860
Regional Planning Commission	IL Dept. of Transportation Rural Mass Transit Grant #4189 (7/11-6/12) (to subrecipients -- \$93,686)	\$93,686

20.505 FTA Metropolitan Transportation Planning \$93,201

Regional Planning Commission	IL Dept. of Transportation Grant #11T0058 (7/10-6/11)	\$34,592
Regional Planning Commission	IL Dept. of Transportation Grant #12T0004 (7/11-6/12)	\$28,561
Regional Planning Commission	IL Dept. of Transportation University of IL Traffic Circulation Study #0257 (8/11-1/14)	\$30,048

20.513 Capital Assistance for Elderly Persons and Persons with Disabilities \$41,728

Nursing Home	IL Dept. of Transportation Consolidated Vehicle Procurement #CAP-04-879-CVP	\$41,728
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20.521 New Freedom Program \$8

Regional Planning Commission	IL Dept. of Transportation Bus Facilities Study Grant #4210 (7/11-6/14)	\$8
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U.S. DEPT. OF AGRICULTURE

10.558 Child and Adult Care Food Program \$254,931

Regional Planning Comm.--Head Start Fund	IL State Board of Education Grant #09-010-043P-00	\$254,931
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10.555 National School Lunch Program \$18,525

Juvenile Detention Center	IL State Board of Education Grant #09-010-043P-00	\$18,525
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COUNTY OF CHAMPAIGN, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2011

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

10.553 National School Breakfast Program \$10,667

Juvenile Detention Center	IL State Board of Education Grant #09-010-043P-00	\$10,667
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U.S. DEPT. OF HOMELAND SECURITY

97.067 Homeland Security Grant Program \$202,239

Emergency Management Agency	IL Law Enforcement Alarm System Emrg. Oper. Center Technology Grant 7/1/10 - 3/31/11	\$11,441
Emergency Management Agency	IL Law Enforcement Alarm System Generator Grant 9/21/10 - 12/31/11 (2010)	\$157,016
Emergency Management Agency	IL Law Enforcement Alarm System Generator Grant 9/21/10 - 12/31/11 (2011)	\$33,782

97.042 Emergency Management Performance Grant \$44,436

Emergency Management Agency	IL Emergency Management Agency 10/1/09 - 9/30/10	\$0
Emergency Management Agency	IL Emergency Management Agency 10/1/10 - 9/30/11	\$44,436

U.S. DEPT. OF JUSTICE

16.575 Crime Victim Assistance \$78,129

State's Attorney--Victim Advocacy Fund	IL Criminal Justice Information Authority Grant #210078 (10/10-9/11)	\$28,843
State's Attorney--Victim Advocacy Fund	IL Criminal Justice Information Authority Grant #209278 (10/11-9/12)	\$5,849
Child Advocacy Center	IL Criminal Justice Information Authority Grant #209216 (3/10-2/11)	\$9,664
Child Advocacy Center	IL Criminal Justice Information Authority Grant #210216 (3/11-2/12)	\$33,773

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COUNTY OF CHAMPAIGN, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2011

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

16.579 Byrne Memorial Anti-Drug Abuse Formula Grant \$44,000

State's Attorney	IL Appellate Prosecutor Drug Prosecutor Contract 10/1/10-9/30/11	\$37,333
State's Attorney	IL Appellate Prosecutor Drug Prosecutor Contract 10/1/11-9/30/12	\$6,667

16.606 State Criminal Alien Assistance Program \$29,402

Sheriff	U.S. Dept. of Justice Grant #2011-AP-BX-0816 (2011)	\$29,402
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16.738 Byrne Memorial Justice Assistance Grant \$14,883

Sheriff	City of Champaign #2010-H5025-IL-DJ (2010-2011)	\$14,883
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16.543 Missing Children's Assistance \$871

Child Advocacy Center	National Children's Alliance Program Support #Cham-IL-SA10 (1/10-12/10)	\$871
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16.758 Improving the Investigation and Prosecution of Child Abuse \$9,154

Child Advocacy Center	National Children's Alliance Program Support #Cham-IL-SA11 (1/11-12/11)	\$9,154
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16.523 Juvenile Accountability Block Grant \$6,683

Court Services--Juv. Info. Sharing System Fund	IL Criminal Justice Information Authority Grant #507005 (5/1/10-11/26/11)	\$6,683
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U.S. ELECTION ASSISTANCE COMMISSION

90.401 Help America Vote Act Requirements Payments \$27,963

County Clerk--Election Assistance Fund	IL State Board of Elections Phase III HAVA Requirements Grant (7/09-11/12)	\$27,963
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COUNTY OF CHAMPAIGN, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED NOVEMBER 30, 2011

Federal Agency CFDA # / Federal Program Name County Department	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures
U.S. DEPT. OF THE INTERIOR		
15.809 National Spatial Data Infrastructure Cooperative Agreements		\$11,201
Regional Planning Commission	U.S. Geological Survey Grant #G10AC00203 (4/10-6/11)	\$11,201
U.S. DEPT. OF EDUCATION		
84.027 Special Education Grants to States		\$10,149
Regional Planning Commission	IL State Board of Education Grant #2011-4630-10 (09-010-043P-00) (7/10-6/11)	\$10,149
U.S. ENVIRONMENTAL PROTECTION AGENCY		
66.605 Performance Partnership Grants		\$1,025
County Public Health Board	IL Dept. of Public Health #15380073 (10/10 - 9/11)	\$1,025
66.432 State Public Water System Supervision Program		\$167
County Public Health Board	IL Dept. of Public Health #25380231 (10/11 - 9/12)	\$167
TOTAL FEDERAL AWARDS		<u>\$15,501,031</u>

Notes:

Accounting policy for this schedule: Federal award expenditures are reported on a modified accrual basis in the period when incurred.

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

Champaign County Board
Champaign County, Illinois
Urbana, Illinois

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 (County) as of and for the year ended November 30, 2011, and have issued our report thereon dated June 27, 2012. 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

Management of Champaign County, Illinois is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the County's 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 the entity's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control over financial reporting.

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 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.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Champaign County, Illinois' 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 noted certain matters that we reported to management of Champaign County, Illinois in a separate letter dated June 27, 2012.

This report is intended solely for the information and use of the County Board, Finance Committee, management 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.

A handwritten signature in black ink that reads "Clifton Larson Allen LLP". The signature is written in a cursive, flowing style.

Champaign, Illinois
June 27, 2012

Independent Auditor's Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133

Champaign County Board
Champaign County, Illinois
Urbana, Illinois

Compliance

We have audited the compliance of Champaign County, Illinois (County) with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have a direct and material effect on each of its major federal programs for the year ended November 30, 2011. Champaign County, Illinois' 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' management. Our responsibility is to express an opinion on Champaign County, Illinois' 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' 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 of Champaign County, Illinois' compliance with those requirements.

In our opinion, Champaign County, Illinois complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended November 30, 2011. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as Findings 2011-1, 2011-2, and 2011-3.

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' 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 and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 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 program will not be prevented, or detected and corrected, on a timely basis.

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 the County's internal control over compliance that might be deficiencies, 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. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying schedule of findings and questioned costs as Findings 2011-1, 2011-2, and 2011-3. 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 program that is less severe than a material weakness in internal control over compliance, yet important enough to merit the attention of those charged with governance.

Champaign County, Illinois' responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit Champaign County, Illinois' responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the County Board, Finance Committee, management 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.

A handwritten signature in black ink that reads "Clifton Larson Allen LLP". The signature is written in a cursive, flowing style.

Champaign, Illinois
June 27, 2012

**CHAMPAIGN COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended November 30, 2011**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified
 Internal control over financial reporting:
 • Material weaknesses identified? Yes No
 • Significant deficiency identified that is not considered to be a material weakness? Yes None reported
 Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major programs:
 • Material weaknesses identified? Yes No
 • Significant deficiencies identified that are not considered to be material weaknesses? Yes None reported
 Type of auditor's report issued on compliance for major programs: unqualified opinion

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133? Yes No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
81.042	Weatherization Assistance for Low Income Persons
93.600, 93.708	Head Start Fund, ARRA-Head Start
81.128	ARRA Energy Efficiency and Conservation Block Grant Program
93.104	Community Mental Health Services for Children With Serious Emotional Disturbances

Dollar threshold used to distinguish between type A and type B programs: \$465,031

Auditee qualified as low-risk auditee? Yes No

**CHAMPAIGN COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended November 30, 2011**

Section II - Financial Statement Findings

NONE.

**CHAMPAIGN COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended November 30, 2011**

Section III - Federal Award Findings and Questioned Costs

FINDING NO. 2011- 1- ALLOWABLE COST CONTROLS

Federal Agency/Program: U.S. Department of Health and Human Services –CFDA #93.104
– Community Mental Health Services for Children with Serious
Emotional Disturbances; Passed-through Illinois Department of
Human Services (IDHS)
Questioned Costs: \$642.14

Criteria or Specific Requirement: Applicable allowable cost compliance requirements state that interest is not an allowable cost.

Condition: During our audit testing, we noted credit card interest paid with federal funding.

Context: This was noted in one of the sixty disbursements tested during the audit (\$179.06). Additional interest was paid at other times, for a total of \$642.14 for fiscal year ended November 30, 2011.

Effect: Lack of proper controls over allowable costs can lead to questioned costs and reimbursements due to federal agencies.

Cause: The requisition and verification process for bill payments makes timely payment a persistent problem, which results in interest due on late credit card payments.

Recommendation: We recommend the employees reviewing and approving disbursements review the applicable allowable costs circular to ensure only allowable costs are approved and paid from federal resources.

Views of Responsible Officials and Planned Corrective Action: The Executive Director has already made staff aware of this requirement and has discussed compliance with the requirement, and improvements are being made to the process.

**CHAMPAIGN COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended November 30, 2011**

Section III - Federal Award Findings and Questioned Costs

FINDING NO. 2011- 2- PROPER CONTROL OVER MATCHING

Federal Agency/Program: U.S. Department of Health and Human Services –CFDA #93.104
– Community Mental Health Services for Children with Serious Emotional Disturbances; Passed-through Illinois Department of Human Services (IDHS)
Questioned Costs: None noted

Criteria or Specific Requirement: Matching requirements state that \$1 for every \$3 of federal funds for year one through year three of the award are required through other resources (currently in year two).

Condition: During our audit testing, we noted there were instances when the match was not properly calculated and reported.

Context: The error was noted in two of the four monthly reports tested.

Effect: Lack of proper control procedures over matching can lead to additional resources needed from other funding sources. In this case, the County did have adequate match after correcting the calculation.

Cause: Lack of clear communication with IDHS about how to report the match.

Recommendation: We recommend the County review its matching requirements and ensure that the proper amount of match is being calculated and reported each month. The match calculation should be reviewed and approved by someone other than the preparer.

Views of Responsible Officials and Planned Corrective Action: The Executive Director and those involved in the reporting process now understand the process in which IDHS wants match reported and will use this process going forward.

**CHAMPAIGN COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended November 30, 2011**

Section III - Federal Award Findings and Questioned Costs

FINDING NO. 2011- 3- PROPER CONTROL OVER CASH MANAGEMENT

Federal Agency/Program: U.S. Department of Health and Human Services –CFDA #93.104
– Community Mental Health Services for Children with Serious Emotional Disturbances; Passed-through Illinois Department of Human Services (IDHS)
Questioned Costs: None noted

Criteria or Specific Requirement: Cash management compliance requirements state if federal funds are received in advance, the grantee must establish procedures with the pass-through entity (IDHS) to minimize the time between the transfer of federal funds and the disbursement of funds for program purposes.

Condition: During our audit testing, we noted there was not a process in place to minimize the time lapsing between the receipt of federal funds and disbursements for program purposes.

Context: This was noted in two of the four receipts of funds during the fiscal year.

Effect: Excess cash was on hand for an extended period of time.

Cause: This was a new program last fiscal year with large amounts received in advance for start-up costs. Per County personnel, they had no notice from IDHS when funding would be received prior to its receipt or explanation of the amount received. Per County personnel, they were concerned about returning excess funding to the State, as they knew they would need it for future expenses. They were aware of the excess cash and did properly track interest earned on the funds. The County does not have the ability to advance money if cash flow runs low.

Recommendation: We recommend the County work with IDHS to develop a formal process to minimize the time elapsing between the transfer of funds and disbursement of funds for program purposes.

Views of Responsible Officials and Planned Corrective Action: As of June 15, 2012 cash flow is at a critical level. The Executive Director notified IDHS of the cash flow needs for the next contract year.

CHAMPAIGN COUNTY, ILLINOIS
SCHEDULE OF STATUS OF PRIOR YEAR FINDINGS
Year Ended November 30, 2011

YEAR ENDED NOVEMBER 30, 2010

FINDING NO. 2010-1 – BANK RECONCILIATION REVIEW-CIRCUIT CLERK’S OFFICE

Condition: Bank reconciliations prepared in the Circuit Clerk’s Office (Office) are not reviewed by someone other than the preparer. The preparer of the reconciliations has significant responsibilities for many of the accounting functions of the Office.

Bank reconciliations tested in the current year noted proper review by the Circuit Clerk.

**FINDING NO. 2010- 2- PROPER CONTROL OVER CASH MANAGEMENT –
COMMUNITY MENTAL HEALTH SERVICES FOR CHILDREN
WITH SERIOUS EMOTIONAL DISTURBANCES**

Condition: During our audit testing, we noted there was not a process in place to minimize the time lapsing between the receipt of federal funds and disbursements for program purposes.

Condition still exists.