

# **Single Audit Section**



COUNTY OF CHAMPAIGN, ILLINOIS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

Federal Agency CFDA # / Federal Program Name County Fund / Dept	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures	Pass-thru to Sub-recipients
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
<b>10.446 Rural Community Development Initiative</b>		<b>\$ 11,603</b>	
Regional Planning Commission	U.S. Dept. of Agriculture (10/14-6/17)	11,603	
<b>*10.553 School Breakfast Program</b>		<b>11,301</b>	
Juvenile Detention Center	IL State Board of Education Grant # 09-010-043P-00	11,301	
<b>*10.555 National School Lunch Program</b>		<b>20,350</b>	
Juvenile Detention Center	IL State Board of Education Grant # 09-010-043P-00	20,350	
<b>10.558 Child and Adult Care Food Program</b>		<b>310,153</b>	
Early Childhood	IL State Board of Education Grant # 09-010-043P-00	310,153	
<b>*10.559 Summer Food Service Program for Children</b>		<b>100</b>	
County Public Health Board	IL Dept. of Public Health Grant # 65280008D (7/15-8/16)	100	
<b>10.767 Intermediary Relending Program</b>		<b>393,750</b>	
Regional Planning Commission	USDA Revolving Loans Grant # 13-010-376006910	393,750	
<b>U.S. DEPARTMENT OF HOUSING &amp; URBAN DEVELOPMENT</b>			
<b>14.218 Community Development Block Grants / Entitlement Grants</b>		<b>47,837</b>	
Regional Planning Commission	Village of Rantoul Court Diversion (7/01/15-12/31/16)	6,768	
Regional Planning Commission	Village of Rantoul Court Diversion (7/01/16-7/31/16)	1,437	
Regional Planning Commission	City of Champaign Senior Home Repair Program (7/01/15-6/30/16)	25,919	
Regional Planning Commission	City of Champaign Senior Home Repair Program (7/01/16-6/30/17)	12,689	
Regional Planning Commission	City of Urbana Senior Services (7/01/15-6/30/16)	400	

COUNTY OF CHAMPAIGN, ILLINOIS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

Federal Agency CFDA # / Federal Program Name County Fund / Dept	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures	Pass-thru to Sub-recipients
<b>U.S. DEPARTMENT OF HOUSING &amp; URBAN DEVELOPMENT continued</b>			
<b>14.218 Community Development Block Grants / Entitlement Grants continued</b>			
Regional Planning Commission	City of Urbana Court Diversion (7/01/16-12/31/16)	624	
<b>14.231 Emergency Solutions Grant Program</b>		<b>100,143</b>	
Regional Planning Commission	IL Dept of Human Services Grant # FCSUH03828 (7/01/15-6/30/16)	54,639	
Regional Planning Commission	IL Dept. of Human Services Grant # FCSVH03828 (7/01/16-6/30/17)	45,504	
<b>14.235 Supportive Housing Program</b>		<b>34,504</b>	
Regional Planning Commission	U.S. Dept. of Housing & Urban Development Grant # IL0367B5T031103 (7/01/15-6/30/16)	14,642	
Regional Planning Commission	U.S. Dept. of Housing & Urban Development Grant # IL0367B5T031002 (7/01/16-6/30/17)	19,862	
<b>14.238 Shelter Plus Care Program</b>		<b>258,747</b>	
Regional Planning Commission	U.S. Dept. of Housing & Urban Development Shelter Plus Care I # IL0039L5T031407 (7/15-6/16)	109,971	
Regional Planning Commission	U.S. Dept. of Housing & Urban Development Shelter Plus Care I # IL0039L5T031508 (7/16-6/17)	114,420	
Regional Planning Commission	U.S. Dept. of Housing & Urban Development Shelter Plus Care II # IL0619L5T031500 (7/16-6/17)	11,918	
Regional Planning Commission	U.S. Dept. of Housing & Urban Development Shelter Plus Care IV # IL0487C5T031100 (10/12-10/17)	7,890	
Regional Planning Commission	U.S. Dept. of Housing & Urban Development Shelter Plus Care V # IL0538L5T031401 (7/15-6/16)	14,548	
<b>14.239 Home Investment Partnerships Program</b>		<b>83,588</b>	
Regional Planning Commission	City of Urbana (7/01/15-6/30/16)	44,611	
Regional Planning Commission	City of Urbana (7/01/16-6/30/17)	38,977	

COUNTY OF CHAMPAIGN, ILLINOIS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

Federal Agency CFDA # / Federal Program Name County Fund / Dept	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures	Pass-thru to Sub-recipients
<b>U.S. DEPARTMENT OF HOUSING &amp; URBAN DEVELOPMENT continued</b>			
<b>14.267 Continuum of Care Program</b>		<b>37,836</b>	
Regional Planning Commission	U.S. Dept. of Housing and Urban Development Grant # IL0587L5T031400 (10/15-9/16)	12,593	
Regional Planning Commission	U.S. Dept. of Housing and Urban Development Grant # IL0618L5T031500 (3/16-6/17)	18,925	
Regional Planning Commission	Village of Rantoul (2016)	6,318	
<b>U.S. DEPARTMENT OF JUSTICE</b>			
<b>16.540 Juvenile Justice &amp; Delinquency Prevention</b>		<b>25,923</b>	
Regional Planning Commission	IL Dept. of Human Services Grant # FCSUR03913	25,923	
<b>16.575 Crime Victim Assistance</b>		<b>76,077</b>	
Child Advocacy Center	IL Criminal Justice Information Authority Grant # 213216 (7/15-6/16)	19,672	
Child Advocacy Center	IL Criminal Justice Information Authority Grant # 215316 (7/16-6/17)	19,722	
Victim Advocacy Grant-ICJIA	IL Criminal Justice Information Authority Grant # 215078 (10/15-9/16)	25,894	
Victim Advocacy Grant-ICJIA	IL Criminal Justice Information Authority Grant # 215278 (10/16-9/17)	10,789	
<b>16.606 State Criminal Alien Assistance Program</b>		<b>3,236</b>	
Sheriff	U.S. Dept. of Justice Grant # 2016-AP-BX-0505	3,236	
<b>16.738 Edward Byrne Memorial Justice Assistance Grant Program</b>		<b>28,200</b>	
Sheriff	City of Champaign/U.S Dept. Just. Grant # 2015-H2728-IL-DJ (15/16)	0	
State's Attorney	IL Appellate Prosecutor Drug Prosecutor Contract (10/15-9/16)	21,150	
State's Attorney	IL Appellate Prosecutor Drug Prosecutor Contract (10/16-9/17)	7,050	

COUNTY OF CHAMPAIGN, ILLINOIS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

Federal Agency CFDA # / Federal Program Name County Fund / Dept	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures	Pass-thru to Sub-recipients
<b>U.S. DEPARTMENT OF JUSTICE continued</b>			
<b>16.745 Criminal &amp; Juvenile Justice and Mental Health Collaboration Program</b>		<b>46,604</b>	<b>45,124</b>
General County	U.S. Dept of Justice Grant # 2015-MO-BX-0017 (10/15-9/17)	46,604	45,124
<b>16.758 Improving the Investigation and Prosecution of Child Abuse</b>		<b>8,163</b>	
Child Advocacy Center	National Children's Alliance Prg. Support Grant # Cham-IL-SA15 (1/15-12/15)	0	
Child Advocacy Center	National Children's Alliance Prg.Support Grant #10-Cham-IL-SA16 (1/16-12/16)	8,163	
<b>U.S. DEPARTMENT OF LABOR</b>			
<b>**17.258 WIOA Adult Program</b>		<b>681,024</b>	
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 13-632017	4,158	
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 14-632017	1,488	
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 14-681017	22,453	
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 15-681017	553,430	
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 16-681017	99,495	
<b>**17.259 WIOA Youth Activities</b>		<b>726,012</b>	<b>523,107</b>
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 13-632017	4,306	
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 14-632017	1,587	
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 14-681017	23,944	59,818
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 15-681017	590,090	393,913
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 16-681017	106,085	69,376

COUNTY OF CHAMPAIGN, ILLINOIS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

Federal Agency CFDA # / Federal Program Name County Fund / Dept	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures	Pass-thru to Sub-recipients
---	---	-------------------------	--------------------------------

<b>U.S. DEPARTMENT OF LABOR continued</b>
---

**17.278 WIOA Dislocated Worker Formula Grants	855,497
Workforce Development IL Dept. of Commerce & Economic Opportunity Grant # 13-632017	6,118
Workforce Development IL Dept. of Commerce & Economic Opportunity Grant # 14-632017	2,287
Workforce Development IL Dept. of Commerce & Economic Opportunity Grant # 14-681017	26,476
Workforce Development IL Dept. of Commerce & Economic Opportunity Grant # 15-681017	632,292
Workforce Development IL Dept. of Commerce & Economic Opportunity Grant # 16-681017	115,937
Workforce Development IL Dept. of Commerce & Economic Opporrtunity Grant # 15-653017	23,729
Workforce Development IL Dept. of Commerce & Economic Opporrtunity Grant # 16-651017	2,538
Workforce Development IL Dept. of Commerce & Economic Opporrtunity Grant # 14-661017	28,432
Workforce Development IL Dept. of Commerce & Economic Opporrtunity Grant # 16-661017	17,688

<b>U.S. DEPARTMENT OF TRANSPORTATION</b>
--

20.205 Highway Planning and Construction	467,919
Regional Planning Commission IL Dept. of Transportation Grant # 14T0012 (7/01/15-6/30/16)	189,049
Regional Planning Commission IL Dept. of Transportation Grant # 17T0008 (7/01/16-6/30/17)	111,138
Regional Planning Commission IL Dept. of Transportation Grant # SPR-PL-3000 (47)	0
Regional Planning Commission IL Dept. of Transportation Grant # 13T0042 (12/12-6/16)	26,987
Regional Planning Commission IL Dept. of Transportation Grant # 17T0002 (7/16-6/18)	140,745

COUNTY OF CHAMPAIGN, ILLINOIS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

Federal Agency CFDA # / Federal Program Name County Fund / Dept	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures	Pass-thru to Sub-recipients
<b>U.S. DEPARTMENT OF TRANSPORTATION continued</b>			
<b>20.505 Metropolitan Transportation Planning &amp; State&amp; Non-Metropolitan Planning</b>		<b>75,047</b>	
Regional Planning Commission	IL Dept. of Transportation Grant # 16T0015 (7/01/15-6/30/16)	47,262	
Regional Planning Commission	IL Dept. of Transportation Grant # 17T0008 (7/01/16-6/30/17)	27,785	
Regional Planning Commission	IL Dept. of Transportation Grant # TS13284	0	
<b>20.509 Formula Grants for Rural Areas</b>		<b>163,055</b>	<b>76,944</b>
Regional Planning Commission	IL Dept. of Transportation Grant # 1506100701 (7/01/15-6/30/17)	86,111	
Regional Planning Commission	IL Dept. of Transportation Rural Mass Transit Grant # 4531 (7/01/15-6/30/16)	76,944	76,944
<b>20.521 New Freedom Program</b>		<b>54,881</b>	
Regional Planning Commission	Champaign-Urbana MTD (1/16-12/16)	54,881	
<b>20.703 Interagency Hazardous Materials Public Sector Training &amp; Planning Grants</b>		<b>3,986</b>	
Emergency Management Agency	IL Emergency Management Agency Grant # 14CHAMPPHME (10/1/15-9/30/16)	3,986	
<b>U.S. ENVIRONMENTAL PROTECTION AGENCY</b>			
<b>66.432 State Public Water System Supervision</b>		<b>1,187</b>	
County Public Health Board	IL Dept. of Public Health Grant # 65380128D (10/15 - 9/16)	900	
County Public Health Board	IL Dept. of Public Health Grant # 75380114E (10/16 - 9/17)	287	
<b>U.S. DEPARTMENT OF ENERGY</b>			
<b>81.042 Weatherization Assistance for Low-Income Persons</b>		<b>333,732</b>	
Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity Grant # 13-403042 (7/01/15-6/30/16)	256,955	
Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity Grant # 13-404042 (7/01/16-6/30/17)	76,777	

COUNTY OF CHAMPAIGN, ILLINOIS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

Federal Agency CFDA # / Federal Program Name County Fund / Dept	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures	Pass-thru to Sub-recipients
<b>U.S. DEPARTMENT OF HEALTH &amp; HUMAN SERVICES</b>			
<b>93.074 HPP and PHEP Aligned Cooperative Agreements</b>		<b>67,294</b>	
County Public Health Board	IL Dept. of Public Health Grant # 67180009D (7/01/15-6/30/16)	35,445	
County Public Health Board	IL Dept of Public Health Grant # 67180197D (7/01/15-6/30/16)	1,572	
County Public Health Board	IL Dept of Public Health Grant # 67180197D (7/01/16-6/30/17)	3,149	
County Public Health Board	IL Dept. of Public Health Grant # 77180009E (7/01/16-6/30/17)	27,128	
<b>93.086 Healthy Marriage Promotion and Responsible Fatherhood Grants</b>		<b>19,653</b>	
Regional Planning Commission	IL State University (2016)	19,653	
<b>93.104 Comprehensive Community Mental Health Services for Children with SED</b>		<b>0</b>	
Access Initiative	IL Dept. of Human Services Grant # 45CUB00099 (10/15 - 9/16)	0	
<b>93.556 Promoting Safe and Stable Families</b>		<b>55,594</b>	
Regional Planning Commission	IL Dept. of Children & Family Services Grant # 178742-6015 (7/01/14-6/30/15)	34,496	
Regional Planning Commission	IL Dept. of Children & Family Services Grant # 178742-6016 (7/01/15-6/30/16)	21,098	
<b>93.563 Child Support Enforcement</b>		<b>140,014</b>	
State's Attorney	IL Dept. of Healthcare & Family Services Grant # 2015-55-013-K (7/01/15-6/30/16)	104,571	
	IL Dept. of Healthcare & Family Services Grant # 2017-55-013-K (7/01/16-6/30/17)	16,025	
Circuit Clerk	IL Dept. of Healthcare & Family Services Grant # 2015-55-007-KAA (7/01/15-6/30/16)	16,563	
	IL Dept. of Healthcare & Family Services Grant #2015-55-007-KAA (7/01/16-6/30/17)	2,855	
Sheriff	IL Dept. of Healthcare & Family Services (7/1/15-6/30/16)	0	

COUNTY OF CHAMPAIGN, ILLINOIS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

Federal Agency CFDA # / Federal Program Name County Fund / Dept	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures	Pass-thru to Sub-recipients
<b>U.S. DEPARTMENT OF HEALTH &amp; HUMAN SERVICES continued</b>			
<b>93.563 Child Support Enforcement continued</b>			
Sheriff	IL Dept. of Healthcare & Family Services (7/1/16-6/30/17)	0	
<b>93.568 Low-Income Home Energy Assistance</b>		<b>1,717,647</b>	
Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity Weatherization Grant # 15-221042 (7/15-9/16)	339,901	
Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity Weatherization Grant # 16-221042 (7/16-6/17)	163,191	
Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity LIHEAP Grant # 15-224042 (10/14-6/16)	0	
Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity LIHEAP Grant # 16-224042 (10/15-6/17)	1,214,555	
<b>93.569 Community Services Block Grant</b>		<b>530,222</b>	
Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity Grant # 15-231038 (1/15-3/16)	0	
Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity Grant # 16-231038 (1/16-3/17)	530,222	
<b>93.575 Child Care and Development Block Grant</b>		<b>19,152</b>	
Early Childhood	IL Dept. of Human Services (7/01/16-6/30/16)	19,152	
<b>93.600 Head Start (M)</b>		<b>5,117,233</b>	
Early Childhood	U.S. Dept. of Health & Human Services Grant # 05/CH/8461/01 (3/15-2/16)	659,753	
Early Childhood	U.S. Dept. of Health & Human Services Grant # 05/CH/8461/02 (3/16-2/17)	4,457,480	
<b>93.618 Voting Access for Individuals with Disabilities</b>		<b>4,344</b>	
County Clerk	IL State Board of Elections Voting Access/Disabled Grant (7/14-8/16)	4,344	

COUNTY OF CHAMPAIGN, ILLINOIS  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

Federal Agency CFDA # / Federal Program Name County Fund / Dept	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures	Pass-thru to Sub-recipients
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>			
<b>97.024 Emergency Food &amp; Shelter National Board Program</b>		<b>9,656</b>	
Regional Planning Commission	Emergency Food/Shelter National Board Grant # 23-6000 Phase 33	9,656	
<b>97.039 Hazard Mitigation Grant</b>		<b>21,111</b>	
Regional Planning Commission	IL Dept. of Homeland Security Grant # FEMA-DR-4116-IL	21,111	
<b>97.042 Emergency Management Performance Grants</b>		<b>79,891</b>	
Emergency Management Agency	IL Emergency Management Agency (10/1/14 - 9/30/15)	25,935	
Emergency Management Agency	IL Emergency Management Agency Grant # 16EMACHAMP (10/15-9/16)	53,956	
<b>TOTAL FEDERAL AWARDS</b>		<b>\$ 12,642,266</b>	<b>\$ 645,175</b>

\* Child Nutrition Cluster - Total Cluster Expenditures of \$31,751

\*\* WIA/WIOA Cluster - Total Cluster Expenditures of \$2,262,533

(M) - Major program

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**NOTE 1 - BASIS OF PRESENTATION**

This accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Champaign County under programs of the federal government for the year ended December 31, 2016. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, "Uniform Administrative Requirements Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance)". Since the Schedule presents only a select portion of the operations of Champaign County, it is not intended to, and does not, present the financial position changes in net assets or cash flows of the County of Champaign.

**NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are prepared using the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable, or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits, made in the normal course of business, to amounts reported as expenditures in prior years. Champaign County has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**NOTE 3 - NON-CASH ASSISTANCE**

Champaign County did not receive any non-cash awards during fiscal year 2016.

**NOTE 4 - INSURANCE IN EFFECT, LOANS, AND GUARANTEES**

Champaign County did not receive any federal awards in the form of non-cash assistance for insurance in effect during the year, loans, or loan guarantees.

COUNTY OF CHAMPAIGN, ILLINOIS  
SUMMARY OF EXPENDITURE OF FEDERAL AWARDS BY CFDA NUMBER  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

<u>FEDERAL</u> <u>CFDA</u> <u>NUMBER</u>	<u>EXPENDITURES</u>	<u>PASSED-</u> <u>THROUGH TO</u> <u>SUBRECIPIENTS</u>	<u>CLUSTER TOTAL</u>
10.446	\$ 11,603		
10.553	11,301		
10.555	20,350		31,751
10.558	310,153		
10.559	100		
10.767	393,750		
14.218	47,837		
14.231	100,143		
14.235	34,504		
14.238	258,747		
14.239	83,588		
14.267	37,836		
16.540	25,923		
16.575	76,077		
16.606	3,236		
16.738	28,200		
16.745	46,604	45,124	
16.758	8,163		
17.258	681,024		
17.259	726,012	523,107	
17.278	855,497		2,262,533
20.205	467,919		
20.505	75,047		
20.509	163,055	76,944	
20.521	54,881		
20.703	3,986		
66.432	1,187		
81.042	333,732		
93.074	67,294		
93.086	19,653		
93.104	-		
93.556	55,594		
93.563	140,014		
93.568	1,717,647		
93.569	530,222		
93.575	19,152		

COUNTY OF CHAMPAIGN, ILLINOIS  
SUMMARY OF EXPENDITURE OF FEDERAL AWARDS BY CFDA NUMBER  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

<b>FEDERAL CFDA NUMBER</b>	<b>EXPENDITURES</b>	<b>PASSED- THROUGH TO SUBRECIPIENTS</b>	<b>CLUSTER TOTAL</b>
93.600	5,117,233		
93.618	4,344		
97.024	9,656		
97.039	21,111		
97.042	79,891		
<b>TOTAL</b>	<b>\$ 12,642,266</b>	<b>\$ 645,175</b>	<b>\$ 2,294,284</b>

NOTES:

- (1) Child Nutrition cluster consists of CFDA #'s 10.553, 10.555 and 10.559
- (2) Workforce Development (WIOA ) cluster consists of CFDA #'s 17.258, 17.259 and 17.278
- (3) Head Start-CFDA # 93-600 is a Major Program

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

INDEPENDENT AUDITORS' REPORT

Members of the County Board  
Champaign County, Illinois  
Urbana, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Champaign County, Illinois as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the Champaign County's basic financial statements, and have issued our report thereon dated December 7, 2017.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified a certain deficiency in internal control that we consider to be a material weakness and another deficiency that we consider to be a significant deficiency.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2016-001 to be a material weakness.

Members of the County Board  
Champaign County, Illinois

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2016-002 to be a significant deficiency.

### **Compliance and Other Matters**

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

### **The County's Response to Finding**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Baker Tilly Virchow Krause, LLP*

Oak Brook, Illinois  
December 7, 2017

## INDEPENDENT AUDITORS' REPORT

Members of the County Board  
Champaign County, Illinois  
Urbana, Illinois

### **Report on Compliance for the Major Federal Program**

We have audited Champaign County's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the County's major federal program for the year ended December 31, 2016. The County's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

#### ***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal program.

#### ***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for the County's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the County's compliance.

Members of the County Board  
Champaign County, Illinois

### ***Opinion on the Major Federal Program***

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2016.

### **Report on Internal Control Over Compliance**

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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. *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 attention by those charged with governance.

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

### **Purpose of this Report**

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Members of the County Board  
Champaign County, Illinois

### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

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 December 31, 2016, and the related notes to the financial statements, which collectively comprise Champaign County's basic financial statements. We issued our report thereon dated December 7, 2017, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Baker Tilly Virchow Krause, LLP*

Oak Brook, Illinois  
December 7, 2017

COUNTY OF CHAMPAIGN  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 For the Year Ended December 31, 2016

**SECTION I – SUMMARY OF AUDITORS’ RESULTS**

***FINANCIAL STATEMENTS***

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- > Material weakness (es) identified?        X   yes             no
- > Significant deficiency (ies) identified?        X   yes             none reported

Noncompliance material to financial statements noted?

       yes        X   no

***FEDERAL AWARDS***

Internal control over major programs:

- > Material weakness (es) identified?             yes        X   no
- > Significant deficiency (ies) identified?             yes        X   none reported

Type of auditor’s report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a) of the Uniform Guidance?

       yes        X   no

Auditee qualified as low-risk auditee?

  X   yes             no

Identification of major federal programs:

CFDA Number

Name of Federal Program or Cluster

93.600

Head Start

Dollar threshold used to distinguish between type A and type B programs:

\$750,000

COUNTY OF CHAMPAIGN

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended December 31, 2016

---

**SECTION II – FINANCIAL STATEMENT FINDINGS REQUIRED TO BE REPORTED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

---

**Item 2016-001:** Nursing Home Cash Receipts Process

**Criteria:** The internal control structure over cash receipts processes should include appropriate segregation of duties, monitoring controls such as reviews of system inputs and monthly reports, and documentation of formal reviews and approvals.

**Condition:** Patient status and billing rates entered into the Nursing Home's patient billing software (MDI) were not reviewed after entry into the system. Evidence of review of monthly census data reports could not be provided. Additionally, evidence of review and approval of receivable account write-offs could not be provided and timely reconciliations of the MDI subledger to the County's general ledger were not completed by Nursing Home personnel. Lastly, the individual responsible for posting cash receipts to MDI has cash handling responsibilities, including opening of mail and access to the lockbox.

**Cause/Effect:** Lack of documented independent review and lack of segregation of duties could result in errors in cash receipt reporting or fraudulent activity going undetected by Nursing Home and County management.

**Recommendation:** A formal, documented review of key inputs into MDI after entry and monthly census data reports should be completed. Responsibility for cash handling and posting of revenue into MDI should be segregated with no individual having access to do both.

**Management's Response:** Champaign County has engaged SAK Management to provide management services to Champaign County Nursing Home, effective July 1, 2017. SAK Management's A/R manager now performs month-end review of inputs into MDI, verifying accuracy of reported census, rates, and proper recognition of revenue.

Cash handling is assigned to an accounting clerk. Posting of revenue to MDI is assigned to business office manager and biller (SAK Management employee, offsite), offering oversight of the process. SAK Management employees have no access to cash handling process.

COUNTY OF CHAMPAIGN  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended December 31, 2016

---

**SECTION II – FINANCIAL STATEMENT FINDINGS REQUIRED TO BE REPORTED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS (CONT'D)**

---

**Item 2016-002:** Segregation of Duties / Secondary Review

**Criteria:** Effective internal controls require the existence of policies and procedures that support segregation of duties.

**Condition:** Within several key transaction cycles, a lack of segregation of duties was noted. The lack of segregation of duties is primarily due to staffing size restrictions and/or system limitations, which make implementing complete segregation of duties impractical.

Within the payroll process, the individual responsible for changing employee information, including adding new employees and changing pay rates, is also responsible for processing payroll and generating payroll checks. Additionally, there is no evidence of a detailed review of payroll before processing and subsequent reviews are not routinely documented.

Within the property tax collection and distribution cycle, we noted that the individuals responsible for preparing monthly reconciliations for the collector accounts also have the ability to process tax collections.

We noted that several County departments do not regularly reconcile decentralized cash collections between the subsidiary ledgers (maintained by the County department) and the general ledger.

**Cause/Effect:** Lack of segregation of duties and secondary review controls could result in an unauthorized transaction, an error in reporting, or other fraudulent activity to occur and not be identified by County management.

**Recommendation:** Responsibilities for entering personnel information into the payroll system, processing of payroll each period, and generating of payroll checks should be segregated across multiple employees with access restricted so that no individual can complete all components of the payroll process. If such segregation cannot be realized due to system limitations or staffing restrictions, alternative monitoring controls should be implemented such as a periodic review of change logs within the payroll system focusing on creation of new employees and manual changes to wages in the payroll system.

Departments maintaining separate subsidiary ledgers should reconcile subledgers to the County's general ledger on a routine, timely basis. The reconciliation should be reviewed by someone other than the original preparer.

COUNTY OF CHAMPAIGN

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended December 31, 2016

---

**SECTION II – FINANCIAL STATEMENT FINDINGS REQUIRED TO BE REPORTED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS (CONT'D)**

---

**Item 2016-002:** Segregation of Duties / Secondary Review (cont'd)

**Management's Response:** The Regional Planning Commission enters its payroll information including adding new employees and changing pay rates. The Payroll Accountant reviews this information for accuracy. Due to limited staff size, the Payroll Accountant enters payroll information for all other departments based on documentation submitted by each department. Biweekly payroll (time and wages) is approved and submitted by department to the Payroll Accountant. Upon receipt, the Payroll Accountant reviews the payroll for accuracy prior to processing. After processing, an Audit Trail report for employee changes and additions will be sent to the Auditor's Office and the Budget and HR Specialist. The Budget and HR Specialist will review the report for accuracy, sign and date for formal documentation.

The Champaign County Treasurer's office employs 4 full-time employees, two employees performing reconciliations, one for the Treasurer bank accounts and one for the Collector bank accounts. It would be impossible to restrict half of office staff from the real estate tax collection and distribution cycle. Efficiency is a two-way street, useful when containing cost and restrictive when separating duties. The Treasurer's Office is an efficient operation with limited employees, separating duties when possible.

County departments maintaining separate subsidiary ledgers will be instructed on proper segregation and protocol by the Auditor's Office for reconciliation on a routine, timely basis.

COUNTY OF CHAMPAIGN  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended December 31, 2016

---

**SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS**

---

None noted.

COUNTY OF CHAMPAIGN

SCHEDULE OF STATUS OF PRIOR YEAR FINDINGS  
For the Year Ended December 31, 2016

---

**FINDING NO. 2015-001 – ALLOWABLE COST CONTROLS – COMMUNITY MENTAL HEALTH SERVICES FOR CHILDREN WITH SERIOUS EMOTIONAL DISTURBANCES**

Condition: During audit testing, it was noted that credit card interest and other late fees were paid with federal funding.

Grant funding period ended September 30, 2015. There was no activity for this grant in 2016.

**FINDING NO. 2015-002 – PROPER CONTROL OVER CASH MANAGEMENT– COMMUNITY MENTAL HEALTH SERVICES FOR CHILDREN WITH SERIOUS EMOTIONAL DISTURBANCES**

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

Grant funding period ended September 30, 2015. There was no activity for this grant in 2016.

**FINDING NO. 2015-003 – PROPER CONTROL OVER REPORTING– COMMUNITY MENTAL HEALTH SERVICES FOR CHILDREN WITH SERIOUS EMOTIONAL DISTURBANCES**

Condition: During audit testing, it was noted that a financial report was not documented as reviewed for approval prior to submission.

Grant funding period ended September 30, 2015. There was no activity for this grant in 2016.