

Single Audit Section

COUNTY OF CHAMPAIGN, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015

Federal Agency CFDA # / Federal Program Name County Fund / Dept	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE		
10.446 Rural Community Development Initiative		\$ 13,336
Regional Planning Commission	U.S. Dept. of Agriculture 10/14-6/17	13,336
*10.553 School Breakfast Program		12,708
Juvenile Detention Center	IL State Board of Education Grant # 09-010-043P-00	12,708
*10.555 National School Lunch Program		22,059
Juvenile Detention Center	IL State Board of Education Grant # 09-010-043P-00	22,059
10.559 Summer Food Service Program for Children		175
County Public Health Board	IL Dept. of Public Health Grant # 55280050C (7/14-6/17)	175
10.558 Child and Adult Care Food Program		297,174
Early Childhood	IL State Board of Education Grant # 09-010-043P-00	297,174
10.767 Intermediary Relending Program		168,750
Regional Planning Commission	USDA Revolving Loans Grant # 13-010-376006910	168,750
U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT		
14.218 Community Development Block Grants / Entitlement Grants		44,029
Regional Planning Commission	Village of Rantoul Court Diversion 7/1/14-7/31/15	7,442
Regional Planning Commission	Village of Rantoul Court Diversion 7/1/15-6/30/16	1,558
Regional Planning Commission	City of Champaign Senior Home Repair Program 7/14-6/15	25,870
Regional Planning Commission	City of Champaign Senior Home Repair Program 7/15-6/16	7,677

COUNTY OF CHAMPAIGN, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015

Federal Agency CFDA # / Federal Program Name County Fund / Dept	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures
U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT continued		
14.218 Community Development Block Grants / Entitlement Grants continued		
Regional Planning Commission	City of Urbana Senior Service 7/15-6/16	350
Regional Planning Commission	City of Urbana Court Diversion 7/15-6/16	626
Regional Planning Commission	U.S. Dept. of Housing & Urban Development 11/1/15-10/30/16	506
14.231 Emergency Solutions Grant Program		68,058
Regional Planning Commission	IL Dept. of Human Services Grant # FCSTH03828	55,407
Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity Grant # 13-272014 (11/13-12/14)	733
Regional Planning Commission	IL Dept of Human Services Grant # FCSUH03828	11,918
14.235 Supportive Housing Program		35,469
Regional Planning Commission	U.S. Dept. of Housing & Urban Development Grant # IL0367B5T031103	17,514
Regional Planning Commission	U.S. Dept. of Housing & Urban Development Grant # IL0526L5T031200	17,955
14.238 Shelter Plus Care Program		252,589
Regional Planning Commission	U S. Dept. of Housing & Urban Development Shelter Plus Care I # IL0039C5T031104 (7/14-6/15)	92,418
Regional Planning Commission	U.S. Dept. of Housing & Urban Development Shelter Plus Care I # IL0039L5T031407 (7/15-6/16)	103,244
Regional Planning Commission	U.S. Dept. of Housing & Urban Development Shelter Plus Care III # IL0538LST031401	21,552
Regional Planning Commission	U.S. Dept. of Housing & Urban Development Shelter Plus Care IV # IL0487C5T031100	9,275
Regional Planning Commission	U.S. Dept. of Housing & Urban Development Shelter Plus Care V # IL0538L5T031200	26,100

COUNTY OF CHAMPAIGN, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015

Federal Agency CFDA # / Federal Program Name County Fund / Dept	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures
U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT continued		
14.239 Home Investment Partnerships Program		221,538
Regional Planning Commission	City of Urbana 7/1/15-6/30/16	221,538
U.S. DEPARTMENT OF JUSTICE		
16.523 Juvenile Accountability Block Grant		6,051
Regional Planning Commission	IL Dept. of Justice Grant # FCSTR03264	6,051
16.540 Juvenile Justice & Delinquency Prevention		587
Regional Planning Commission	IL Dept. of Justice Grant # FCUR03913	587
16.575 Crime Victim Assistance		68,886
Child Advocacy Center	IL Criminal Justice Information Authority Grant # 212316 (7/14-6/15)	12,367
Child Advocacy Center	IL Criminal Justice Information Authority Grant # 213216 (7/15-6/16)	21,994
Victim Advocacy Grant-ICJIA	IL Criminal Justice Information Authority Grant # 214078 (10/14-9/15)	25,894
Victim Advocacy Grant-ICJIA	IL Criminal Justice Information Authority Grant # 215078 (10/15-9/16)	8,631
16.579 Byrne Memorial Anti-Drug Abuse Formula Grant		28,200
State's Attorney	IL Appellate Prosecutor Drug Prosecutor Contract 10/1/14-9/30/15	21,150
State's Attorney	IL Appellate Prosecutor Drug Prosecutor Contract 10/1/15-9/30/16	7,050
16.606 State Criminal Alien Assistance Program		5,058
Sheriff	U.S. Dept. of Justice Grant # 2015-AP-BX-0085	5,058

COUNTY OF CHAMPAIGN, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015

Federal Agency CFDA # / Federal Program Name County Fund / Dept	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures
U.S. DEPARTMENT OF JUSTICE		
16.738 Edward Byrne Memorial Justice Assistance Grant Program		11,024
Sheriff	City of Champaign Grant # 2014-H1829-IL-DJ (14/15)	11,024
16.758 Improving the Investigation and Prosecution of Child Abuse		9,000
Child Advocacy Center	National Children's Alliance Program Support Grant # Cham-IL-SA14 (1/14-12/14)	0
Child Advocacy Center	National Children's Alliance Program Support Grant # Cham-IL-SA15 (1/15-12/15)	9,000
16.745 Criminal & Juvenile Justice and Mental Health Collaboration Program		4,087
General County	U.S. Dept of Justice Grant # 2015-MO-BX-0017 (10/15-9/17)	4,087
	(to subrecipients -	3,352
U.S. DEPARTMENT OF LABOR		
**17.258 WIA/WIOA Adult Program		580,373
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 13-681017	(1,129)
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 13-632017	2,667
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 14-681017	481,664
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 15-681017	97,171
**17.259 WIA/WIOA Youth Activities		556,659
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 13-681017	5,831
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 13-632017	2,513
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 14-681017	457,181
	(to subrecipients -	338,782
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 15-681017	91,134
	(to subrecipients -	116,340
U.S. DEPARTMENT OF LABOR continued		
**17.278 WIA/WIOA Dislocated Worker Formula Grants		671,346
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 11-661117	19,962
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 13-681017	(3,064)

COUNTY OF CHAMPAIGN, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015

Federal Agency CFDA # / Federal Program Name County Fund / Dept	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 13-632017	3,744
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 14-681017	535,735
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 14-661017	10,848
Workforce Development	IL Dept. of Commerce & Economic Opporrtunity Grant # 15-681017	104,121
U.S. DEPARTMENT OF TRANSPORTATION		
20.205 FHWA Highway Planning and Construction		286,039
Regional Planning Commission	IL Dept. of Transportation Grant # 14T0012 (7/13-6/14)	95,120
Regional Planning Commission	IL Dept. of Transportation Grant # 15T0013(7/14-6/15)	138,043
Regional Planning Commission	IL Dept. of Transportation Grant # SPR-PL-3000 (47)	47,795
Regional Planning Commission	IL Dept. of Transportation 10/12-6/16	3,666
Regional Planning Commission	IL Dept. of Transportation 9/12-6/15	1,415
20.505 FTA Metropolitan Transportation Planning		193,887
Regional Planning Commission	IL Dept. of Transportation Grant # 13T009 (7/14-6/15)	37,464
Regional Planning Commission	IL Dept. of Transportation Grant # 14T0012 (7/13-6/14)	23,780

COUNTY OF CHAMPAIGN, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015

Federal Agency CFDA # / Federal Program Name County Fund / Dept	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures
U.S. DEPARTMENT OF TRANSPORTATION continued		
20.505 FTA Metropolitan Transportation Planning continued		
Regional Planning Commission	IL Dept. of Transportation Grant # TS13284	114,233
Regional Planning Commission	IL Dept. of Transportation Grant # TS13285	18,410
20.509 FTA Formula Grants for Rural Areas		247,206
Regional Planning Commission	IL Dept. of Transportation Human Services Transp. Grant # 13BOB147	68,157
Regional Planning Commission	IL Dept. of Transportation Grant # 15106100701 (7/15-6/17)	25,178
Regional Planning Commission	IL Dept. of Transportation Rural Mass Transit Grant # 4531 (7/14-6/15)	0
Regional Planning Commission	IL Dept. of Transportation Rural Mass Transit Grant # 4607 (7/15-6/16) (to subrecipients -	67,423
Regional Planning Commission	IL Dept. of Transportation Rural Mass Transit Grant # 4607 (7/15-6/16) (to subrecipients -	153,871 153,871
20.521 FTA New Freedom Program		94,454
Regional Planning Commission	IL Dept. of Transportation Grant # NF-13-018	66,711
Regional Planning Commission	Champaign-Urbana MTD 1/15-12/15	27,743
20.703 Interagency Hazardous Materials Public Sector Training		2,899
Emergency Management Agency	IL Emergency Management Agency HMEP Grant (10/1/14-9/30/15)	2,899
U.S. ENVIRONMENTAL PROTECTION AGENCY		
66.432 State Public Water System Supervision		1,025
County Public Health Board	IL Dept. of Public Health Grant # 55380129C (10/14 - 9/15)	725
County Public Health Board	IL Dept. of Public Health Grant # 65380128D (10/15 - 9/16)	300

COUNTY OF CHAMPAIGN, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015

Federal Agency CFDA # / Federal Program Name County Fund / Dept	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures
U.S. DEPARTMENT OF ENERGY		
81.042 Weatherization Assistance for Low-Income Persons		157,205
Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity Grant # 13-404042 (7/14-6/15)	146,790
Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity Grant # 13-401042 (7/15-6/16)	4,802
Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity Grant ARRA # 14-258042 (5/14-6/15)	5,613
U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES		
93.074 Public Health Emergency Preparedness		61,545
County Public Health Board	IL Dept. of Public Health Grant # 57180009C (7/14-6/15)	32,431
County Public Health Board	IL Dept of Public Health Grant # 67180009D (7/15-6/16)	28,756
County Public Health Board	IL Dept of Public Health Grant # 67180197D (7/15-6/16)	358
93.104 Community Mental Health Services for Children with Serious Emotional Disturbances		708,435
Access Initiative	IL Dept. of Human Services Grant # 45CTB00099 (10/14 - 9/15)	708,435
	(to subrecipients -	566,005
93.556 Promoting Safe and Stable Families		21,521
Regional Planning Commission	IL Dept. of Children & Family Services Grant # 178742-6015 (7/14-6/15)	21,521
93.563 Child Support Enforcement Title IV-D		142,995
State's Attorney	IL Dept. of Healthcare & Family Services Grant # 2015-55-013-K1 (7/14-6/15)	124,922
Circuit Clerk	IL Dept. of Healthcare & Family Services Grant # 2015-55-007-KAA (7/14-6/15)	18,073
Sheriff	IL Dept. of Healthcare & Family Services (7/1/14-6/30/15)	0

COUNTY OF CHAMPAIGN, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015

Federal Agency CFDA # / Federal Program Name County Fund / Dept	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures
U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES continued		
93.568 Low-Income Home Energy Assistance		2,233,822
Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity Weatherization Grant # 13-221042 (11/10-6/14)	30,296
Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity Weatherization Grant # 14-224042 (11/13-6/15)	956,810
Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity Weatherization Grant # 14-221042 (7/14-6/15)	86,308
Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity LIHEAP Grant # 15-224042 (10/14-6/16)	1,160,408
93.569 Community Services Block Grant		623,658
Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity Grant # 14-231038 (1/14-3/15)	734
Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity Grant # 15-231038 (1/15-3/16)	622,924
93.575 Child Care and Development Block Grant		64,637
Early Childhood	IL Dept. of Human Services 7/1/14-6/30/15	64,637
93.600 Head Start		5,165,179
Early Childhood	U.S. Dept. of Health & Human Services Grant # 05/CH/6105/21 (3/14-2/15)	773,373
Early Childhood	U.S. Dept. of Health & Human Services Grant # 05/CH/8461/01 (3/15-2/16)	4,391,806
U.S. DEPARTMENT OF HOMELAND SECURITY		
97.024 Emergency Food & Shelter National Board Program		11,534
Regional Planning Commission	Emergency Food/Shelter National Board Grant # 23-6000 Phase 31	0
Regional Planning Commission	Emergency Food/Shelter National Board Grant # 23-6000 Phase 32	11,534

COUNTY OF CHAMPAIGN, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015

Federal Agency CFDA # / Federal Program Name County Fund / Dept	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures
U.S. DEPARTMENT OF HOMELAND SECURITY continued		
97.039 Hazard Mitigation Grant		9,527
Regional Planning Commission	IL Dept. of Homeland Security Grant # FEMA-DR-4116-IL	9,527
97.042 Emergency Management Performance Grants		54,463
Emergency Management Agency	IL Emergency Management Agency 10/1/14 - 9/30/15	54,463
TOTAL FEDERAL AWARDS		\$ 13,157,187
* Child Nutrition Cluster		
** WIA/WIOA Cluster		

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, 2015. 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 2015.

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, 2015

<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	\$ 13,336		
10.553	12,708		
10.555	22,059		34,767
10.558	297,174		
10.559	175		
10.767	168,750		
14.218	44,029		
14.231	68,058		
14.235	35,469		
14.238	252,589		
14.239	221,538		
16.523	6,051		
16.540	587		
16.575	68,886		
16.579	28,200		
16.606	5,058		
16.738	11,024		
16.745	4,087	3,352	
16.758	9,000		
17.258	580,373		
17.278	671,346		
17.529	556,659	455,122	1,808,378
20.205	286,039		
20.505	193,887		
20.509	247,206	221,294	
20.521	94,454		
20.703	2,899		
66.432	1,025		
81.042	157,205		
93.074	61,545		
93.104	708,435	566,005	
93.556	21,521		
93.563	142,995		
93.568	2,233,822		
93.569	623,658		
93.575	64,637		

COUNTY OF CHAMPAIGN, ILLINOIS
SUMMARY OF EXPENDITURE OF FEDERAL AWARDS BY CFDA NUMBER
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015

FEDERAL CFDA NUMBER	EXPENDITURES	PASSED- THROUGH TO SUBRECIPIENTS	CLUSTER TOTAL
93.600	5,165,179		
97.024	11,534		
97.039	9,527		
97.042	54,463		
TOTAL	\$ 13,157,187	\$ 1,245,773	\$ 1,843,145

NOTES:

- (1) Child Nutrition cluster consists of CFDA #'s 10.553 and 10.555
- (2) Workforce Development (WIA/WIOA) cluster consists of CFDA #'s 17.258, 17.278 and 17.529

**INDEPENDENT AUDITORS' 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, 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 Champaign County, Illinois, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise Champaign County, Illinois' basic financial statements, and have issued our report thereon dated September 4, 2016.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Champaign County, Illinois' 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control 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.

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CliftonLarsonAllen LLP

Champaign, Illinois
September 4, 2016

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Champaign County Board
Champaign County, Illinois
Urbana, Illinois

Report on Compliance for Each Major Federal Program

We have audited Champaign County, Illinois' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Champaign County, Illinois' major federal programs for the year ended December 31, 2015. Champaign County, Illinois' major federal programs are 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 programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Champaign County, Illinois' major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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 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 on compliance for each major federal program. However, our audit does not provide a legal determination of Champaign County, Illinois' compliance.

Opinion on Each Major Federal Program

In our opinion, Champaign County, Illinois complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2015.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as Finding 2015-001 and Finding 2015-002. Our opinion on each major federal program is not modified with respect to these matters.

Champaign County, Illinois' response to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. Champaign County, Illinois' response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of Champaign County, Illinois 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 Champaign County, Illinois' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal 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 Champaign County, Illinois' 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as Findings 2015-001, 2015-002, and 2015-003, that we consider to be significant deficiencies.

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

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.

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CliftonLarsonAllen LLP

Champaign, Illinois
September 4, 2016

**CHAMPAIGN COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2015**

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified

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 auditors' report issued on compliance for major programs: unmodified opinion

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
93.568	Low-Income Home Energy Assistance
93.104	Community Mental Health Services for Children With Serious Emotional Disturbances

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? Yes No

**CHAMPAIGN COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2015**

Section II - Financial Statement Findings

NONE.

**CHAMPAIGN COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2015**

Section III - Federal Award Findings and Questioned Costs

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

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: \$19.00

Repeat Finding: This is a repeat finding of prior year Finding 2014-001.

Criteria or Specific Requirement: Applicable allowable cost compliance requirements state that interest and late fees are not an allowable cost.

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

Context: Interest and late fees were paid throughout the fiscal year ended December 31, 2015 for a total of \$19.00.

Effect: Lack of proper controls over allowable costs can lead to questioned costs and amounts due back 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 and other late fees on bills.

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 reported that the Project officially ended on September 30, 2015, and there are no further credit card charges for the Project expenses during calendar year 2016.

CHAMPAIGN COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2015

Section III - Federal Award Findings and Questioned Costs

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

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

Repeat Finding: This is a repeat finding of prior year Finding 2014-002.

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, specifically related to excess receipts in previous years that had not been returned.

Context: Cash on hand at December 31, 2015 related to previous years excess receipts was \$291,400 (including interest earned).

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

Cause: This was a new program in fiscal year 2010 with large amounts received for start-up costs later in the year than anticipated, and since then the program continued to receive amounts that were in excess of what it distributed. Per County Personnel, and substantiated by monthly financial reports submitted to IDHS by County Personnel, they had no notice from IDHS when funding would be received prior to its receipt or explanation of the amount received. Additionally, County Personnel had concerns about maintaining adequate cash flow to support the Project if excess was returned to IDHS because of payment delays being experienced by most service providers in Illinois. Lastly, at no time did IDHS request that excess revenue be returned.

Recommendation: We recommend the County work with IDHS to develop a formal process for future programs to minimize the time elapsing between the transfer of funds and disbursement of funds for program purposes. We also recommend returning this excess funding to IDHS if other direction is not provided.

Views of Responsible Officials and Planned Corrective Action: On June 28, 2016, the Executive Director notified the Illinois Department of Human Services (IDHS) about excess revenue of \$325,271 from this Project, and has requested permission to use these dollars to fund specific Project sustainability activities in collaboration with the Champaign Community Coalition. The letter notifies IDHS that if a response to this request is not received within 60-days the excess revenue (i.e., \$325,271) will be returned to IDHS.

**CHAMPAIGN COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2015**

Section III - Federal Award Findings and Questioned Costs

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

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

Repeat Finding: This is not a repeat finding.

Criteria or Specific Requirement: The reporting requirements outlined in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) indicate that financial reports are to be complete and supported by accurate accounting records. Proper internal controls over this compliance requirement include a documented review of completed reports by a person other than the preparer prior to submission.

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

Context: This was noted in one of two reports tested.

Effect: Lack of proper controls over reporting compliance requirements can result in errors in reporting going undetected.

Cause: This was the result of a change in personnel.

Recommendation: We recommend the County document the review procedures over its financial reports prior to submission to ensure their accuracy, timeliness and compliance with reporting requirements.

Views of Responsible Officials and Planned Corrective Action: The Executive Director reported that the Project officially ended on September 30, 2015, and no further monthly reimbursement forms will be submitted to IDHS during calendar year 2016.

**CHAMPAIGN COUNTY, ILLINOIS
SCHEDULE OF STATUS OF PRIOR YEAR FINDINGS
Year Ended December 31, 2015**

YEAR ENDED DECEMBER 31, 2014

**FINDING NO. 2014-001 - ALLOWABLE COST CONTROLS -
COMMUNITY MENTAL HEALTH SERVICES FOR CHILDREN
WITH SERIOUS EMOTIONAL DISTURBANCES**

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

Condition still exists due to continued delays in payments. See current year finding 2015-001.

**FINDING NO. 2014-002 - 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 due to lack of response from State on how to handle to excess funds. See current year finding 2015-002.

**FINDING NO. 2014-003 - PROPER CONTROL OVER REPORTING -
COMMUNITY MENTAL HEALTH SERVICES FOR CHILDREN
WITH SERIOUS EMOTIONAL DISTURBANCES**

Condition: During our audit testing, we noted program income was incorrectly recorded.

No issues were noted in the current year testing.

**FINDING NO. 2014-004 - PROPER CONTROL OVER RECIPIENT MONITORING -
COMMUNITY MENTAL HEALTH SERVICES FOR CHILDREN
WITH SERIOUS EMOTIONAL DISTURBANCES**

Condition: During our audit testing, we noted a lack of monitoring of the amount of cash advances to sub-recipients and the lack of taking action on the excess funds held per the sub-recipient reports.

No issues were noted in the current year testing.