

Single Audit Section

**COUNTY OF CHAMPAIGN, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (EXHIBIT I-1)
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020**

Federal Agency CFDA # / Federal Program Name County Fund / Dept	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures	Pass-thru to Sub-recipients
U.S. DEPARTMENT OF AGRICULTURE			
10.553 School Breakfast Program (1)		10,004	
Juvenile Detention Center	IL State Board of Education Grant # 09-010-043P-00	10,004	
10.555 National School Lunch Program (1)		18,223	
Juvenile Detention Center	IL State Board of Education Grant # 09-010-043P-00	18,223	
10.558 Child and Adult Care Food Program		323,149	
Early Childhood	IL State Board of Education Grant # 09-010-043P-00	123,891	
Early Childhood	IL State Board of Education Grant # 09-010-043P-00	199,258	
10.561 State Administrative Matching Grant For SNAP (6)		34,763	
Workforce Development	IL Dept. of Commerce & Economic Opportunity HHS-Snap To Success E&T #FCSXG04924	27,144	
Workforce Development	IL Dept. of Commerce & Economic Opportunity HHS-Snap To Success E&T #FCSYG04924	7,619	
U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT			
14.218 Community Development Block Grants / Entitlement Grants (2)		7,241	
Regional Planning Commission	City of Champaign Senior Home Repair Program (7/01/19-6/30/20)	3,828	
Regional Planning Commission	City of Champaign Senior Home Repair Program (7/01/20-6/30/21)	3,413	
14.231 Emergency Solutions Grant Program		110,420	110,420
Regional Planning Commission	IL Dept. of Human Services Grant # FCSXH03828 (7/19-6/20)	50,440	
Regional Planning Commission	IL Dept. of Human Services Grant # FCSXH03828 (7/20-6/21)	53,289	
Regional Planning Commission	IL Dept. of Human Services Grant # FCSZH05715 (7/20-6/21)	6,691	110,420
14.235 Supportive Housing Program		45,164	
Regional Planning Commission	U.S. Dept. of Housing & Urban Development Grant # IL0526L5T031805 (7/19-6/20)	10,753	
Regional Planning Commission	U.S. Dept. of Housing & Urban Development Grant # IL0526L5T031906 (7/20-6/21)	34,411	

**COUNTY OF CHAMPAIGN, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (EXHIBIT I-1)
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020**

Federal Agency CFDA # / Federal Program Name County Fund / Dept	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures	Pass-thru to Sub-recipients
U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT (continued)			
14.238 Shelter Plus Care Program		320,285	
Regional Planning Commission	U.S. Dept. of Housing & Urban Development Shelter Plus Care I # IL0039L5T031912 (7/20-6/21)	150,173	
Regional Planning Commission	U.S. Dept. of Housing & Urban Development Shelter Plus Care I # IL0039L5T031811 (7/01/19-6/30/20)	138,271	
Regional Planning Commission	U.S. Dept. of Housing & Urban Development Shelter Plus Care III # IL1586LST031902 (7/18-6/19)	14,381	
Regional Planning Commission	U.S. Dept. of Housing & Urban Development Shelter Plus Care III # IL1586L5T031801 (7/01/19-6/30/20)	17,460	
14.239 Home Investment Partnerships Program		178,445	
Regional Planning Commission	City of Urbana (7/01/19-6/30/20)	74,347	
Regional Planning Commission	City of Urbana (7/01/20-6/30/21)	104,098	
14.267 Continuum of Care Program		178,838	
Regional Planning Commission	U.S. Dept. of Housing and Urban Development Grant # IL1585L5T031601 (7/01/19-6/30/20)	43,937	
Regional Planning Commission	U.S. Dept. of Housing and Urban Development Grant # IL0655L5T031800 (7/01/19-6/30/20)	13,873	
Regional Planning Commission	U.S. Dept. of Housing and Urban Development Grant # IL0618L5T031904 (7/20-6/21)	21,761	
Regional Planning Commission	U.S. Dept. of Housing and Urban Development Grant # IL1585L5T031900 (7/18-6/19)	9,474	
Regional Planning Commission	U.S. Dept. of Housing and Urban Development Grant # IL1584L5T031902 (7/20-6/21)	20,205	
Regional Planning Commission	U.S. Dept. of Housing and Urban Development Grant # IL1584L5T031801 (7/18-6/19)	27,805	
Regional Planning Commission	U.S. Dept. of Housing and Urban Development Grant # IL1585L5T031700 (7/19-6/20)	41,783	

**COUNTY OF CHAMPAIGN, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (EXHIBIT I-1)
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020**

Federal Agency CFDA# / Federal Program Name County Fund / Dept	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures	Pass-thru to Sub-recipients
U.S. DEPARTMENT OF JUSTICE			
16.034	Coronavirus Emergency Supplemental Funding Program	9,411	
Sheriff	IL Criminal Justice Information Authority COVID-19 - Grant # 2020-VD-BX-0643	9,411	
16.575	Crime Victim Assistance	145,592	
Child Advocacy Center	IL Criminal Justice Information Authority Grant # 216003 (7/20-6/21)	145,592	
16.738	Edward Byrne Memorial Justice Assistance Grant Program	3,231	
State's Attorney	IL Appellate Prosecutor Drug Prosecutor Contract (10/01/17-9/30/18)	3,231	
U.S. DEPARTMENT OF LABOR			
17.258	WIOA Adult Program (M) (3)	843,725	
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 17-632017	1,238	
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 18-633117	35,580	
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 18-681017	77,992	
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 19-681017	479,534	
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 20-681017	249,381	
17.259	WIOA Youth Activities (M) (3)	872,371	
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 17-632017	1,320	
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 18-681017	80,508	
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 19-681017	495,003	
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 20-681017	257,426	
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 18-633117	38,114	

**COUNTY OF CHAMPAIGN, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (EXHIBIT I-1)
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020**

Federal Agency CFDA# / Federal Program Name County Fund / Dept	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures	Pass-thru to Sub-recipients
U.S. DEPARTMENT OF LABOR (continued)			
17.270	Employment and Training Administration	104,576	
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # YF-32157-18-60A17	104,576	
17.278	WIOA Dislocated Worker Formula Grants (M) (3)	1,201,535	
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 17-632017	1,941	
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 18-652017	1,037	
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 18-633117	54,935	
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 18-661017	23,362	
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 19-661017	10,360	
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 18-681017	93,087	
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 19-681017	572,347	
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 20-681017	297,648	
Workforce Development	IL Dept. of Commerce & Economic Opportunity Grant # 18-656017	146,818	

**COUNTY OF CHAMPAIGN, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (EXHIBIT I-1)
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020**

Federal Agency CFDA # / Federal Program Name County Fund / Dept	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures	Pass-thru to Sub-recipients
U.S. DEPARTMENT OF TRANSPORTATION			
20.205 Highway Planning and Construction (4)		688,781	
Regional Planning Commission	IL Dept. of Transportation Grant # 17T0030 (1/20-12/21)	35,028	
Regional Planning Commission	IL Dept. of Transportation Grant # 21T0016 (7/20-6/23)	24,074	
Regional Planning Commission	IL Dept. of Transportation Grant # 17T0015 (9/18-6/20)	14,937	
Regional Planning Commission	IL Dept. of Transportation Grant # 19T0060 (10/18-06/20)	86,701	
Regional Planning Commission	IL Dept. of Transportation Grant # 19T0059 (1/19-12/21)	69,161	
Regional Planning Commission	IL Dept. of Transportation Grant # 19T0024 (1/19-12/20)	118,465	
Regional Planning Commission	IL Dept. of Transportation Grant # 21T0024 (7/20-6/21)	135,405	
Regional Planning Commission	IL Dept. of Transportation Grant # 20T0005 (7/19-6/20)	195,217	
Regional Planning Commission	IL Dept. of Transportation Grant # 21T0009 (9/20-8/22)	6,512	
Regional Planning Commission	IL Dept. of Transportation Grant # 21T0025 (7/20-6/21)	3,281	
20.505 Metropolitan Transportation Planning & State & Non-Metropolitan Planning		22,629	
Regional Planning Commission	IL Dept. of Transportation Grant # TS-18-809 (5/18-4/20)	11,580	
Regional Planning Commission	IL Dept. of Transportation Grant # TS-18-313 (5/18-4/20)	11,049	
20.509 Formula Grants for Rural Areas (M)		750,793	670,539
Regional Planning Commission	IL Dept. of Transportation Grant # HSTP-18-006	80,044	
Regional Planning Commission	IL Dept. of Transportation Grant # 21-2019-02, 5242 CARES 2410-20409	357,169	357,169
Regional Planning Commission	IL Dept. of Transportation Grant # 21-0338-22532,5242 CARES 2410-20409	313,370	313,370
Regional Planning Commission	IL Dept. of Transportation Rural Mass Transit Grant # 4490 (11/14-3/24)	210	
20.703 Interagency Hazardous Materials Public Sector Training & Planning Grants		4,984	
Emergency Management Agency	IL Emergency Management Agency Grant # 19CHAMPPHME (10/1/19-9/30/22)	4,984	

**COUNTY OF CHAMPAIGN, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (EXHIBIT I-1)
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020**

Federal Agency CFDA# / Federal Program Name County Fund / Dept	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures	Pass-thru to Sub-recipients
U.S. ENVIRONMENTAL PROTECTION AGENCY			
21.019 Coronavirus Relief Fund (M)		1,330,616	
County Public Health Board	IL Dept. of Public Health COVID-19 - Grant # 20-491010	1,330,616	
66.605 Performance Partnership Grants		1,188	
County Public Health Board	IL Dept. of Public Health Grant # 0508009H (7/19 - 6/21)	1,188	
U.S. DEPARTMENT OF ENERGY			
81.042 Weatherization Assistance for Low-Income Persons		77,862	
Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity Grant # 17-404042 (7/20-6/21)	36,349	
Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity Grant # 17-403042 (7/19-6/20)	41,513	
ELECTION ASSISTANCE COMMISSION			
90.404 HAVA Election Security Grant		342,584	
County Clerk	IL State Board of Election Commission	342,584	
U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES			
93.069 Public Health Emergency Preparedness		60,809	
County Public Health Board	IL Dept of Public Health Grant # 07180009H (7/19-6/20)	36,617	
County Public Health Board	IL Dept of Public Health Grant # 17180009I (7/20-6/21)	24,192	
93.086 Healthy Marriage Promotion and Responsible Fatherhood Grants		1,760	
Regional Planning Commission	Healthy Marriage Grant (2020)	1,760	
93.268 Immunization Cooperative Agreements		12,786	
	IL Dept of Public Health Grant # 1508069I (7/19-6/21)	5,906	
	IL Dept of Public Health Grant # 1508069I (12/20-11/21)	6,880	
93.354 Public Health Emergency Response		60,096	
	IL Dept of Public Health Grant # 07680009H (3/20-3/21)	60,096	
93.558 Temporary Assistance for Needy Families (5)		83,876	
Child Advocacy Center	IL Dept. of Healthcare & Family Services Grant # 906039020 (7/20-6/21)	83,876	

**COUNTY OF CHAMPAIGN, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (EXHIBIT I-1)
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020**

Federal Agency CFDA# / Federal Program Name County Fund / Dept	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures	Pass-thru to Sub-recipients
U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES (continued)			
93.563 Child Support Enforcement		207,723	
State's Attorney	IL Dept. of Healthcare & Family Services Grant # 2020-55-013-K1A (7/01/19-6/30/20)	89,400	
State's Attorney	IL Dept. of Healthcare & Family Services Grant # 2020-55-013-K1A (7/01/20-6/30/21)	110,653	
Circuit Clerk	IL Dept. of Healthcare & Family Services Grant #2018-55-007-KB (7/01/19-6/30/20)	3,174	
Circuit Clerk	IL Dept. of Healthcare & Family Services Grant #2018-55-007-KB (7/01/20-6/30/21)	2,024	
Sheriff	IL Dept. of Healthcare & Family Services (7/01/20-6/30/21)	2,472	
93.568 Low-Income Home Energy Assistance		5,089,853	
Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity Weatherization Grant # 19-221042 (7/01/19-6/30/20)	98,090	
Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity Ct # 20-221042 (7/01/20-6/30/21)	36,026	
Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity LIHEAP Grant # 19-224042 (10/18-6/20)	1,060,303	
Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity LIHEAP Grant # 20-224042 (10/19-6/21)	3,225,625	
Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity Weatherization Grant # 20-274042 (6/20-9/21)	669,809	
93.569 Community Services Block Grant (M)		952,399	
Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity CSBG Grant # 20-231042 (1/01/20-12/31/20)	637,537	
Regional Planning Commission	IL Dept. of Commerce & Economic Opportunity CSBG Grant # 20-211042 (1/01/20-12/31/22)	314,862	
93.600 Head Start (M) (7)		9,020,975	
Early Childhood	U.S. Dept. of Health & Human Services Grant # 05/HP/000138 (3/01/19-2/28/20)	1,099,396	
Early Childhood	U.S. Dept. of Health & Human Services Grant # 05/HP/000138 (3/01/20-2/28/21)	1,669,241	
Early Childhood	U.S. Dept. of Health & Human Services Grant # 05/CH/011410/ 01 (3/20-2/21)	1,874,238	
Early Childhood	U.S. Dept. of Health & Human Services Grant # 05/CH/011410/02 (3/19-2/20)	354,609	
Early Childhood	U.S. Dept. of Health & Human Services Grant # 05/CH/011410/01 (3/20-2/21)	3,277,190	

**COUNTY OF CHAMPAIGN, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (EXHIBIT I-1)
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020**

Federal Agency CFDA # / Federal Program Name County Fund / Dept	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures	Pass-thru to Sub-recipients
93.600 Head Start (M) (7) (continued)			
Early Childhood	U.S. Dept. of Health & Human Services Grant # 05/CH/011410/02 (3/19-2/20)	392,840	
Early Childhood	U.S. Dept. of Health & Human Services Grant # 05/CH/011410/01 (3/20-2/21)	301,249	
Early Childhood	U.S. Dept. of Health & Human Services Grant # 05/HP/000138/02 (3/20-2/21)	52,212	
U.S. DEPARTMENT OF HOMELAND SECURITY			
97.024 Emergency Food & Shelter National Board Program		20,725	
Regional Planning Commission	Emergency Food/Shelter National Board Grant # 23-6000 Phase 37	20,725	
97.042 Emergency Management Performance Grants		74,558	
Emergency Management Agency	IL Emergency Management Agency Grant # 19EMACHAMP 10/1/18-9/30/21	74,558	
TOTAL FEDERAL AWARDS		\$ 23,211,970	\$ 780,959

- (1) Child Nutrition Cluster - Total Cluster Expenditures of \$28,227
- (2) CDBG Entitlement Grants Cluster - Total Cluster Expenditures of \$7,241
- (3) WIOA Cluster - Total Cluster Expenditures of \$2,917,631
- (4) Highway Planning & Construction Cluster - Total Cluster Expenditures of \$688,781
- (5) TANF Cluster - Total Cluster Expenditures of \$83,876
- (6) SNAP Cluster - Total Cluster Expenditures of \$34,763
- (7) Head Start Cluster - Total Cluster Expenditures of \$9,020,975
- (M) - Major program

**COUNTY OF CHAMPAIGN, ILLINOIS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (EXHIBIT I-1)
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020**

Federal Agency CFDA # / Federal Program Name County Fund / Dept	Direct or Pass-Through Funding Agency Grant Number	Federal Expenditures	Pass-thru to Sub-recipients
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DULE 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, 2020. 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 2020.

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 EXPENDITURES OF FEDERAL AWARDS BY CFDA (EXHIBIT I-2)
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

FEDERAL CFDA NUMBER	<u>EXPENDITURES</u>	<u>PASSED- THROUGH TO SUBRECIPIENTS</u>	<u>CLUSTER TOTAL</u>
10.553	10,004		28,227
10.555	18,223		
10.558	323,149		
10.561	34,763		34,763
14.218	7,241		7,241
14.231	110,420	110,420	
14.235	45,164		
14.238	320,285		
14.239	178,445		
14.267	178,838		
16.034	9,411		
16.575	145,592		
16.738	3,231		
17.258	843,725		2,917,631
17.259	872,371		
17.270	104,576		
17.278	1,201,535		
20.205	688,781		688,781
20.505	22,629		
20.509	750,793	670,539	
20.703	4,984		
21.019	1,330,616		
66.605	1,188		
81.042	77,862		
90.404	342,584		
93.069	60,809		
93.086	1,760		
93.268	12,786		
93.354	60,096		
93.558	83,876		83,876
93.563	207,723		
93.568	5,089,853		
93.569	952,399		
93.600	9,020,975		9,020,975
97.024	20,725		
97.042	74,558	est	
TOTAL	<u>\$ 23,211,970</u>	<u>\$ 780,959</u>	<u>\$ 12,781,494</u>

NOTES:

- (1) Child Nutrition cluster consists of CFDA #'s 10.553 and 10.555
- (2) CDBG -Entitlement Grants Cluster consists of CDA #14.218
- (3) Workforce Development (WIOA) cluster consists of CFDA #'s 17.258, 17.259 and 17.278
- (4) Highway Planning & Construction Cluster consists of CFDA # 20.205
- (5) TANF Cluster consists of CFDA # 93.558

**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***

To the Members of the County Board of
Champaign County, 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, 2020, and the related notes to the financial statements, which collectively comprise Champaign County's basic financial statements, and have issued our report thereon dated March 18, 2022.

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 opinions 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 have not been identified. However, as described in the accompanying schedule of findings and questioned costs, we did identify certain deficiencies in internal control that we consider to be material weaknesses 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 deficiencies described in the accompanying schedule of findings and questioned costs as items 2020-002 and 2020-003 to be material weaknesses.

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 2020-001 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 Findings

The County's response to the findings 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.

A handwritten signature in black ink that reads "Baker Tilly US, LLP". The signature is written in a cursive, flowing style.

Oak Brook, Illinois
March 18, 2022

**Independent Auditors' Report on Compliance
for Each Major Federal Program;
Report on Internal Control Over Compliance; and
Report on the Schedule of Expenditures of
Federal Awards Required by the Uniform Guidance**

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

Report on Compliance for Each 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 each of the County's major federal programs for the year ended December 31, 2020. The County's 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 the County's 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 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 each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each 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 each of its major federal programs for the year ended December 31, 2020.

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 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 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 a 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.

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, 2020, and the related notes to the financial statements, which collectively comprise Champaign County's basic financial statements. We issued our report thereon dated March 18, 2022, 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 US, LLP

Oak Brook, Illinois
March 18, 2022

County of Champaign

Schedule of Findings and Questioned Costs
Year Ended December 31, 2020

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?	<u> X </u> yes	<u> </u> no
Significant deficiency (ies) identified?	<u> X </u> yes	<u> </u> none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major programs:

Material weakness (es) identified?	<u> </u> yes	<u> X </u> no
Significant deficiency (ies) identified?	<u> </u> yes	<u> X </u> 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?

 yes X no

Identification of major federal programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
21.019	Coronavirus Relief Fund
17.258/17.259/17.278	WIOA Cluster
20.509	Formula Grant for Rural Areas
93.569	Community Services Block Grant
93.600	Head Start Cluster

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

\$750,000

County of Champaign

Schedule of Findings and Questioned Costs
Year Ended December 31, 2020

Section II – Financial Statement Findings Required to be Reported in Accordance with Government Auditing Standards

Item 2020-001: Segregation of Duties / Secondary Review (previously reported as Item 2019-002)

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 processing payroll is also responsible for generating payroll checks and direct deposits. The individual also has access to add new employees and change pay rates, although this is not within the individual's job description.

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 and direct deposits 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
Year Ended December 31, 2020

Section II – Financial Statement Findings Required to be Reported in Accordance with Government Auditing Standards (cont'd)

Item 2020-001 (cont'd): Segregation of Duties / Secondary Review (previously reported as Item 2018-002)

Management's Response: The Regional Planning Commission enters its payroll information including adding new employees and changing pay rates. The County Administrative Services Payroll Accountant reviews this information for accuracy. For other County departments, both the Payroll Accountant and the Administrative Services Director of Administration receive Personnel Information Forms for new employees and changing pay rates, which are electronically submitted by departments. The Director of Administration enters the pay rates, and the Payroll Accountant reviews this information for accuracy. Biweekly payroll (time and wages) is approved and submitted to the Payroll Accountant by each department (the department is the original preparer). Upon receipt, the Payroll Accountant reviews the department-submitted payroll for accuracy prior to processing. After processing, an Audit Trail report for employee wage changes and additions is sent to the Auditor's Office and the Director of Administration. Commencing with the first payroll of 2022, the Director of Administration reviews the report for accuracy by selecting a random sample of County payroll changes, signs, and dates to document the review. In addition, for every other payroll, the Director of Administration selects the relevant information pertaining to the Regional Planning Commission and sends the information to representatives of the Regional Planning Commission. The Regional Planning Commission reviews the report for accuracy by selecting a random sample of Regional Planning Commission payroll changes, signs, and dates to document the review. The Regional Planning Commission returns the signed and dated document back to the Director of Administration for the historical record.

The Champaign County Treasurer's office employs 4 full-time employees, two of whom perform reconciliations, one for the Treasurer bank accounts and one for the Collector bank accounts. It would be onerous to segregate real estate tax collection staff from the distribution cycle. The need for segregation of duties must be balanced against staffing costs. The Treasurer's Office is an efficient operation with limited employees, separating duties when possible.

County departments maintaining separate subsidiary ledgers will be advised 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
Year Ended December 31, 2020

Section II – Financial Statement Findings Required to be Reported in Accordance with *Government Auditing Standards (cont'd)*

Item 2020-002: Bank Reconciliation and Timeliness (previously reported as Item 2019-003)

Criteria: Bank reconciliations are a critical element of a strong internal control environment and should be completed in a timely fashion on a monthly basis.

Condition: The 2020 bank reconciliations for accounts maintained by the Treasurer's Office were not prepared and reviewed in a timely manner.

Cause/Effect: Lack of timely completion and review of monthly bank reconciliations could result in unauthorized transactions, unrecorded cash receipts, reporting errors, or fraudulent activity not being identified by County management or such activity, if identified, not being appropriately remedied in a timely manner. Additionally, the lack of timely completion of bank reconciliations greatly increases the likelihood of inaccurate and incomplete financial records and monthly reporting being used for management decisions.

Recommendation: Bank reconciliations should be completed and reviewed within one month of receipt of monthly bank statements. Reviews of reconciliations should be documented and completed by someone other than the original preparer.

Management's Response: The County has appropriated funds for a dedicated temporary staff person to reconcile the cash balances of funds to their transactions as recorded in the accounting system. The Auditor's office is conducting the 2020 reconciliations in parallel to those of the treasurer in order to ensure completion in time for—and to the standards of—next year's external auditor. Going forward, the Chief Deputy Auditor will initiate reminders to the Chief Deputy Treasurer to punctually submit these reconciliations for his completion of the necessary follow-on actions.

County of Champaign

Schedule of Findings and Questioned Costs
Year Ended December 31, 2020

Section II – Financial Statement Findings Required to be Reported in Accordance with Government Auditing Standards (cont'd)

Item 2020-003: Treasurer's Office Transaction Recording and Disbursement Approvals (previously reported as Item 2019-004)

Criteria: Timely recording and authorization of transactional activity is critical to ensuring a strong internal control environment and accurate financial reporting.

Condition: Within the Treasurer's Office, cash and electronic receipts were not consistently or accurately recorded in the County's general ledger on a timely basis and daily reconciliations of cash deposits were not completed to ensure completeness and accuracy of activity recorded in the general ledger. Additionally, electronic distributions of property taxes to other local entities were created and approved by the same individual without independent review and approval.

Cause/Effect: Failure to record transactional activity on a timely basis could result in the County not identifying fraudulent activity and greatly increases the likelihood of inaccurate and incomplete financial records being maintained and used for management decisions. The lack of timely reported and reconciliation of activity is exacerbated by the lack of documented, independent approval of electronic disbursements, resulting in a greater risk of inaccurate or inappropriate transactional activity going unidentified.

Recommendation: We recommend the Treasurer's Office record receipt activity on a daily basis in conjunction with daily cash deposit reconciliations to ensure accurate and complete recording of receipt transactions in the general ledger. This process should include a formal, document review by someone other than the individuals responsible for cash handling, transaction recording, and preparing the daily reconciliations. Additionally, all ACH transactions should be approved by someone other than the individual who initiated the disbursement. The Treasurer's Office should work with the bank to implement controls requiring secondary approval prior to the release of any ACH disbursements.

Management's Response: The 2020 finding has been corrected through the implementation of a cash receipting system maintained by the account clerks that provides details of each cash receipt including delivery date to reflect the processing within 48 hours. The account clerks have since been able to process the receipts without delay. The Treasurer's office is currently implementing a similar system for electronic deposits which should go live in July of 2021.

County of Champaign

Schedule of Findings and Questioned Costs
Year Ended December 31, 2020

Section III – Federal Awards Findings and Questioned Costs

None noted.

County of Champaign

Schedule of Status of Prior Year Findings
Year Ended December 31, 2020

FINDING NO. 2019-001 – Nursing Home Cash Receipts Process

Condition: Patient status and billing rates entered into the Nursing Home's patient billing software (Matrix) are reviewed after entry into the system, but the review is informal and not documented. Review and reconciliation of monthly census data reports is not documented. Additionally, the review and approval of receivable account write-offs is not documented and timely reconciliations of the Matrix subledger to the County's general ledger were not completed. Lastly, the individual responsible for posting cash receipts to the County's general ledger has cash handling responsibilities, including opening of mail and access to the lockbox.

Status: As of April 1, 2019, Champaign County no longer owns or operates the Nursing Home as it was sold to University Rehabilitation Center of C-U LLC and University Rehab Real Estate LLC. Finding will not be repeated.

FINDING NO. 2019-002 – Segregation of Duties / Secondary Review

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 processing payroll is also responsible for generating payroll checks. The individual also has access to add new employees and change pay rates, although this is not within the individual's job description.

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.

Status: Finding will be repeated (2020-001).

FINDING NO. 2019-003 – Bank Reconciliation Timeliness

Condition: The December 2018 bank reconciliations for accounts maintained by the Treasurer's Office were not prepared and reviewed in a timely manner.

Status: Finding will be repeated (2020-002).

FINDING NO. 2019-004 – Treasurer's Office Transaction Recording and Disbursement Approvals

Condition: Within the Treasurer's Office, cash and electronic receipts were not consistently or accurately recorded in the County's general ledger on a timely basis and daily reconciliations of cash deposits were not completed to ensure completeness and accuracy of activity recorded in the general ledger. Additionally, electronic distributions of property taxes to other local entities were created and approved by the same individual without independent review and approval.

The 2019 finding has been corrected through the implementation of a cash receipting system maintained by the account clerks that provides details of each cash receipt including delivery date to reflect the processing within 48 hours. The account clerks have since been able to process the receipts without delay. The Treasurer's office is currently implementing a similar system for electronic deposits which should go live in July of 2021.

Status: Finding will be repeated (2020-003).

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