

**MONROE COUNTY, WISCONSIN**

**FEDERAL AWARDS AND STATE  
FINANCIAL ASSISTANCE REPORT**

**FOR THE YEAR ENDED DECEMBER 31, 2010**

**MONROE COUNTY, WISCONSIN**  
For the Year Ended December 31, 2010

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**REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR FEDERAL AND STATE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND THE STATE SINGLE AUDIT GUIDELINES**

To the County Board  
Monroe County, Wisconsin

**Compliance**

We have audited Monroe County, Wisconsin's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2010. Monroe County, Wisconsin's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal and state programs is the responsibility of Monroe County, Wisconsin's management. Our responsibility is to express an opinion on Monroe County, Wisconsin's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration. Those standards, OMB Circular A-133 and the *State Single Audit Guidelines* 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 or state program occurred. An audit includes examining, on a test basis, evidence about Monroe County, Wisconsin's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Monroe County, Wisconsin's compliance with those requirements.

In our opinion, Monroe County, Wisconsin complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2010.

**Internal Control Over Compliance**

Management of Monroe County, Wisconsin is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal and state programs. In planning and performing our audit, we considered Monroe County, Wisconsin's internal control over compliance with the requirements that could have a direct and material effect on a major federal and state program to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and the *State Single Audit Guidelines*, 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 Monroe County, Wisconsin'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 or state 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 or state program will not be prevented, or detected and corrected on a timely basis.

Our consideration of the 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 deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying schedule of findings and questioned costs as item 2010-02. 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 or state 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.

#### Schedule of Expenditure of Federal Awards and State Financial Assistance

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Monroe County, Wisconsin as of and for the year ended December 31, 2010, and have issued our report thereon dated June 17, 2011 which contained an unqualified opinion on those financial statements. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise Monroe County, Wisconsin's financial statements. The accompanying schedules of expenditures of federal awards and state awards is presented for purposes of additional analysis as required by OMB Circular A-133 and the *State Single Audit Guidelines* and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain other procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of expenditures of federal awards and state awards is fairly stated in all material respects in relation to the financial statements taken as a whole.

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

This report is intended solely for the information and use of the County Board, management, others within the entity, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Certified Public Accountants  
Green Bay, Wisconsin  
September 23, 2011 except for the Schedules of  
Expenditures of Federal Awards and State  
Financial Assistance as to which the date is  
June 17, 2011

**MONROE COUNTY, WISCONSIN**  
Schedule of Federal Awards  
For the Year Ended December 31, 2010

Grantor Agency/Federal Program Title	Pass-through Agency	Federal CFDA Number	Revenues			2010 Total Expenditures
			(Accrued) Deferred Revenue 1/1/10	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/10	
<u>U.S. DEPARTMENT OF AGRICULTURE</u> Special Supplemental Food Program for Women, Infants, and Children	WI Department of Health Services	10.557	\$ (10,258)	\$ 201,865	\$ 9,573	\$ 201,180
State Administrative Matching Grants for Food Stamp Program	WI Department of Health Services	10.561	(32,694)	206,038	33,715	207,059
ARRA - State Administrative Matching Grants for Food Stamp Program	WI Department of Health Services	10.561	-	21,259	-	21,259
Total State Administrative Matching Grants for Food Stamp Program			(32,694)	227,297	33,715	228,318
WIC Farmers' Market Nutrition Program (FMNP) Resources Aids - Payment in Lieu of Taxes (National Forest Lands)	WI Department of Health Services	10.572	(18)	197	-	179
Total U.S. Department of Agriculture	WI Department of Natural Resources	10.665	-	128,181	-	128,181
			(42,970)	557,540	43,288	557,858
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u> Community Development Block Grant	WI Department of Commerce	14.228	-	179,195	-	179,195
Emergency Assistance Program #08-39						
<u>U.S. DEPARTMENT OF JUSTICE</u> CEASE	WI Department of Justice	N/A	(1,546)	1,546	-	-
State Criminal Alien Assistance Program	Direct Program	16.606	19,144	7,371	(17,663)	8,852
Bullet Proof Vests	Direct Program	16.607	-	1,620	283	1,903
Total U.S. Department of Justice			17,598	10,537	(17,380)	10,755
<u>U.S. DEPARTMENT OF TRANSPORTATION</u> Highway Safety Grant	WI Department of Transportation	20.600	(2,011)	3,996	-	1,985
Highway Safety Grant	Ho-Chunk Nation	20.600	-	2,000	-	2,000
Total Highway Safety Grant			(2,011)	5,996	-	3,985
<u>ENVIRONMENTAL PROTECTION AGENCY</u> Indoor Radon	WI Department of Health Services	66.032	-	345	49	394

(Continued)

**MONROE COUNTY, WISCONSIN**  
Schedule of Federal Awards (Continued)  
For the Year Ended December 31, 2010

Grantor Agency/Federal Program Title	Pass-through Agency	Federal CFDA Number	Revenues			2010 Total Expenditures
			(Accrued) Deferred Revenue 1/1/10	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/10	
<b>U.S. DEPARTMENT OF EDUCATION</b>						
Early Intervention Services (IDEA) Cluster						
Special Education-Grants for Infants and Families with Disabilities	WI Department of Health Services	84.181	-	33,558	-	33,558
Special Education - Grants for Infants and Families Recovery Act	WI Department of Health Services	84.393	-	9,712	2,332	12,044
<b>Total U.S. Department of Education</b>			-	43,270	2,332	45,602
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>						
Health Promotion and Disease Prevention (Title III-D)	Greater Wisconsin Agency on Aging	93.043	(349)	3,823	80	3,554
<i>Aging Cluster</i>						
Grants for Supportive Services and Senior Centers (Title III-B)	Greater Wisconsin Agency on Aging	93.044	-	44,605	1,370	45,975
Nutrition Services (Title III-C)	Greater Wisconsin Agency on Aging	93.045	(2,035)	76,018	-	73,983
Nutrition Services Incentive Program	Greater Wisconsin Agency on Aging	93.053	(4,289)	29,037	(1,376)	23,372
ARRA - Aging Home Delivered Nutrition for States	Greater Wisconsin Agency on Aging	93.705	-	3,401	-	3,401
ARRA - Aging Congregate Nutrition Services for States	Greater Wisconsin Agency on Aging	93.707	-	5,301	-	5,301
<b>Total Aging Cluster</b>			(6,324)	158,362	(6)	152,032
<b>National Family Caregiver Support Program (Title III-E)</b>						
Public Health Emergency Preparedness	Greater Wisconsin Agency on Aging	93.052	(2,373)	17,357	4,455	19,439
Enhance the Safety of Children Affected by Parental Substance Abuse	WI Department of Health Services	93.069	(61,112)	140,794	2,929	82,611
	WI Department of Children and Families	93.087	-	21,000	-	21,000
<b>Immunization Cluster</b>						
Immunization Grants	WI Department of Health Services	93.268	-	14,256	-	14,256
ARRA-Immunization	WI Department of Health Services	93.712	-	11,926	1,182	13,108
<b>Total Immunization Cluster</b>			-	26,182	1,182	27,364

(Continued)

**MONROE COUNTY, WISCONSIN**  
Schedule of Federal Awards (Continued)  
For the Year Ended December 31, 2010

Grantor Agency/Federal Program Title	Pass-through Agency	Federal CFDA Number	Revenues			2010 Total Expenditures
			(Accrued) Deferred Revenue 1/1/10	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/10	
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)</b>						
CDC Investigations & Technical Assistance	WI Department of Health Services	93.283	(1,588)	2,763	-	1,175
Promoting Safe and Stable Families	WI Department of Children and Families	93.556	(1,600)	43,485	4,465	46,350
Block Grants for Temporary Assistance for Needy Families (TANF)	WI Department of Health Services	93.558	-	112,974	-	112,974
Block Grants for Temporary Assistance for Needy Families (TANF)	WI Department of Children and Families	93.558	(10,002)	138,325	8,286	136,609
Total Block Grants for Temporary Assistance for Needy Families (TANF)			(10,002)	251,299	8,286	249,583
Child Support Enforcement (Title IV-D)	WI Department of Children and Families	93.563	(36,773)	194,626	59,591	217,444
ARRA - Child Support Enforcement (Title IV-D)	WI Department of Children and Families	93.563	(1,745)	237,393	-	235,648
Total Child Support Enforcement (Title IV-D)			(38,518)	432,019	59,591	453,092
Low Income Energy Assistance	WI Department of Administration	93.568	(14,022)	60,236	11,905	58,119
Child Care Development Fund	WI Department of Children and Families	93.596	(5,802)	24,320	11,191	29,709
Chafee Education and Training Vouchers Program	WI Department of Children and Families	93.599	394	9	1,207	1,610
Child Welfare Services	WI Department of Children and Families	93.645	-	17,455	-	17,455
Child Welfare Services	WI Department of Corrections	93.645	(93)	5,846	1,256	7,009
Total Child Welfare Services			(93)	23,301	1,256	24,464
Foster Care (Title IV-E)	WI Department of Children and Families	93.658	(264)	238,769	60	238,565
Foster Care (Title IV-E)	WI Department of Corrections	93.658	(139)	8,450	1,814	10,125
Total Foster Care (Title IV-E)			(403)	247,219	1,874	248,690
Social Services Block Grant	WI Department of Health Services	93.667	-	221,442	-	221,442
Social Services Block Grant	WI Department of Children and Families	93.667	-	26,606	-	26,606
Total Social Services Block Grant			-	248,048	-	248,048
Chafee Foster Care Independence Program	WI Department of Children and Families	93.674	-	19,730	-	19,730

(Continued)

**MONROE COUNTY, WISCONSIN**  
Schedule of Federal Awards (Continued)  
For the Year Ended December 31, 2010

Grantor Agency/Federal Program Title	Pass-through Agency	Federal CFDA Number	Revenues			2010 Total Expenditures
			(Accrued) Deferred Revenue 1/1/10	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/10	
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)</b>						
State Children's Insurance Program	WI Department of Health Services	93.767	(3,620)	26,732	4,840	27,952
Medical Assistance Program		93.778				
Human Services	WI Department of Health Services		(78,691)	436,503	96,906	454,718
Public Health	WI Department of Health Services		-	1,728	-	1,728
Total Medical Assistance			(78,691)	438,231	96,906	456,446
Block Grants for Community Mental Health Services	WI Department of Health Services	93.958	1,908	78,539	-	80,447
Block Grants for Prevention and Treatment of Substance Abuse	WI Department of Health Services	93.959	(567)	105,569	-	105,002
Preventive Health and Social Services Block Grant	WI Department of Health Services	93.991	(3)	7,650	8	7,655
Maternal and Child Health Services Block Grant to the States	WI Department of Health Services	93.994	(21,397)	46,695	359	25,657
Total U.S. Department of Health and Human Services			(244,162)	2,423,363	210,528	2,389,729
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>						
Emergency Management Performance Grants		97.042				
10/1/09-9/30/10	WI Department of Military Affairs		(21,493)	53,637	-	32,144
10/1/10-9/30/11	WI Department of Military Affairs		-	-	16,324	16,324
Total Emergency Management Performance Grants			(21,493)	53,637	16,324	48,468
Homeland Security LETPP/Mutual Aid Interoperability	WI Department of Administration	97.067	-	115,293	-	115,293
Total U.S. Department of Homeland Security			(21,493)	168,930	16,324	163,761
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b>\$ (293,038)</b>	<b>\$ 3,389,176</b>	<b>\$ 255,141</b>	<b>\$ 3,351,279</b>

The notes to the schedule of federal awards are an integral part of this schedule.

**MONROE COUNTY, WISCONSIN**  
Schedule of State Financial Assistance  
For the Year Ended December 31, 2010

Grantor Agency/State Program Title	Pass-through Agency	State I.D. Number	Revenues			2010 Total Expenditures
			(Accrued) Deferred Revenue 1/1/10	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/10	
<u>DEPARTMENT OF AGRICULTURE, TRADE AND CONSUMER PROTECTION</u>						
County Staff and Support	Direct Program	115.15	\$ (52,186)	\$ 137,152	\$ 55,164	\$ 140,130
Agriculture Resource Management	Direct Program	115.40	(3,754)	75,917	-	72,163
Total Department of Agriculture, Trade and Consumer Protection			(55,940)	213,069	55,164	212,293
<u>DEPARTMENT OF COMMERCE</u>						
Private Sewage System Replacement and Rehabilitation	Direct Program	143.110	-	48,066	-	48,066
<u>DEPARTMENT OF NATURAL RESOURCES</u>						
Wildlife Damage Claims and Abatement	Direct Program	370.553	2,654	7,357	3,082	13,093
Recreational Aids - Snowmobile Trail and Area Aids		370.575	(12,799)	26,546	-	13,747
S-3610	Direct Program		37,288	86,904	39,862	164,054
S-3752	Direct Program		(4,497)	4,497	-	-
S-3813	Direct Program		-	37,288	(37,288)	-
S-3879	Direct Program		-	18,750	(18,750)	-
S-3968	Direct Program		-	-	-	-
County Conservation Aids	Direct Program	370.563	-	-	2,500	2,500
CC-8127	Direct Program	370.564	-	358	-	358
Recreational Aids - Fish, Wildlife & Forestry			-	20,115	-	20,115
Forest & Cropland Aids & Managed Forest Land Aids	Direct Program	370.566	-	37,649	-	37,649
Urban & Community Forestry	Direct Program	370.572	-	-	-	-
Environmental Aids - Municipal & County Recycling	Direct Program	370.665	-	205,509	-	205,509
Total Department of Natural Resources			22,646	444,973	(10,594)	457,025
<u>DEPARTMENT OF TRANSPORTATION</u>						
Elderly and Handicapped Transportation Aids	Direct Program	395.101	51,819	106,793	(57,775)	100,837
<u>DEPARTMENT OF CORRECTIONS</u>						
Community Intervention Program	Direct Program	410.302	(5,800)	5,800	3,500	3,500
Community Youth and Family Aids	Direct Program	410.313	(9,058)	634,268	136,451	761,661
Total Department of Corrections			(14,858)	640,068	139,951	765,161

(Continued)

**MONROE COUNTY, WISCONSIN**  
 Schedule of State Financial Assistance (Continued)  
 For the Year Ended December 31, 2010

Grantor Agency/State Program Title	Pass-through Agency	State I.D. Number	Revenues				2010 Total Expenditures
			(Accrued) Deferred Revenue 1/1/10	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/10	Total Revenues	
<b>DEPARTMENT OF HEALTH SERVICES</b>							
Medicaid Personal Care Program (See Note D)	Direct Program	N/A	-	19,164	16,994	36,158	
Wisconsin Medicaid Cost Reporting (See Note D)	Direct Program	N/A	1,121	1,642	(262)	2,501	
Case Management Agency Providers (See Note D)	Direct Program	N/A	(9,189)	13,636	-	4,447	
Medical Assistance Program Benefits	Direct Program		(7,202)	58,339	13,587	64,724	
CLTS DD	Direct Program	435.460	(12,480)	104,445	28,498	120,463	
CLTS MH	Direct Program	435.131	(1,742)	4,943	1,993	5,194	
CLTS PD	Direct Program	435.132	(3,549)	7,878	228	4,557	
Funeral & Cemetery - W-2 and Non W-2	Direct Program	435.231	(582)	1,999	(224)	1,193	
MA Transportation Admin	Direct Program	435.233	97	42	(106)	33	
MA Transportation Admin	Direct Program	435.235	(513)	186,320	-	185,807	
FSET Admin	Direct Program	435.283	(1,742)	19,713	3,763	21,734	
FSET Transportation	Direct Program	435.284	170	(18,305)	(352)	(18,487)	
FSET Retention	Direct Program	435.291	(28,299)	66,029	(1)	37,729	
IMAA State Share	Direct Program	435.312	-	138,962	36,910	175,872	
IMAA Federal Share	Direct Program	435.367	3,405	8,129	-	11,534	
MA Subrogation Collection	Direct Program	435.381	1	22,497	-	22,498	
APS Adult Protective Services	Direct Program	435.504	-	-	20,181	20,181	
Community Options Program	Direct Program	435.517	-	32,087	-	32,087	
Alzheimer's Family Support	Direct Program	435.550	-	820,735	-	820,735	
CSP Wait List	Direct Program	435.561	-	12,136	26,213	26,213	
Certified Mental Health Program	Direct Program	435.567	(12,136)	39,376	8,759	39,124	
Birth to Three Initiative	Direct Program	435.577	(9,011)	101,196	94,528	252,076	
State Funded-Basic County Allocation	Direct Program	435.681	(69,686)	1,756	250	2,006	
IDP Emergency Funds	Direct Program	435.103010	-	(625)	-	(625)	
Family Support Program	Direct Program	435.81079	-	1,448	-	1,255	
Community Services and Mental Health	Direct Program	435.154720	(193)	21,411	7	21,418	
Regional Radon Information Centers	Direct Program	435.157000	-	6,579	8	6,587	
MA Crisis Training	Direct Program	435.157720	-	-	-	-	
WIC Farmers' Market Nutrition	Direct Program						
WWWMP-GPR SS.255.06(2)	Direct Program						
Lead Poisoning	Direct Program						

(Continued)

**MONROE COUNTY, WISCONSIN**  
 Schedule of State Financial Assistance (Continued)  
 For the Year Ended December 31, 2010

Grantor Agency/State Program Title	Pass-through Agency	State I.D. Number	Revenues			2010 Total Expenditures
			(Accrued) Deferred Revenue 1/1/10	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/10	
<b>DEPARTMENT OF HEALTH SERVICES (Continued)</b>						
Maternal & Child Health Svc. Block Grant	Direct Program	435.159320	22,958	(21,230)	-	1,728
Elderly Benefit Specialist Program	Greater Wisconsin Agency on Aging	435.560320	-	28,215	-	28,215
EBS OCI Replacement	Greater Wisconsin Agency on Aging	435.560327	-	3,802	1,248	5,050
State Senior Community Services	Greater Wisconsin Agency on Aging	435.560330	-	7,147	-	7,147
Home Delivered Meals (Title III-C-1)	Greater Wisconsin Agency on Aging	435.560350	(1,924)	80,814	-	78,890
Home Delivered Meals (Title III-C-2)	Greater Wisconsin Agency on Aging	435.560360	-	3,507	-	3,507
Elder Abuse	Greater Wisconsin Agency on Aging	435.560490	(451)	14,900	(1,445)	13,004
Total Department of Health Services			(130,947)	1,788,687	250,777	1,908,517
<b>DEPARTMENT OF CHILDREN AND FAMILIES</b>						
AW DOJ Fingerprint Background	Direct Program	437.3324	(110)	437	164	491
Children and Families Incentive	Direct Program	437.3342	(23,304)	23,304	-	-
State Funded-Basic County Allocation	Direct Program	437.3561	-	193,506	-	193,506
Community Services and Mental Health	Direct Program	437.3681	-	54,348	-	54,348
CS State 2011 GPR/PR Funding Alloca	Direct Program	437.7502	-	70,028	(70,028)	-
CS Medical Support GPR	Direct Program	437.7603	-	2,262	-	2,262
Child Support Enforcement	Direct Program	437.334	14	(14)	-	-
Total Department of Children and Families			(23,400)	343,871	(69,864)	250,607
<b>DEPARTMENT OF JUSTICE</b>						
DNA Sample Reimbursement	Direct Program	455.221	-	1,540	-	1,540
County Tribal Local Assistance	Direct Program	455.263	23,666	24,203	(24,203)	23,666
Victim and Witness Assistance Program - A Program Cluster	Direct Program	455.503, 455.532 & 455.539	(28,779)	52,135	29,558	52,914
Total Department of Justice			(5,113)	77,878	5,355	78,120
<b>DEPARTMENT OF MILITARY AFFAIRS</b>						
Emergency Planning Grant Program	Direct Program	465.337	(6,341)	6,341	-	-
2008-2009	Direct Program		(3,248)	12,990	-	9,742
2009-2010	Direct Program		-	-	3,408	3,408
2010-2011	Direct Program		(6,152)	6,152	3,269	3,269
Computer and Hazmat Equipment Grant	Direct Program	465.367	(15,741)	25,483	6,677	16,419
Total Department of Military Affairs						16,419

(Continued)

**MONROE COUNTY, WISCONSIN**  
 Schedule of State Financial Assistance (Continued)  
 For the Year Ended December 31, 2010

Grantor Agency/State Program Title	Pass-through Agency	State I.D. Number	Revenues			2010 Total Expenditures
			(Accrued) Deferred Revenue 1/1/10	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/10	
<b>DEPARTMENT OF ADMINISTRATION</b>						
Public Benefits	Direct Program	505.371	(10,424)	47,266	14,446	51,288
Land Information Grants	Direct Program	505.118	988	5,521	(300)	6,209
Forest Product Sales	Direct Program	505.127	-	18,845	-	18,845
Total Department of Administration			(9,436)	71,632	14,146	76,342
<b>TOTAL STATE PROGRAMS</b>			<b>\$ (180,970)</b>	<b>\$ 3,760,520</b>	<b>\$ 333,837</b>	<b>\$ 3,913,387</b>
						<b>\$ 4,093,773</b>

The notes to the schedule of state financial assistance are an integral part of this schedule.

**MONROE COUNTY, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2010

**NOTE A - BASIS OF PRESENTATION**

The accompanying Schedules of Expenditures of Federal and State Awards for Monroe County, Wisconsin, are presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration.

**NOTE B - SIGNIFICANT ACCOUNTING POLICIES**

Revenues and expenditures in the schedules are presented in accordance with the modified accrual basis of accounting and are generally in agreement with revenues and expenditures reported in the County's 2010 basic financial statements. Accrued revenue at year-end consists of federal and state program expenditures scheduled for reimbursement to the County in the succeeding year while deferred revenue represents advances for federal and state programs that exceed recorded County expenditures.

Major federal and state financial assistance programs are identified in the Schedule of Findings and Questioned Costs and are determined as follows:

**Federal Programs:** Monroe County, Wisconsin, qualifies as a low risk auditee in accordance with paragraph 530 of OMB Circular A-133. Therefore major programs represent those with combined expenditures exceeding 25% of total federal awards that also were deemed major programs based on the auditor's risk assessment. All other federal programs are considered nonmajor programs.

**State Programs:** Monroe County, Wisconsin, qualifies as a low risk auditee in accordance with the *State Single Audit Guidelines*. Therefore major programs represent those with combined expenditures exceeding 25% of total state financial assistance that also were deemed major programs based on the auditor's risk assessment. In addition, certain state financial assistance programs were designated state major by the state granting agency and therefore considered state major. All other state financial assistance programs are considered nonmajor programs.

Certain programs administered by the Wisconsin Department of Natural Resources may have been included in the Schedule of State Financial Assistance for presentation purposes only and are not subject to audit as major programs by the *State Single Audit Guidelines*.

**NOTE C - OVERSIGHT AGENCIES**

The federal and state oversight agencies for the County are as follows:

Federal - U.S. Department of Justice  
State - Wisconsin Department of Health Services

**MONROE COUNTY, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2010

**NOTE D - TITLE 19 MEDICAL ASSISTANCE PAYMENTS**

The Schedules of Expenditures of Federal and State Awards does not include repayments received by the County's Human Service Department, Public Health Department and Rolling Hills Rehabilitation Center for various Title 19 Medical Assistance programs. The payments are considered a contract for services between the State and the County and therefore are not reported as federal awards or state financial assistance. Payments received under the Medicaid Personal Care Program, Wisconsin Medicaid Cost Reporting (WIMCR), and Case Management Agency Providers are included in the amount received from the Title 19 Medical Assistance program.

**NOTE E - STATE DIRECT PAYMENTS**

Payments made directly to recipients and vendors by the State of Wisconsin on behalf of the County under the food stamp program are not included in the Schedule of Expenditures of Federal Awards and Schedule of State Financial Assistance.

**NOTE F - STATE OF WISCONSIN COMMUNITY AIDS REPORTING SYSTEM**

The Wisconsin Department of Children and Families (DCF), Health Services (DHS) and Workforce Development (DWD) utilize the Community Aids Reporting System (CARS) and the Central Office Reporting System (CORE) for reimbursing the County for various federal and state program expenditures. The expenditures reported on the Schedule of Expenditures of Federal Awards and the Schedule of State Financial Assistance for various DCF, DHS and DWD programs agree with the expenditures reported on the April 18, 2011 CARS for the Human Services and Public Health departments and the December, 2010 CORE for Child Support and Human Service departments, with adjustments for anticipated receivables.

**NOTE G - AMERICAN RECOVERY AND REINVESTMENT ACT**

The Wisconsin Department of Health Services requires the following additional information be presented for each Recovery Act program with funding passed through that department:

Federal Grantor: U.S. Department of Education  
Program or Cluster Title: Early Intervention Services (IDEA) Cluster  
Federal CFDA Number: 84.393  
CARS profile name or purchase order description: ARRA BIRTH-3 NON CALENDAR  
CARS profile number or purchase order number: 81065  
CARS or invoice expenses and payments by contract year:

	CARS 603 Column H Actual CTD Expenses		CARS 603 Column K CTD pmts (Advances)
1/1/10 - 12/31/10	\$ 12,044		\$ 9,712

1. Was the funding part of a Type A program or cluster? No

**MONROE COUNTY, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2010

**NOTE G - AMERICAN RECOVERY AND REINVESTMENT ACT (Continued)**

Federal Grantor: U.S. Department of Health and Human Services  
Program or Cluster Title: Immunization Cluster  
Federal CFDA Number: 93.712  
CARS profile name or purchase order description: ARRA IMM FOR CHILD & ADULT  
CARS profile number or purchase order number: 71004  
CARS or invoice expenses and payments by contract year:

	CARS 603 Column H Actual CTD Expenses	CARS 603 Column K CTD pmts (Advances)
1/1/10 - 12/31/10	\$ 13,108	\$ 11,926

1. Was the funding part of a Type A program or cluster? No

Federal Grantor: U.S. Department of Agriculture  
Program or Cluster Title: ARRA - State Administrative Matching Grants for the Supplemental Nutrition Assistance Program  
Federal CFDA Number: 10.561  
CARS profile name or purchase order description: IMAA FEDERAL SHARE  
CARS profile number or purchase order number: 284  
CARS or invoice expenses and payments by contract year:

	CARS 603 Column H Actual CTD Expenses	CARS 603 Column K CTD pmts (Advances)
1/1/10 - 12/31/10	\$ 21,259	\$ 21,259

1. Was the funding part of a Type A program or cluster? No

**MONROE COUNTY, WISCONSIN**  
 Schedule of Findings and Questioned Costs  
 For the Year Ended December 31, 2010

**Section I - Summary of Auditors' Results**

**Basic Financial Statements**

Type of auditors' report issued:	Unqualified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified that is not considered to be a material weakness?	Yes
Noncompliance material to basic financial statements noted?	No

**Federal and State Awards**

Internal control over major programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified that are not considered to be material weakness(es)?	Yes
Type of auditor's report issued on compliance for major programs	Unqualified
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?	Yes
Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Guidelines?	Yes
Identification of major federal and state programs:	

CFDA Number	Name of Federal Programs
93.563	Child Support Enforcement (Title IV-D)
93.563	ARRA Child Support Enforcement (Title IV-D)
93.596	Child Care Development Fund
93.778	Medical Assistance Program

State ID Number	Name of State Programs
370.574 & 370.575	Snowmobile Trail and Area Aids
395.101	Elderly Transportation Aids
435.131	MA Transportation
435.283	IMAA State Share Medical Assistance Programs
435.460	CLTS DD
435.461	CLTS MH
435.462	CLTS PD
435.367	Community Options Program
435.561	State Funded - Basic County Allocation
435.681	Community Services and Mental Health
437.3561	State Funded - Basic County Allocation
437.3681	Community Services and Mental Health
445.347	Child Day Care

Audit threshold used to determine between Type A and Type B programs:	
Federal Awards	\$300,000
State Awards	\$100,000

Auditee qualified as low-risk auditee Yes

**MONROE COUNTY, WISCONSIN**  
 Schedule of Findings and Questioned Costs (Continued)  
 For the Year Ended December 31, 2010

**Section II - Financial Statement Findings**

Finding No.	Control Deficiency
<b>2010-01</b>	<b>Year End Closing and Financial Reporting</b>
Condition:	While the current staff of the County maintain financial records which accurately report revenues and expenditures throughout the year, preparing GASB 34 conversion entries necessary to prepare financial statements, including related notes require additional expertise that would entail additional training and staff time to develop. The County contracts with Schenck and their knowledge of current accounting principles to prepare GASB 34 conversion entries and financial reports for the County in an efficient manner.
Criteria:	The review of financial statements by staff with expertise in financial reporting is an internal control intended to prevent, detect and correct a potential misstatement in the financial statements or notes.
Cause:	The additional costs associated with hiring staff experienced in preparing GASB 34 conversion entries and financial reports, including additional training time outweigh the derived benefits.
Effect:	The financial statements of the County could be misstated and not detected and corrected in a timely manner without our review and posting of adjusting and closing entries.
Recommendation:	We recommend the County continue reviewing the adjusting and GASB 34 conversion entries along with the financial reports prepared by Schenck. While it may not be cost beneficial to hire additional staff to prepare these items, a thorough review of this information by appropriate staff of the County is necessary to obtain an adequate understanding of the County's financial report.

**MONROE COUNTY, WISCONSIN**  
 Schedule of Findings and Questioned Costs (Continued)  
 For the Year Ended December 31, 2010

**Section III - Federal Award and State Financial Assistance Findings and Questioned Costs**

Finding No.	Control Deficiency
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**2010-02      Financial Reporting for Federal and State Financial Assistance**

CFDA #: All federal programs

Condition: OMB Circular A-133 requires the County to prepare appropriate financial statements, including the schedules of expenditures of federal awards. While the current staff of the County maintain financial records supporting amounts reported in the schedules of expenditures of federal awards, the County contracts with Schenck to compile the data from these records and prepare the single audit report for the County.

Criteria: The review of federal and state financial assistance reports by staff with expertise in federal and state financial reporting is an internal control intended to prevent, detect and correct a potential misstatement in the schedule of expenditures of federal awards, schedule of state financial assistance or notes.

Cause: The additional costs associated with hiring staff experienced in preparing these schedules and notes, including additional training time outweigh the derived benefits.

Effect: The County could receive federal or state grant awards which are not included in the accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance.

Recommendation: We recommend the County continue reviewing the federal and state financial assistance reports prepared by Schenck. While it may not be cost beneficial to hire additional staff to prepare these items, a thorough review of this information by appropriate staff of the County is necessary to obtain an adequate understanding of the County's single audit report.

**MONROE COUNTY, WISCONSIN**  
 Schedule of Findings and Questioned Costs (Continued)  
 Year Ended December 31, 2010

**Section IV - Other Issues**

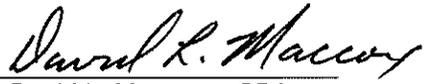
Does the auditor's report of the notes to the financial statement include disclosure with regard to substantial doubt as to the auditee's ability to continue as a going concern? \_\_\_\_\_ Yes        X   No

Does the audit report show audit issues (i.e., material non-compliance, non-material non-compliance, questioned costs, material weakness, significant deficiency, management letter comment, excess revenue or excess reserve) related to grants/contracts with funding agencies that require audits to be in accordance with the *State Single Audit Guidelines*:

Department of Agriculture, Trade and Consumer Protection	<u>  X  </u>	Yes	_____	No
Department of Commerce	<u>  X  </u>	Yes	_____	No
Department of Natural Resources	<u>  X  </u>	Yes	_____	No
Department of Transportation	<u>  X  </u>	Yes	_____	No
Department of Corrections	<u>  X  </u>	Yes	_____	No
Department of Health Services	<u>  X  </u>	Yes	_____	No
Department of Children and Families	<u>  X  </u>	Yes	_____	No
Department of Justice	<u>  X  </u>	Yes	_____	No
Department of Military Affairs	<u>  X  </u>	Yes	_____	No
Department of Administration	<u>  X  </u>	Yes	_____	No

Was a Management Letter or other document conveying audit comments issued as a result of this audit? \_\_\_\_\_ X    Yes      \_\_\_\_\_ No

Name and signature of shareholder

  
 \_\_\_\_\_  
 David L. Maccoux, CPA

Date of report

September 23, 2011

**MONROE COUNTY, WISCONSIN**  
Schedule of Prior Year Audit Findings and Corrective Action Plan  
December 31, 2010

**Prior Year Audit Findings**

The findings noted in the 2009 Schedule of Findings and Questioned Costs have been reported to the proper federal and state agencies. Management continues to believe the cost to hire additional staff to eliminate the control deficiencies identified as 2009-01 and 2009-02 outweigh the benefits to be received. Management reviews the financial report and the single audit report prepared by Schenck.

**Corrective Action Plan for Audit Findings**

Finding No.	Corrective Action Plan
<b>2010-01</b>	<b>Year End Closing and Financial Reporting</b>  Management believes the cost for additional staff time and training to prepare year end closing entries and reports outweigh the benefits to be received.
<b>2010-02</b>	<b>Financial Reporting for Federal and State Financial Assistance</b>  Management believes the cost of additional staff time and training to prepare these items outweigh the benefits to be received.

**ADDITIONAL INDEPENDENT AUDITORS' REPORT**



**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 County Board  
Monroe County, Wisconsin

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Monroe County, Wisconsin, as of and for the year ended December 31, 2010, which collectively comprise Monroe County, Wisconsin's basic financial statements and have issued our report thereon dated June 17, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of Monroe County, Wisconsin is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Monroe County, Wisconsin's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Monroe County, Wisconsin's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Monroe County, Wisconsin's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified a certain deficiency in internal control over financial reporting, described in the accompanying schedule of findings and responses that we consider to be a significant deficiency in internal control over financial reporting as described in the accompanying schedule of findings and questioned costs as item 2010-01. 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.

Compliance and Other Matters

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

We noted certain matters that we reported to management of Monroe County, Wisconsin in a separate letter dated June 17, 2011.

Monroe County, Wisconsin's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. We did not audit Monroe County, Wisconsin's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the management, County Board and federal and state awarding agencies, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Schenck SC".

Certified Public Accountants  
Green Bay, Wisconsin  
July 17, 2011