

MARATHON COUNTY



SINGLE AUDIT REPORT

For the Year Ended December 31, 2007

Single Audit Report

COUNTY OF MARATHON

Wausau, Wisconsin

For the Year Ended December 31, 2007

DEPARTMENT OF FINANCE

Kristi A. Kordus, Director of Finance

COUNTY OF MARATHON

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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 County Board of Supervisors
Marathon County
Wausau, Wisconsin

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Marathon County, Wisconsin as of and for the year ended December 31, 2007, which collectively comprise Marathon County's basic financial statements and have issued our report thereon dated June 25, 2008. Our report was modified to include a reference to other auditors. 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. Other auditors audited the financial statements of North Central Community Services, a discretely presented component unit, as described in our report on Marathon County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Marathon County's internal control over financial reporting as a basis for designing our audit 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 Marathon County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Marathon County's internal control over financial reporting.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

A control deficiency exists when the design of operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects Marathon County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of Marathon County's financial statements that is more than inconsequential will not be prevented or detected by Marathon County's internal control over financial reporting. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies in internal control over financial reporting. These deficiencies are items 2007-A, 2007-B, and 2007-C.

To the County Board of Supervisors
Marathon County

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by Marathon County's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiencies identified above, we consider items 2007-A and 2007-B to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Marathon County's basic 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 Marathon County in a separate letter dated June 25, 2008.

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

This report is intended solely for the information and use of the County Board, management and others within the entity, 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.

Virchow, Kraus & Company, LLP

Madison, Wisconsin
June 25, 2008



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE
TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133 AND THE STATE SINGLE AUDIT GUIDELINES
AND THE SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

To the County Board of Supervisors
Marathon County
Wausau, Wisconsin

Compliance

We have audited the compliance of Marathon County, Wisconsin 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* that are applicable to each of its major federal and major state programs for the year ended December 31, 2007. Marathon County's major federal and major 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 Marathon County's management. Our responsibility is to express an opinion on Marathon County's compliance based on our audit.

Marathon County's basic financial statements include the operations of the Handicapped Children Education Board which received federal and state awards which are not included in the schedule of expenditures of federal and state awards for the year ended December 31, 2007. Our audit, described below, did not include the operations of the Handicapped Children Education Board because this component unit had a separate audit in accordance with OMB Circular A-133.

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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and the *State Single Audit Guidelines*. 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 major state program occurred. An audit includes examining, on a test basis, evidence about Marathon 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. Our audit does not provide a legal determination on Marathon County's compliance with those requirements.

To the County Board of Supervisors
Marathon County

In our opinion, Marathon County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and major state programs for the year ended December 31, 2007. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133 or the *State Single Audit Guidelines* and which are described in the accompanying schedule of findings and questioned costs as items 2007-01, 2007-02, and 2007-03.

Internal Control Over Compliance

The management of Marathon County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered Marathon County's internal control over compliance with requirements that could have a direct and material effect on a major federal or major state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of the internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Marathon County's internal control over compliance.

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal or state program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal or state program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be 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.

To the County Board of Supervisors
Marathon County

Schedule of Expenditures of Federal and State Awards

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Marathon County, Wisconsin as of and for the year ended December 31, 2007, which collectively comprise Marathon County's basic financial statements and have issued our report thereon dated June 25, 2008. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise Marathon County's basic financial statements. Our report was modified to include a reference to other auditors who audited the financial statements of North Central Community Services, a component unit, as described in our report on Marathon County's financial statements. The accompanying schedule of expenditures of federal 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Marathon County's corrective action plans to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit Marathon County's corrective action plans and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the County Board, management and others within the entity, 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.

Virchow, Krause & Company, CP

Madison, Wisconsin
September 25, 2008 except for the schedule of
expenditures of federal and state awards,
as to which the date is June 25, 2008.

COUNTY OF MARATHON, WI
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2007

Federal Grantor Agency Program Title	State Pass-thru Entity	Notes	Co Dept	CFDA Number	Accrued (Deferred) Fed Rev 01/01/07	Accrued (Deferred) Local Rev 01/01/07	Federal Expenditures	Local Expenditures	Federal Reimburse	Local Reimburse	Adjustments	Accrued (Deferred) Fed Rev 12/31/07	Accrued (Deferred) Local Rev 12/31/07
US Department of Agriculture													
Promo & Implement of Mgmt Intensive Grazing 04-08-2	DATCP	1	LND	10.000	20,000	0	0	0	20,000	0	0	0	0
Child Nutrition Cluster													
School Breakfast Program/Juv Detention	DPI	2	SHR	10.553	1,016	0	6,955	0	7,179	0	0	792	0
School Breakfast Program/Shelter Home	DPI	2	SHR	10.553	1,056	0	2,907	0	3,637	0	0	326	0
National School Lunch Prog/Juvenile Detention	DPI	2	SHR	10.555	1,537	0	10,068	0	11,065	0	0	540	0
National School Lunch Prog/Shelter Home	DPI	2	SHR	10.555	1,556	0	3,923	0	5,268	0	0	211	0
Total CFDA 10.553 & 10.555 Child Nutrition Cluster					5,165	0	23,853	0	27,149	0	0	1,869	0
Food Stamps	DWD/DWS		SOS	10.561	417	0	(105)	0	236	0	0	76	0
Food Stamps	DHFS/DHCF	3	SOS	10.561	56,381	0	371,900	3,201	355,850	3,201	1	72,432	0
Food Stamps Admin 50/50 Option	DWD/DWS		EMT	10.561	938	0	13,356	0	14,285	0	0	9	0
Food Stamps/FSET Supplement	DWD/DWS	4	EMT	10.561	0	0	6,798	0	6,798	0	0	0	0
Food Stamps/W2 FSET	DWD/DWS		EMT	10.561	0	0	40,907	0	40,907	0	0	0	0
Food Stamps/W2 FSET Participant Supp	DWD/DWS		EMT	10.561	0	0	6,946	0	6,946	0	0	0	0
Total CFDA 10.561					57,736	0	439,802	3,201	425,022	3,201	1	72,517	0
Resource Conservation & Dev/Education	DATCP		LND	10.901	0	0	11,953	0	14,758	0	0	(2,805)	0
Resource Conservation & Dev/Tech Assist	DATCP		LND	10.901	0	0	35,000	0	0	0	0	35,000	0
Total CFDA 10.901					0	0	46,953	0	14,758	0	0	32,195	0
Soil & Water Conservation/Grassworks	None	5	LND	10.902	9,426	0	51,059	0	54,714	0	0	5,771	0
US Department of Housing & Urban Development													
Community Develop Blk Grnt-State Prog/Eco Dev	DOComm		FIN	14.228	0	0	123,281	0	123,281	0	0	0	0
Community Develop/Bilingual Cadet	None	2	SHR	14.246	14,708	0	11,372	0	19,239	0	0	6,841	0
US Department of Justice													
CEASE (Agreement #98-87)	DOJ	2	SHR	16.000	0	0	500	0	1,098	0	0	(598)	0
Juvenile Accountability Incentive Block Grant	DOA/OJA		SOS	16.523	18,532	0	39,552	63,193	58,084	63,193	0	0	0
Title V	DOA/OJA		SOS	16.548	2,625	0	41,581	0	42,340	0	0	1,866	0
Federal Aid Victim Assist/Crime Response 06/07	DOJ	1	DA	16.575	8,331	0	57,754	0	66,085	0	0	0	0
Federal Aid Victim Assist/Crime Response 07/08	DOJ	1	DA	16.575	0	0	19,802	0	4,334	0	0	15,468	0
Total CFDA 16.575					8,331	0	77,556	0	70,419	0	0	15,468	0
Byrne Memorial Formula/Drug Endanger Child	DOA/OJA	2	SHR	16.579	23,729	0	11,271	0	35,000	0	0	0	0
Byrne Memorial Formula/JAG Equip	DOA/OJA	2	SHR	16.579	8,835	0	0	0	8,835	0	0	0	0
Total CFDA 16.579					32,564	0	11,271	0	43,835	0	0	0	0
Violence Against Women/VAWA Asst DA	DOA/OJA	1	DA	16.588	12,809	0	83,853	0	66,115	0	0	30,547	0
State Criminal Alien Assist/SCAAP	None	2	SHR	16.606	0	0	48,300	0	74,524	0	0	(26,224)	0
Bulletproof Vest Partnership	None		SHR	16.607	1,908	0	0	0	1,908	0	0	0	0
Community Prosecution & Proj Safe Neighbor/NEP	DOA/OJA	2	SHR	16.609	0	0	8,116	0	0	0	0	8,116	0

COUNTY OF MARATHON, WI
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2007

Federal Grantor Agency Program Title	State Pass-thru Entity	Notes	Co Dept	CFDA Number	Accrued (Deferred) Fed Rev 01/01/07	Accrued (Deferred) Local Rev 01/01/07	Federal Expenditures	Local Expenditures	Federal Reimburse	Local Reimburse	Adjustments	Accrued (Deferred) Fed Rev 12/31/07	Accrued (Deferred) Local Rev 12/31/07
US Department of Justice (Continued)													
Public Safety Partner & Community Policing/Meth Init	None	2	SHR	16.710	14,977	0	12,370	0	23,080	0	0	4,267	0
Public Safety Partner & Community Policing/Technology	None	2	SHR	16.710	3,500	0	0	0	3,500	0	0	0	0
Total CFDA 16.710					18,477	0	12,370	0	26,580	0	0	4,267	0
Byrne Memorial Justice Assist/Drug Endanger Child	DOA/OJA	2	SHR	16.738	0	0	3,343	0	0	0	0	3,343	0
Byrne Memorial Formula/JAG Equip	DOA/OJA	2	SHR	16.738	0	0	7,224	0	4,571	0	0	2,653	0
Local Law Enforcement/CEADEG	DOA/OJA	2	SHR	16.738	0	0	26,155	0	26,155	0	0	0	0
Total CFDA 16.738					0	0	36,722	0	30,726	0	0	5,996	0
US Department of Labor													
Title V, Senior Community Svc Employ Prog	DHFS		EMT	17.235	0	(53)	0	19,983	0	19,983	0	0	(53)
Title V, Senior Community Svc Employ Prog	DHFS	6	EMT	17.235	0	0	239,469	0	239,469	0	0	0	0
Title V, Senior Community Svc Employ Prog	DHFS	6	EMT	17.235	0	0	214,163	0	132,224	0	0	81,939	0
Total CFDA 17.235					0	(53)	453,632	19,983	371,693	19,983	0	81,939	(53)
Workforce Investment Act/Jan-Jun	None		EMT	17.258	0	0	98,553	0	98,544	0	0	9	0
Workforce Investment Act/Jul-Dec	None		EMT	17.258	11,967	0	203,518	0	117,700	0	0	97,785	0
Total CFDA 17.258					11,967	0	302,071	0	216,244	0	0	97,794	0
US Department of Transportation													
Highway Planning & Construction MPO	DOT		PLN	20.205	20,263	0	75,437	0	69,801	0	0	25,899	0
Highway Planning & Construction/Bicycle	DOT	7	PLN	20.205	0	0	15,869	0	22,417	10,000	0	(6,548)	(10,000)
Highway Planning & Construction/WI Rvr Cycle	DOT	7	PLN	20.205	15,304	0	875,946	0	86,634	0	0	804,616	0
Total CFDA 20.205					35,567	0	967,252	0	178,852	10,000	0	823,967	(10,000)
Commercial Driver License/TRACS OWI 0937-05-09	DOT	8	SHR	20.232	0	0	45,000	0	45,000	0	0	0	0
Federal Transit Formula/WATS	DOT	9,10	FIN	20.507	62,500	0	81,860	0	86,799	0	0	57,561	0
Highway Safety Cluster													
State & Com Hwy Safety/Alcohol Enfrc 0936-78-69	DOT	2	SHR	20.600	0	0	1,100	0	0	0	0	1,100	0
State & Com Hwy Safety/Click It 0937-02-56	DOT	2,11	SHR	20.600	0	0	4,000	0	4,000	0	0	0	0
Alcohol Traffic Safety/DRE Training 0938-41-06	DOT		SHR	20.601	0	0	1,013	0	0	0	0	1,013	0
Total CFDA 20.600 & 20.601 Highway Safety Cluster					0	0	6,113	0	4,000	0	0	2,113	0
National Endowment for the Arts													
Promotion of the Arts/Big Read	None	12	LIB	45.024	0	0	5,000	5,000	4,000	5,000	0	1,000	0
US Department of Health & Human Services													
Title III-D Preventive Health Svc	DHFS	13,14	ADRC	93.043	0	0	9,410	0	9,291	0	0	119	0
Aging Cluster													
Title III-B	DHFS	13,15	ADRC	93.044	33,198	12,690	112,654	0	126,606	12,690	0	19,246	0
Title III-C C/1	DHFS	13,16	ADRC	93.045	5,867	0	104,588	0	110,455	0	0	0	0
Title III-C C/2	DHFS	13,17	ADRC	93.045	0	0	68,065	0	68,065	0	0	0	0
Nutrition Service Incentive Prog	DHFS	13	ADRC	93.053	0	0	53,864	0	53,864	0	0	0	0
Total CFDA 93.044, 93.045 & 93.053 Aging Cluster					39,065	12,690	339,171	0	358,990	12,690	0	19,246	0
Title III-E National Family Caregiver Supp Prog	DHFS	13,18	ADRC	93.052	13,851	0	63,098	0	68,895	0	0	8,054	0

COUNTY OF MARATHON, WI
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2007

Federal Grantor Agency Program Title	State Pass-thru Entity	Notes	Co Dept	CFDA Number	Accrued (Deferred) Fed Rev 01/01/07	Accrued (Deferred) Local Rev 01/01/07	Federal Expenditures	Local Expenditures	Federal Reimburse	Local Reimburse	Adjustments	Accrued (Deferred) Fed Rev 12/31/07	Accrued (Deferred) Local Rev 12/31/07
US Department of Health & Human Services (Continued)													
Comprehensive Community Services	DHFS/DHCF		SOS	93.104	883	0	20,283	0	17,223	0	0	3,943	0
Maternal & Child Health/CYSHCN	DHFS/DPH		HLT	93.110	0	0	736	0	891	0	0	(155)	0
Maternal & Child Health/Fed Consol Waisman Ctr	DHFS/DPH	19	HLT	93.110	0	0	3,597	0	4,000	0	0	(403)	0
Total CFDA 93.110					0	0	4,333	0	4,891	0	0	(558)	0
Health Ed & Training Ctr/HETC	None		HLT	93.189	0	0	6,500	0	6,500	0	0	0	0
Substance Abuse & Mental Health/MHA	None	20	HLT	93.243	5,375	0	6,687	0	12,062	0	0	0	0
Substance Abuse & Mental Health/MHA 07	None	20	HLT	93.243	0	0	1,215	0	0	0	0	1,215	0
Total CFDA 93.243					5,375	0	7,902	0	12,062	0	0	1,215	0
Immunization/Consolidated Contract	DHFS/DPH		HLT	93.268	(16,702)	0	30,462	0	29,351	0	0	(15,591)	0
CDC Invest & Tech Assist/Asthma 2005	None	21	HLT	93.283	(6)	0	6	0	0	0	0	0	0
CDC Invest & Tech Assist/Asthma 2006	None	21	HLT	93.283	1,689	0	2,984	0	5,001	0	0	(328)	0
CDC Invest & Tech Assist/Asthma 2007	None	21	HLT	93.283	0	0	1,399	0	0	0	0	1,399	0
CDC Invest & Tech Assist/Bioterrorism	DHFS/DPH		HLT	93.283	(65,905)	0	80,214	0	76,485	0	0	(62,176)	0
CDC Invest & Tech Assist/HEAL	DHFS/DPH		HLT	93.283	(7,051)	0	26,112	0	19,759	0	0	(698)	0
CDC Invest & Tech Assist/MRSA	None	22	HLT	93.283	0	0	22,039	0	9,242	0	0	12,797	0
CDC Invest & Tech Assist/Pandemic Flu 06/07	DHFS/DPH		HLT	93.283	0	0	44,302	0	44,302	0	0	0	0
CDC Invest & Tech Assist/Pandemic Flu 07/08	DHFS/DPH		HLT	93.283	0	0	16,346	0	13,717	0	0	2,629	0
CDC Invest & Tech Assist/Regional Bioterrorism	DHFS/DPH		HLT	93.283	(290,063)	0	353,921	0	292,119	0	0	(228,261)	0
CDC Invest & Tech Assist/WI Well Woman Prog	DHFS/DPH		HLT	93.283	(21,395)	0	21,222	0	19,081	0	0	(19,254)	0
Total CFDA 93.283					(382,731)	0	568,545	0	479,706	0	0	(293,892)	0
Family Preservation & Support Svc	DHFS/DCFS		SOS	93.556	32,002	0	91,800	0	84,440	0	0	39,362	0
TANF Block Grant	DHFS/DCFS		SOS	93.558	0	0	103,147	0	103,147	0	0	0	0
TANF Block Grant	DWD/DWS		SOS	93.558	76	0	0	0	76	0	0	0	0
TANF/W2 Admin	DWD/DWS		EMT	93.558	0	0	63,073	0	60,829	0	0	2,244	0
TANF/W2 Education	DWD/DWS		EMT	93.558	0	0	2,671	0	2,671	0	0	0	0
TANF/W2 Elig Ad	DWD/DWS		EMT	93.558	0	0	2,515	0	2,515	0	0	0	0
TANF/W2 Emer Assist Case Mgmt	DWD/DWS		EMT	93.558	0	0	7,410	0	7,410	0	0	0	0
TANF/W2 Emer Assist Eligibility	DWD/DWS	4	EMT	93.558	0	0	8,597	0	8,597	0	0	0	0
TANF/W2 Emer Assist Pymts	DWD/DWS		EMT	93.558	0	0	82,049	0	82,049	0	0	0	0
TANF/W2 Emer Pymts	DWD/DWS		EMT	93.558	0	0	314	0	314	0	0	0	0
TANF/W2 Job Access Loans	DWD/DWS		EMT	93.558	0	0	7,186	0	7,186	0	0	0	0
TANF/W2 Job Retention	DWD/DWS		EMT	93.558	0	0	8,170	0	8,170	0	0	0	0
TANF/W2 Job Skills Training	DWD/DWS		EMT	93.558	0	0	2,154	0	2,154	0	0	0	0
TANF/W2 Other Work Activities	DWD/DWS		EMT	93.558	2,181	0	31,784	0	33,952	0	0	13	0
TANF/W2 Parenting Skills	DWD/DWS		EMT	93.558	0	0	223	0	223	0	0	0	0
TANF/W2 Request for Assist	DWD/DWS		EMT	93.558	2,959	0	0	0	2,933	0	0	26	0
TANF/W2 SSI SSDI Advocacy	DWD/DWS		EMT	93.558	0	0	676	0	676	0	0	0	0
TANF/W2 Transportation	DWD/DWS		EMT	93.558	0	0	4,197	0	4,197	0	0	0	0
TANF/W2 Trial Jobs	DWD/DWS		EMT	93.558	0	0	4,443	0	4,443	0	0	0	0
TANF/W2 Work Experience	DWD/DWS		EMT	93.558	0	0	25,993	0	25,993	0	0	0	0
Total CFDA 93.558					5,216	0	354,602	0	357,535	0	0	2,283	0
Family Support Pymts to State-Assist Pymt	DWD/DWS		SOS	93.560	0	0	429	0	(197)	0	0	626	0
Child Support Enforcement IV-D	DWD/DWS	23	SOS	93.563	181,540	0	1,193,663	227,432	1,176,930	227,432	0	198,273	0

COUNTY OF MARATHON, WI
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
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Federal Grantor Agency Program Title	State Pass-thru Entity	Notes	Co Dept	CFDA Number	Accrued (Deferred) Fed Rev 01/01/07	Accrued (Deferred) Local Rev 01/01/07	Federal Expenditures	Local Expenditures	Federal Reimburse	Local Reimburse	Adjustments	Accrued (Deferred) Fed Rev 12/31/07	Accrued (Deferred) Local Rev 12/31/07
US Department of Health & Human Services (Continued)													
Refugee & Entrant Assistance	DWD/DWS		EMT	93.566	0	0	672	0	672	0	0	0	0
Refugee & Entrant Assistance/Cash Pymt	DWD/DWS		EMT	93.566	0	0	2,692	0	2,692	0	0	0	0
Refugee & Entrant Assistance/State Admin Prog	DWD/DWS		SOS	93.566	31	0	0	0	31	0	0	0	0
Refugee & Entrant Assistance/WAHMA	DWD/DWS	24	EMT	93.566	0	0	35,880	0	20,332	0	0	15,548	0
Total CFDA 93.566					31	0	39,244	0	23,727	0	0	15,548	0
Low Income Home Energy Assistance	DOA		SOS	93.568	38,807	0	235,845	0	237,716	0	0	36,936	0
Refugee & Entrant Assistance/WAHMA Best	DWD/DWS	24	EMT	93.576	280	0	3,218	0	3,498	0	0	0	0
Refugee & Entrant Assistance/WAHMA Rd to Work	DWD/DWS	24	EMT	93.576	0	0	27,505	0	8,092	0	0	19,413	0
Total CFDA 93.576					280	0	30,723	0	11,590	0	0	19,413	0
Child Care Development Fund	DWD/DWS		SOS	93.596	(1,003)	0	213,348	0	212,842	0	0	(497)	0
Child Care Mandatory Match	DWD/DWS		EMT	93.596	0	0	341,725	0	341,725	0	0	0	0
Child Care Mandatory/W2 Elig Ad	DWD/DWS		EMT	93.596	0	0	15,088	0	15,088	0	0	0	0
Total CFDA 93.596					(1,003)	0	570,161	0	569,655	0	0	(497)	0
Chafee Education & Training Vouchers Program	DHFS/DCFS		SOS	93.599	96,330	0	584,100	0	824,265	0	0	(143,835)	0
Child Welfare Services	DOC		SOS	93.645	440	0	24,562	0	25,002	0	0	0	0
Child Welfare Services	DHFS/DCFS		SOS	93.645	0	0	25,787	0	25,787	0	0	0	0
Total CFDA 93.645					440	0	50,349	0	50,789	0	0	0	0
Foster Care Title IV-E	DHFS/DCFS		SOS	93.658	1,201	0	220,384	2,767	220,054	2,767	0	1,531	0
Foster Care Title IV-E	DOC		SOS	93.658	440	0	24,562	0	25,002	0	0	0	0
Total CFDA 93.658					1,641	0	244,946	2,767	245,056	2,767	0	1,531	0
Family Care Resource Center	DHFS	25	ADRC	93.667	9,535	0	0	0	9,535	0	0	0	0
Family Care Resource Center	DHFS		ADRC	93.667	1,391	0	0	0	1,391	0	0	0	0
Social Services Block Grant	DHFS/DCFS		SOS	93.667	(585)	0	206,294	0	205,709	0	0	0	0
Total CFDA 93.667					10,341	0	206,294	0	216,635	0	0	0	0
Child Abuse and Neglected Grants	DHFS/DCFS		SOS	93.669	10	0	5,865	0	6,010	0	0	(135)	0
Child Care Expansion	DHFS/DCFS		SOS	93.674	(11,505)	0	51,233	0	27,475	0	0	12,253	0
State Childrens Insurance Program	DHFS/DHCF		SOS	93.767	14,388	0	83,946	0	81,881	0	0	16,453	0
MA DBS RC Medicaid I&A Fed	DHFS		ADRC	93.778	717	0	0	0	717	0	0	0	0
MA Resource Center Screen	DHFS		ADRC	93.778	5,264	0	0	0	5,264	0	0	0	0
MA Resource Medicaid I&A	DHFS		ADRC	93.778	17,477	0	0	0	17,477	0	0	0	0
Medical Assistance Program	DWD/DWS		SOS	93.778	574	0	(1,861)	3,889	(125)	3,889	0	(1,162)	0
Medical Assistance Program	DHFS/DSL	26,27,28,29,30, 31,32,33,34,35	SOS	93.778	102,984	0	2,921,775	0	2,949,674	0	2,043	77,128	0
Medical Assistance Program/Personal Care	DHFS		SOS	93.778	107,945	0	470,512	78	461,949	78	0	116,508	0
Medical Assistance Program	DHFS/DHCF		SOS	93.778	77,862	0	547,783	(3,548)	525,622	(3,548)	0	100,023	0
Medical Assistance/Consolidated Contract MCH	DHFS/DPH		HLT	93.778	(583)	0	4,098	0	3,273	0	0	242	0
Medical Assistance/Family Svc Coord	DHFS/DPH		HLT	93.778	(427)	0	415	0	77	0	0	(89)	0
Total CDFA 93.778					311,813	0	3,942,722	419	3,963,928	419	2,043	292,650	0
Preventive Health & Health Svc Blk Grant	DHFS/DPH		HLT	93.991	0	0	12,607	0	12,995	0	0	(388)	0

COUNTY OF MARATHON, WI
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
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Federal Grantor Agency Program Title	State Pass-thru Entity	Notes	Co Dept	CFDA Number	Accrued (Deferred) Fed Rev 01/01/07	Accrued (Deferred) Local Rev 01/01/07	Federal Expenditures	Local Expenditures	Federal Reimburse	Local Reimburse	Adjustments	Accrued (Deferred) Fed Rev 12/31/07	Accrued (Deferred) Local Rev 12/31/07
US Department of Health & Human Services (Continued)													
Maternal & Child Health/CYSHCN	DHFS/DPH		HLT	93.994	(41,315)	0	124,012	0	150,082	0	0	(67,385)	0
Maternal & Child Health/EIDP	DHFS/DPH		HLT	93.994	(1,697)	0	3,751	0	4,755	0	0	(2,701)	0
Medical Assistance/Consolidated Contract MCH	DHFS/DPH		HLT	93.994	(14,460)	0	56,055	0	44,769	0	0	(3,174)	0
Medical Assistance/Family Svc Coord	DHFS/DPH		HLT	93.994	(6,316)	0	5,666	0	1,047	0	0	(1,697)	0
Total CFDA 93.994					(63,788)	0	189,484	0	200,653	0	0	(74,957)	0
US Department of Homeland Security													
State Domestic Prepare Equip Supp/LETPP Equip	DOA/OJA	2	SHR	97.004	25,000	0	0	0	25,000	0	0	0	0
Emergency Mgmt Performance	DMA/DEM		SHR	97.042	11,303	0	37,231	0	24,267	0	0	24,267	0
Emergency Mgmt Performance 05/06	DMA/DEM		SHR	97.042	20,483	0	0	0	20,483	0	0	0	0
Total CFDA 97.042					31,786	0	37,231	0	44,750	0	0	24,267	0
Homeland Security/Com Equip	DOA/OJA	2,36	SHR	97.067	0	0	20,441	0	20,441	0	0	0	0
Homeland Security/Equip	DOA/OJA	2	SHR	97.067	77,360	0	0	0	77,360	0	0	0	0
Homeland Security/LETPP Equip	DOA/OJA	2	SHR	97.067	0	(15,000)	36,720	12,240	36,720	(2,760)	0	0	0
Homeland Security/LETPP Equip 07	DOA/OJA	2	SHR	97.067	0	0	29,952	0	29,952	0	0	0	0
Homeland Security/Training OT	DOA/OJA	2	SHR	97.067	3,536	0	0	0	3,536	0	0	0	0
Total CFDA 97.067					80,896	(15,000)	87,113	12,240	168,009	(2,760)	0	0	0
Total Federal Programs					726,281	(2,363)	11,979,130	334,235	11,322,131	341,925	2,044	1,385,324	(10,053)

COUNTY OF MARATHON, WI
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
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State Grantor Agency Program Title	State Division	Notes	Co Dept	CFDA Number	State Assist Number	Accrued (Deferred) State Rev 01/01/07	Accrued (Deferred) Local Rev 01/01/07	State Expenditures	Local Expenditures	State Reimburse	Local Reimburse	Adjustments	Accrued (Deferred) State Rev 12/31/07	Accrued (Deferred) Local Rev 12/31/07
WI Department of Agriculture, Trade & Consumer Protection														
Clean Sweep/Household Haz Waste	None		SWM	None	115.040	16,485	0	0	0	16,485	0	0	0	0
County Staff & Support	None		LND	None	115.150	68,626	(4,056)	154,136	0	223,505	0	0	(743)	(4,056)
County Staff & Support/DATCP Staff	None	37	LND	None	115.150	0	(9,378)	0	0	0	0	0	0	(9,378)
Total State Assistance 115.150						68,626	(13,434)	154,136	0	223,505	0	0	(743)	(13,434)
Land & Water Rsrc Mgmt Plan/LWRM Direct	None		LND	None	115.400	33,909	0	131,633	0	163,442	0	0	2,100	0
WI Department of Commerce														
Private Sewage System Replace & Rehab/Zon	None		ZON	None	143.110	5,700	0	97,166	0	102,866	0	0	0	0
WI Department of Public Instruction														
Public Library System Aid/Cash Grant 04	None	38	LIB	None	255.002	(9,768)	0	9,768	0	0	0	0	0	0
WI Department of Natural Resources														
Nonpoint Source Pollution Abate/Target Rsrc	None	39	LND	None	370.424	21,636	0	89,541	0	114,194	0	0	(3,017)	0
Enforcement Aids/Boating	None	39	SHR	None	370.550	0	0	6,756	0	6,756	0	0	0	0
Enforcement Aids/ATV	None	39	SHR	None	370.551	4,104	0	595	0	4,699	0	0	0	0
Enforcement Aids/Snowmobile	None	39	SHR	None	370.552	0	0	5,569	0	5,569	0	0	0	0
Wildlife Damage Claim & Abatement	None		LND	None	370.553	3,220	(740)	54,101	0	42,388	0	0	14,933	(740)
Environmental Aids/LBRR Cost Share	None	39	LND	66.460	370.602	3,826	0	109,427	0	102,980	0	0	10,273	0
Environmental Aids-Local Water/Sewer	None	1, 39	LND	None	370.604	0	(2,161)	0	2,161	0	0	0	0	0
Resource Aids/County Conservation Aids	None		FOR	None	370.563	0	(6,910)	0	0	0	4,931	0	0	(11,841)
Recreational Aids-Fish, Wildlife/Wildlife Habitat	None	39	FOR	None	370.564	0	(6,217)	2,009	0	2,866	385	0	(857)	(6,602)
Resource Aids/County Forest Loans	None	39	FOR	None	370.567	0	0	514,055	0	514,055	0	0	0	0
County Forest Administrator Grant	None	39	FOR	None	370.572	0	0	50,327	0	50,327	0	0	0	0
Snowmobile Trail Aid/Special Projects	None		SNW	None	370.574	16,772	0	0	0	25,594	0	0	(8,822)	0
Snowmobile Trail Aid 05/06	None		SNW	None	370.574	(93,996)	0	119,596	0	72,497	0	0	(46,897)	0
Snowmobile Trail Aid 06/07	None		SNW	None	370.574	15,836	0	142,706	0	131,840	0	0	26,702	0
Snowmobile Trail Aid 07/08	None		SNW	None	370.574	0	0	109,132	0	97,688	771	0	11,444	(771)
Total State Assistance 370.574						(61,388)	0	371,434	0	327,619	771	0	(17,573)	(771)
All-Terrain Vehicle Program/Special Projects	None		SNW	None	370.577	20,235	0	0	0	25,594	287	0	(5,359)	(287)
All-Terrain Vehicle Program/Summer 06/07	None		SNW	None	370.577	(3,880)	0	7,676	0	4,588	0	0	(792)	0
All-Terrain Vehicle Program/Summer 07/08	None		SNW	None	370.577	0	0	6,474	0	5,625	0	0	849	0
All-Terrain Vehicle Program/Winter 06/07	None		SNW	None	370.577	(34,485)	0	62,185	0	27,700	0	0	0	0
All-Terrain Vehicle Program/Winter 07/08	None		SNW	None	370.577	0	0	0	0	34,485	0	0	(34,485)	0
Total State Assistance 370.577						(18,130)	0	76,335	0	97,992	287	0	(39,787)	(287)

See Accompanying Independent Auditors' Report and Notes to the Schedule of Expenditures of Federal and State Awards.

COUNTY OF MARATHON, WI
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
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State Grantor Agency Program Title	State Division	Notes	Co Dept	CFDA Number	State Assist Number	Accrued (Deferred) State Rev 01/01/07	Accrued (Deferred) Local Rev 01/01/07	State Expenditures	Local Expenditures	State Reimburse	Local Reimburse	Adjustments	Accrued (Deferred) State Rev 12/31/07	Accrued (Deferred) Local Rev 12/31/07
WI Department of Transportation														
Highway Planning & Construction #6651-01-21	None		HWY	20.205	None	0	0	45,664	0	0	0	0	45,664	0
Highway Planning & Construction #6675-00-20	None	40	HWY	20.205	None	16,712	0	0	0	16,712	0	0	0	0
Total State Assistance 20.205						16,712	0	45,664	0	16,712	0	0	45,664	0
Alcohol Traffic Safety & Drunk Driving Prev	None	41	ADM	20.601	None	(7,056)	0	33,249	64,220	26,193	64,220	0	0	0
Specialized Transportation Assist/III-B	None		PLN	None	395.101	14,618	0	226,864	0	260,665	47,184	0	(19,183)	(47,184)
Federal Transit Formula/WATS	None	9,10	FIN	20.507	395.104	11,389	0	56,931	0	28,912	0	0	39,408	0
Highway Planning & Construction MPO	None		PLN	20.205	395.202	2,533	5,294	9,194	17,675	8,490	22,969	0	3,237	0
Transport Facilities Eco Assist TEA #9958-01-72	None		HWY	None	395.510	580,000	0	0	0	580,000	0	0	0	0
WI Department of Corrections														
Early & Intensive Intervention Program	None		SOS	None	410.302	0	0	70,980	0	70,980	0	0	0	0
Child Welfare Services	None		SOS	None	410.313	28,376	0	1,588,355	254,726	1,616,731	254,726	0	0	0
WI Department of Health & Family Services														
Healthy Lifestyles	None	42,43,44	HLT	None	435.XXX	0	0	4,000	0	2,000	0	(2,000)	0	0
Medical Assistance Personal Care	DHFS		SOS	93.778	435.000	78,166	0	340,715	0	334,513	0	0	84,368	0
Funeral/Cemetery	DHCF		SOS	None	435.105	11,114	0	99,768	0	110,813	0	0	69	0
Medical Assistance Program	DHCF		SOS	93.778	435.131	(367)	0	64,716	0	60,627	0	0	3,722	0
Medical Assistance Program	DHCF		SOS	93.778	435.132	1,020	0	4,253	0	4,159	0	0	1,114	0
Childrens' Long Term Support PF	DSL		SOS	None	435.200	(336)	0	(1,695)	0	(1,470)	0	0	(561)	0
Medical Assistance Program	DHCF		SOS	93.778	435.224	(4,990)	0	0	0	(4,990)	0	0	0	0
Medical Assistance Program IM Avail Alloc	DHCF		SOS	None	435.283	0	0	493,008	447,041	492,159	447,041	0	849	0
IMAA Federal & State/IM Support	None	45	EMT	93.778	435.284	0	9,023	0	42,717	0	44,842	0	0	6,898
IMAA Federal & State/IM Support	None	45	EMT	93.778	435.284	0	7,505	0	74,980	0	79,356	0	0	3,129
Medical Assistance Program IM Avail Alloc	DHCF		SOS	93.778	435.284	1,808	0	10,017	0	9,862	0	0	1,963	0
Total State Assistance 435.284						1,808	16,528	10,017	117,697	9,862	124,198	0	1,963	10,027
Medical Assistance Program IM Avail Alloc	DHCF		SOS	93.778	435.291	(1,044)	0	(17,405)	0	(16,358)	0	0	(2,091)	0
Community Options Program Waiver	DSL		SOS	None	435.338	0	0	1,143,362	0	1,143,362	0	0	0	0
Children & Families Incentive	DCFS		SOS	None	435.342	(15,108)	0	237,149	0	218,470	0	0	3,571	0
Children & Family Svc/Pocan Match	CFS	45	HLT	None	435.342	0	(66)	0	66	0	0	0	0	0
Total State Assistance 435.342						(15,108)	(66)	237,149	66	218,470	0	0	3,571	0
Community Integration Program (CIP II)	DSL	46	SOS	None	435.348	11,091	0	112,947	0	136,023	0	27,437	15,452	0
Community Options Program (COP)	DSL	47	SOS	None	435.367	487,666	0	1,163,204	0	1,254,597	0	(47,532)	348,741	0
CIP II Community Relocation Program	DSL	48	SOS	None	435.369	22,905	0	275,966	0	260,087	0	(293)	38,491	0
CIP II Diversion Program	DSL	49	SOS	None	435.375	1,482	0	27,653	0	22,270	0	2	6,867	0

See Accompanying Independent Auditors' Report and Notes to the Schedule of Expenditures of Federal and State Awards.

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State Grantor Agency Program Title	State Division	Notes	Co Dept	CFDA Number	State Assist Number	Accrued (Deferred) State Rev 01/01/07	Accrued (Deferred) Local Rev 01/01/07	State Expenditures	Local Expenditures	State Reimburse	Local Reimburse	Adjustments	Accrued (Deferred) State Rev 12/31/07	Accrued (Deferred) Local Rev 12/31/07
WI Department of Health & Family Services (Continued)														
Kinship Care Program	DCFS		SOS	None	435.377	3,630	0	257,215	0	261,721	0	0	(876)	0
Kinship Care Program	DCFS		SOS	None	435.380	469	0	19,469	0	19,938	0	0	0	0
Children's Long Term Support	DSL	50	SOS	None	435.450	(517)	0	73,130	0	193,656	0	105,898	(15,145)	0
Childrens' Long Term Support	DSL	51	SOS	None	435.451	(2,526)	0	10,819	0	11,803	0	132	(3,378)	0
TB Dispensary	DPH	52	HLT	None	435.505	(15,620)	0	0	0	0	0	0	(15,620)	0
TB Dispensary/2006	DPH	52	HLT	None	435.505	423	0	2,728	0	3,151	0	0	0	0
TB Dispensary/2007	DPH		HLT	None	435.505	0	0	2,091	0	0	0	0	2,091	0
Total State Assistance 435.505						(15,197)	0	4,819	0	3,151	0	0	(13,529)	0
Community Services & Mental Health Services	DCFS		SOS	93.658	435.561	0	0	1,120,384	0	1,120,384	0	0	0	0
Medical Assistance Program CIP 1B	DSL	53	SOS	93.778	435.564	0	0	38,163	0	42,162	0	3,999	0	0
Family Support Program	DSL		SOS	None	435.577	37,967	0	129,248	0	162,255	0	0	4,960	0
Community Services & Mental Health Services	DCFS		SOS	None	435.681	0	0	228,430	6,007,646	228,430	6,007,646	0	0	0
Food Stamp Program	DHCF		SOS	10.561	435.750	0	0	4,774	0	4,774	0	0	0	0
Medical Assistance Program	DHCF		SOS	93.778	435.909	0	0	(970)	0	(375)	0	0	(595)	0
Food Stamp Program	DHCF		SOS	10.561	435.950	231	0	7,685	0	6,822	0	0	1,094	0
Healthcheck/Other Services	DMT		SOS	None	435.967	66,558	0	37,791	0	87,847	0	0	16,502	0
Family Care Resource Center	None	25	ADRC	93.667	435.1400	138,517	0	0	0	138,517	0	0	0	0
Family Care Resource Center	None		ADRC	93.667	435.1400	20,214	(5,974)	0	5,974	20,214	0	0	0	0
Total State Assistance 435.1400						158,731	(5,974)	0	5,974	158,731	0	0	0	0
Family Care Prevention Project/Safe Steps	None	54	ADRC	None	435.1404	6,402	0	0	0	6,402	0	0	0	0
Family Care Resource Center/Disability Ben Sp	None		ADRC	None	435.1423	0	(284)	0	299	0	15	0	0	0
Radon Aids 06	DPH		HLT	None	435.103010	(799)	0	14,738	0	13,939	0	0	0	0
Pocan Operations	DPH		HLT	None	435.131310	10,486	0	157,629	0	139,999	0	0	28,116	0
CDC Invest & Tech Assist/WI Well Woman Prog	DPH		HLT	93.283	435.155056	(18,844)	0	29,866	0	26,853	0	0	(15,831)	0
Consolidated Contract/WWWP Expansion	DPH		HLT	None	435.157001	(21,640)	0	4,397	0	0	0	0	(17,243)	0
Consolidated Contract Childhood Lead	DPH		HLT	None	435.157720	(3,395)	0	19,505	0	16,110	0	0	0	0
TPCP Wisconsin Wins	DPH		HLT	None	435.158116	(9)	0	909	0	900	0	0	0	0
TPCP Com Intervention/TCB	DPH		HLT	None	435.158125	(13,965)	0	45,044	0	50,935	0	0	(19,856)	0
TPCP Wisconsin Wins	DPH		HLT	None	435.158127	(21,245)	0	20,157	0	11,250	0	0	(12,338)	0
TPCP Statewide/Tobacco Advocacy	DPH	42,55	HLT	None	435.158132	0	0	88	0	0	0	(88)	0	0
TPCP Statewide/Tobacco Training	DPH	42	HLT	None	435.158132	0	0	3,775	0	3,775	0	0	0	0
Total State Assistance 435.158132						0	0	3,863	0	3,775	0	(88)	0	0
TPCP Pregnant Smokers/First Breath	DPH		HLT	None	435.158154	0	0	362	0	3,000	0	0	(2,638)	0

See Accompanying Independent Auditors' Report and Notes to the Schedule of Expenditures of Federal and State Awards.

COUNTY OF MARATHON, WI
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2007

State Grantor Agency Program Title	State Division	Notes	Co Dept	CFDA Number	State Assist Number	Accrued (Deferred) State Rev 01/01/07	Accrued (Deferred) Local Rev 01/01/07	State Expenditures	Local Expenditures	State Reimburse	Local Reimburse	Adjustments	Accrued (Deferred) State Rev 12/31/07	Accrued (Deferred) Local Rev 12/31/07
WI Department of Health & Family Services (Continued)														
Medical Assistance/Consolidated Contract MCH	DPH		HLT	93.994	435.159320	(586)	0	4,086	0	3,263	0	0	237	0
Medical Assistance/Family Svc Coord	DPH		HLT	93.994	435.159320	(426)	0	413	0	77	0	0	(90)	0
Total State Assistance 435.159320						(1,012)	0	4,499	0	3,340	0	0	147	0
State Elderly Benefit Specialist	DES	13,56	ADRC	None	435.560320	0	0	33,438	0	33,438	0	0	0	0
EBS OCI Replacement	None	13	ADRC	None	435.560327	0	0	14,987	0	14,987	0	0	0	0
State Senior Community Service Prog	None	13,57	ADRC	None	435.560330	10,193	0	13,639	0	23,832	0	0	0	0
Title III-C C/1	None	13,16	ADRC	93.045	435.560350	5,625	(9,421)	186,661	14,758	192,286	5,337	0	0	0
Title III-C C/2	None	13,17	ADRC	93.045	435.560360	0	1,904	10,000	7,582	10,000	9,486	0	0	0
Total State Assistance 435.560350						5,625	(7,517)	196,661	22,340	202,286	14,823	0	0	0
Alzheimers Family & Caregiver Supp Prog	None	13	ADRC	None	435.560381	14,126	0	39,878	0	48,357	0	0	5,647	0
Elder Abuse & Neglect	DSL		SOS	None	435.560381	11,605	0	0	0	11,605	0	0	0	0
Total State Assistance 435.560381						25,731	0	39,878	0	59,962	0	0	5,647	0
Elder Abuse & Neglect	DSL		SOS	None	435.560490	0	0	48,686	0	42,945	0	0	5,741	0
Title VII Elder Abuse Service	None	45	ADRC	None	435.560490	0	419	0	0	0	528	0	0	(109)
Total State Assistance 435.560490						0	419	48,686	0	42,945	528	0	5,741	(109)
WI Department of Workforce Development														
Child Support IV-D Non Qualifying	DWS	23	SOS	None	None	0	0	0	5,363	0	5,363	0	0	0
Child Support IV-D	DWS	23	SOS	93.563	445.301	306	0	1,191	0	1,497	0	0	0	0
TANF Block Grant	DWS		SOS	93.558	445.315	75	0	0	0	75	0	0	0	0
TANF/W2 Admin	DWS		EMT	93.558	445.315	0	0	63,073	0	60,830	0	0	2,243	0
TANF/W2 Education	DWS		EMT	93.558	445.315	0	0	2,670	0	2,670	0	0	0	0
TANF/W2 Elig Ad	DWS		EMT	93.558	445.315	0	0	2,514	0	2,514	0	0	0	0
TANF/W2 Emer Assist Case Mgmt	DWS		EMT	93.558	445.315	0	0	7,410	0	7,410	0	0	0	0
TANF/W2 Emer Assist Eligibility	DWS	4	EMT	93.558	445.315	0	0	8,596	0	8,596	0	0	0	0
TANF/W2 Emer Pymts	DWS		EMT	93.558	445.315	0	0	314	0	314	0	0	0	0
TANF/W2 Job Retention	DWS		EMT	93.558	445.315	0	0	8,170	0	8,170	0	0	0	0
TANF/W2 Job Skills Training	DWS		EMT	93.558	445.315	0	0	2,153	0	2,153	0	0	0	0
TANF/W2 Other Work Activities	DWS		EMT	93.558	445.315	2,180	0	31,784	0	33,952	0	12	0	0
TANF/W2 Parenting Skills	DWS		EMT	93.558	445.315	0	0	222	0	222	0	0	0	0
TANF/W2 Request for Assist	DWS		EMT	93.558	445.315	2,959	0	0	0	2,959	0	0	0	0
TANF/W2 SSI SSDI Advocacy	DWS		EMT	93.558	445.315	0	0	676	0	676	0	0	0	0
TANF/W2 Transportation	DWS		EMT	93.558	445.315	0	0	4,196	0	4,196	0	0	0	0
TANF/W2 Trial Jobs	DWS		EMT	93.558	445.315	0	0	4,443	0	4,443	0	0	0	0
TANF/W2 Work Experience	DWS		EMT	93.558	445.315	0	0	25,993	0	25,993	0	0	0	0
W2 Programs	DWS	58	EMT	93.558	445.315	36,461	(230,365)	0	0	(21,112)	14,599	0	57,573	(244,964)
W2 Programs	DWS	59	EMT	93.558	445.315	15,249	13,003	0	0	12,205	5,622	0	3,044	7,381
Total State Assistance 445.315						56,924	(217,362)	162,214	0	156,266	20,221	0	62,872	(237,583)
TANF/W2 Job Access Loans	DWS		EMT	93.558	445.323	0	0	7,186	0	7,186	0	0	0	0
Child Support IV-D	DWS	23	SOS	93.563	445.334	(74)	0	(443)	0	(485)	0	0	(32)	0
Client Refunds & Adjustments	DWS		SOS	93.560	445.338	0	0	338	0	(154)	0	0	492	0

COUNTY OF MARATHON, WI
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2007

State Grantor Agency Program Title	State Division	Notes	Co Dept	CFDA Number	State Assist Number	Accrued (Deferred) State Rev 01/01/07	Accrued (Deferred) Local Rev 01/01/07	State Expenditures	Local Expenditures	State Reimburse	Local Reimburse	Adjustments	Accrued (Deferred) State Rev 12/31/07	Accrued (Deferred) Local Rev 12/31/07
WI Department of Workforce Development (Continued)														
Food Stamps Admin 50/50 Option	DWS		EMT	10.561	445.367	938	0	13,356	26,712	14,294	26,712	0	0	0
Food Stamp Program	DWS		SOS	10.561	445.367	419	0	(104)	0	238	0	0	77	0
Food Stamps/FSET Supplement	DWS	4	EMT	10.561	445.367	0	0	6,798	0	6,798	0	0	0	0
Food Stamps/W2 FSET	DWS		EMT	10.561	445.367	0	0	40,907	0	40,907	0	0	0	0
Food Stamps/W2 FSET Participant Supp	DWS		EMT	10.561	445.367	0	0	6,945	0	6,945	0	0	0	0
Medical Assistance Program	DWS		SOS	93.778	445.367	574	0	(1,862)	0	(125)	0	0	(1,163)	0
Total State Assistance 445.367						1,931	0	66,040	26,712	69,057	26,712	0	(1,086)	0
TANF/W2 Emer Assist Pymts	DWS		EMT	93.558	445.375	0	0	82,048	0	82,048	0	0	0	0
WI Department of Military Affairs														
Emergency Planning/Hazmat Equip	DEM	60	SHR	None	465.337	10,000	0	10,000	2,500	10,000	2,500	0	10,000	0
Emergency Planning/SARA 06/07	DEM	61	SHR	None	465.337	6,763	0	20,287	0	13,525	0	0	13,525	0
State Emergency Response Board/EPCRA 05-06	DEM		SHR	None	465.337	13,457	0	0	0	13,457	0	0	0	0
Total State Assistance 465.337						30,220	0	30,287	2,500	36,982	2,500	0	23,525	0
WI Department of Justice														
Reimbursement for Victim & Witness Svc	None		DA	None	455.503	34,405	0	79,976	67,743	72,732	67,743	0	41,649	0
WI Department of Administration														
Land Info Board/Education-Training 07	None		PLN	None	505.116	0	0	0	0	300	0	0	(300)	0
Land Info Board/Benchmark	None		PLN	None	505.118	(591)	0	0	0	0	0	0	(591)	0
Land Info Board/Education-Training	None	62	PLN	None	505.118	(72)	0	72	0	0	0	0	0	0
Land Info Board/Education-Training 04	None		PLN	None	505.118	(300)	0	0	0	0	0	0	(300)	0
Land Info Board/Education-Training 06	None		PLN	None	505.118	(300)	0	100	0	0	0	0	(200)	0
Total State Assistance 505.118						(1,263)	0	172	0	0	0	0	(1,091)	0
Land Info Board/Comprehensive Planning	None	1	PLN	None	505.185	90,432	0	38,212	0	0	0	0	128,644	0
Low Income Home Energy Assistance Program	None		SOS	None	505.371	3,901	0	36,284	0	34,909	0	0	5,276	0
Local Law Enforcement/CEADEG	OJA	2	SHR	16.738	505.646	0	0	18,359	0	18,359	0	0	0	0
WI Public Service Commission														
E-911 Program	None		SHR	None	None	0	0	23,951	0	17,952	0	0	5,999	0
Total State Programs						1,751,855	(238,424)	10,786,777	7,042,163	11,862,451	7,112,263	87,555	763,736	(308,524)
TOTAL FEDERAL AND STATE PROGRAMS						2,478,136	(240,787)	22,765,907	7,376,398	23,184,582	7,454,188	89,599	2,149,060	(318,577)

COUNTY OF MARATHON, WI
 SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
 FOR THE YEAR ENDED DECEMBER 31, 2007

Footnotes to the Schedule of Federal and State Financial Awards:

For Programs which have Federal, State and Local funding, all Local funding is shown under the "Local" heading in the State Section of the Schedule.

Programs shown in the State Section of the Schedule may include identification by Federal CFDA Number. These identification numbers are provided as a reference, especially for State programs which have not been assigned a State Assistance Number.

- 1 -- Local Match Component met through Non-monetary In-kind Contributions.
- 2 -- Awarded to direct application under DUNS Number 001713882.
- 3 1 State adjustment to Profile 754 Food Stamp Program Integrity.
- 4 -- The 2007 DWD CORE did not provide funding information for this CARS Line; information is presented based on similar programs or prior years' CORE.
- 5 -- Funding flows through Grassworks, Incorporated.
- 6 -- Funding flows through Senior Services America, Inc.
- 7 -- WisDOT Numbers 6676-04-01 & 6676-01-71.
- 8 -- Local Match Component met through officer and support staff hours.
- 9 -- Funding flows through City of Wausau, WI.
- 10 -- Funding flows through Wausau Area Transit System.
- 11 -- Local Match Component met through Mileage/Wages paid for Media Events.
- 12 -- Funding Flows through Arts Midwest.
- 13 -- Funding flows through Northern Area Agency on Aging.
- 14 -- Local Match Component met with Space Costs paid by County valued at \$195 and 160 hours of Volunteer Labor valued at \$1,080.
- 15 -- Local Match Component met with \$12,432 of Tax Levy and space costs paid by County valued at \$1,200.
- 16 -- Local Match Component met with Space Costs paid by County valued at \$9,650 and 3,931 hours of Volunteer Labor valued at \$26,534.
- 17 -- Local Match Component met with \$11,230 of Tax Levy.
- 18 -- Local Match Component met through Alzheimers Family & Caregiver Support Program.
- 19 -- Funding flows through Waisman Resource Center.
- 20 -- Funding flows through Mental Health Association of Milwaukee, WI.
- 21 -- Funding flows through Children's Health Alliance of WI--Children's Hospital.
- 22 -- Funding flows through Marshfield Clinic Research Foundation.
- 23 -- The Child Support Program is allowed to earn revenues in excess of Expenditures; excess revenues are used to offset costs of other Social Service Programs.
- 24 -- Funding applied for under Wausau Area Hmong Mutual Association DUNS 13-6156333.
- 25 -- Funding flows through Wood County, WI.
- 26 179 State adjustment to Profile 437 Children's Long Term Support, Reconciliation to HSRS.
- 27 59 State adjustment to Profile 438 Children's Long Term Support, Reconciliation to HSRS.
- 28 149 State adjustment to Profile 448 Children's Long Term Support, Reconciliation to HSRS.
- 29 143,098 State adjustment to Profile 427 Children's Long Term Support, Reconciliation to HSRS.
- 30 (141,123) State adjustment to Profile 428 Children's Long Term Support, Reconciliation to HSRS.
- 31 3 State adjustment to Profile 376 CIP II Community Relocation Diversion, Reconciliation to HSRS.
- 32 (396) State adjustment to Profile 370 CIP II Community Relocation, Reconciliation to HSRS.
- 33 29 State adjustment to Profile 563 CIP 1B, Reconciliation to HSRS.
- 34 11 State adjustment to Profile 349 CIP II, Reconciliation to HSRS.
- 35 34 State adjustment to Profile 339 COP-W, Reconciliation to HSRS.
- 36 -- Local Match Component met through equipment purchased directly by the Town of Maine, Wisconsin.
- 37 -- This grant covers Intern Wages only, and is separate from the SWRM grant.
- 38 -- Funding flows through Wisconsin Valley Library Service.
- 39 -- WI DNR does not exclude any of its programs from presentation in the Schedule of Expenditures of Federal & State Awards, despite exclusion from the scope of the Single Audit.
- 40 -- All State funds are to be exhausted prior to utilizing Local funds.

COUNTY OF MARATHON, WI
 SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
 FOR THE YEAR ENDED DECEMBER 31, 2007

Footnotes to the Schedule of Federal and State Financial Awards:

- 41 -- WisDOT Number 0928-42-08.
- 42 -- Funding flows through University of Wisconsin Comprehensive Cancer Center.
- 43 -- The University of Wisconsin Comprehensive Cancer Center did not provide any Single Audit Funding information, despite repeated requests.
- 44 (2,000) Funding received in fiscal 2006, but not included in the 2006 Single Audit Report due to incomplete information from grantor agency.
- 45 -- Funding flows through Marathon County , WI.
- 46 27,437 State adjustment to Profile 348 CIP II, Reconciliation to HSRS.
- 47 (47,532) State adjustment to Profile 367 COP, Reconciliation to HSRS.
- 48 (293) State adjustment to Profile 369 CIP II Community Relocation, Reconciliation to HSRS.
- 49 2 State adjustment to Profile 375 CIP II Community Relocation Diversion, Reconciliation to HSRS.
- 50 105,898 State adjustment to Profile 450 Children's Long Term Support, Reconciliation to HSRS.
- 51 132 State adjustment to Profile 451 Children's Long Term Support, Reconciliation to HSRS.
- 52 -- Program previously reported under State Assistance Number 435.XXX.
- 53 3,999 State adjustment to Profile 564 CIP 1B, Reconciliation to HSRS.
- 54 -- Funding flows through Aging & Disability Resource Center of Portage County, WI.
- 55 (88) Funding received in fiscal 2006, but not included in the 2006 Single Audit Report due to incomplete information from grantor agency.
- 56 -- Local Match Component met with \$3,716 of Tax Levy.
- 57 -- Local Match Component met with Space Costs paid by County valued at \$1,600.
- 58 -- Advanced funds reported as 100% State until they are associated with a particular program; funds are then shown with proper funding splits & percentages.
- 59 -- Adjustment to reflect amounts due from others not received within 60 days of 12/31/2007.
- 60 -- Program previously reported under the Name: State Emergency Response Board/Hazmat.
- 61 -- Program previously reported under the Name: State Emergency Response Board/EPCRA 06/07.
- 62 -- WI DOA Contract #81055.

COUNTY OF MARATHON, WISCONSIN
Notes to the Schedule of Expenditures of Federal and State Awards
For the year ended December 31, 2007

(1) Basis of Presentation

The federal and state award programs of Marathon County are presented in accordance with the Single Audit Act of 1984, the Single Audit Act Amendments of 1996, and the related audit requirements issued pursuant to Office of Management and Budget (OMB) Circular A-133 and the Wisconsin Department of Administration (DOA) State of Wisconsin Single Audit Guidelines.

All federal and state award programs, whether the funds are received directly from the federal government or are passed through the State of Wisconsin, have been included in the Schedule of Expenditures of Federal and State Awards. In addition to the information presented on federal and state award programs, the Wisconsin DOA has issued the State of Wisconsin Single Audit Guidelines, detailing additional auditing and reporting requirements for state funds.

The reporting entity for the County is based upon the criteria established by the Governmental Accounting Standards Board (GASB). Marathon County is the primary government according to GASB criteria, while the Children with Disabilities Education Board, North Central Community Services and the Central Wisconsin Airport are component units.

Federal and state awards received by the Children with Disabilities Education Board are not included in this report, as those amounts are included in a separate report. Federal and state awards received by the Central Wisconsin Airport are included in this report (when applicable), as the Central Wisconsin Airport does not produce an independent Single Audit Report.

(2) Summary of Significant Accounting Policies

The expenditures included in the "Schedule of Expenditures of Federal and State Awards" are presented on the modified accrual basis of accounting for governmental funds, and the accrual basis of accounting for proprietary funds and the Central Wisconsin Airport. Under both the accrual and modified accrual basis of accounting, expenditures are recognized generally in the accounting period in which the liability is incurred.

The reimbursements included in the Schedule of Expenditures of Federal and State Awards represent cash receipts or assistance received in 2007.

COUNTY OF MARATHON, WISCONSIN
Notes to the Schedule of Expenditures of Federal and State Awards
For the year ended December 31, 2007

(3) Oversight Agency

The U.S. Department of Health and Human Services has been designated the federal oversight agency for the County.

(4) State-Direct Payments

Wisconsin Medical Assistance Direct payments were not made to the County in 2007, as Marathon County does not operate a nursing home or other health care provider.

The following were the state-direct payments made to the County in 2007:

<u>Program</u>	<u>State-Direct Payment (unaudited)</u>
Food Stamps	\$6,661,234
W2 Payments	<u>275,477</u>
	<u>\$6,936,711</u>

COUNTY OF MARATHON, WISCONSIN
Schedule of Findings and Questioned Costs
For the year ended December 31, 2007

(1) Summary of Auditor's Results:

- (A) The type of report issued on the basic financial statements:
Unqualified Opinion.
- (B) Significant deficiencies in internal control were disclosed by the audit of the basic financial statements:
Yes.
Material weaknesses in internal control were disclosed by the audit of the basic financial statements:
Yes.
- (C) Noncompliance that is material to the basic financial statements was disclosed:
No.
- (D) Significant deficiencies in internal control over major programs were disclosed:
None Reported.
Material weaknesses in internal control over major programs were disclosed:
No.
- (E) The type of report issued on compliance for major programs:
Unqualified Opinion.
- (F) Any audit findings that are required to be reported under Section 510(a) of OMB Circular A-133:
No.
- (G) Auditee qualified as a low-risk auditee:
Federal Programs: No. State Programs: No.
- (H) Federal Major Programs:
- | | |
|--------|--|
| 10.561 | Food Stamps |
| 20.205 | Highway Planning & Construction |
| 93.044 | Special Programs for the Aging—Title III, Part B |
| 93.045 | Special Programs for the Aging—Title III, Part C |
| 93.053 | Nutrition Services Incentive Program |
| 93.558 | Temporary Assistance to Needy Families |
| 93.778 | Medical Assistance |
- (I) Dollar threshold used to distinguish between Type A and Type B programs:
Federal: \$359,374. State DHFS: \$196,106. State Other: \$100,000
- (J) State Major Programs:
- | | |
|-------------|---|
| 410.313 | Youth Aids |
| 435.338 | COP-W |
| 435.348 | CIP-II |
| 435.367 | Community Options Program |
| 435.369 | CIP II Community Relocation Program |
| 435.375 | CIP II Diversion Program |
| 435.377 | Kinship Care Program |
| 435.450 | Children's Long Term Support DD Autism |
| 435.451 | Children's Long Term Support MH Autism |
| 435.561/681 | Community Services & Mental Health Services |
| 435.564 | CIP-IB |
| 445.315 | W-2 |
- (K) The following federal programs were tested as major programs according to the requirements of the *State Single Audit Guidelines*:
- | | |
|--------|----------------------------------|
| 93.778 | Medical Assistance Personal Care |
|--------|----------------------------------|

COUNTY OF MARATHON, WISCONSIN
Schedule of Findings and Questioned Costs
For the year ended December 31, 2007

(2) Findings Relating to the Financial Statements Reported in Accordance with Government Auditing Standards:

See 2007-A, 2007-B, and 2007-C.

(3) Findings and Questioned Costs Relating to Federal and State Awards:

See 2007-01, 2007-02, and 2007-03.

(4) Other Issues:

(A) Does the auditor's report or the notes to the financial statements include disclosure with regard to substantial doubt as to the auditee's ability to continue as a going concern?

No.

(B) 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 Administration	No.
Department of Agriculture, Trade & Consumer Protection	No.
Department of Commerce	No.
Department of Corrections	No.
Department of Health and Family Services	Yes.
Department of Justice	No.
Department of Military Affairs	No.
Department of Natural Resources	No.
Department of Public Instruction	No.
Department of Transportation	No.
Department of Workforce Development	No.
Public Service Commission of Wisconsin	No.

(C) Was a Management Letter or other document conveying audit comments issued as a result of this audit?

Yes.

(D) Name and signature of partner:

Thomas A. Scheidegger

(E) Date of Report:

September 25, 2008

COUNTY OF MARATHON, WISCONSIN

Schedule of Findings and Questioned Costs
For Non-Compliance with State Requirements
For the year ended December 31, 2007

Finding 2007-01:

Children's Long-Term Support Program

State Assistance Number 435.450

Finding

Condition: During our testing of the Children's Long-Term Support program, we found that one out of the ten files tested did not contain an updated individual service plan for service changes.

Criteria: Program requirements as identified in the *State Single Audit Guidelines* require that individual service plans be updated when needs, services, providers, or units or service change.

Effect: Costs excluded from the ISP were \$1,310.

Recommendation: The County may consider implementing additional review procedures ensuring that individual service plans are being updated for changes.

Corrective Action Plan

The Children's Long Term support Expenditure Request will be updated with the question: Has the Individual Service Plan (ISP) been updated—yes or no—and the date the service plan was updated.

Ensuring the corrective plan is implemented will be the responsibility of the Supervisor of the Long Term Support Unit. The completion date of the action plan will be September 1, 2008. The Supervisor is responsible for the review of the expenditure request and will ensure each expenditure for documentation that the Social Worker has identified that they have updated the ISP and when.

Official Responsible for Ensuring the Corrective Action Plan

Connie Kuczarski, Long Term Support Supervisor

Planned Completion Date for the Corrective Action Plan

September 1, 2008

COUNTY OF MARATHON, WISCONSIN

Schedule of Findings and Questioned Costs
For Non-Compliance with State Requirements
For the year ended December 31, 2007

Finding 2007-02:

Children's Long-Term Support Program

State Assistance Number 435.450

Finding

Condition: During our testing of the Children's Long-Term Support program, we found that one out of the ten files tested contained incorrect billing on the HSRS report. The SPC charged on HSRS did not correspond to the SPC indicated in the client's individualized service plan.

Criteria: Program requirements as identified in the *State Single Audit Guidelines* require that costs are appropriately reported on the HSRS.

Effect: The miscoded costs totaled \$269.

Recommendation: The County may consider implementing additional review procedures addressing the SPC numbers reported on the HSRS to ensure accuracy.

Corrective Action Plan

Administrative staff will do a second review of information entered in HSRS. In this particular case, the error was caught and later corrected by a second administrative staff person.

Ensuring the corrective plan is implemented will be the responsibility of the Supervisor of the financial reporting staff and/or the Fiscal Services Manager.

Official Responsible for Ensuring the Corrective Action Plan

Linda Berna-Karger, Fiscal Services Manager

Planned Completion Date for the Corrective Action Plan

September 1, 2008

COUNTY OF MARATHON, WISCONSIN

Schedule of Findings and Questioned Costs
For Non-Compliance with State Requirements
For the year ended December 31, 2007

Finding 2007-03:

Community Options Program (COP)

State Assistance Number 435.367

Finding

Condition: During our testing of the Community Options Program, there was no evidence that a cost share worksheet was completed covering the period tested for one out of the ten files tested.

Criteria: Program requirements as identified in the *State Single Audit Guidelines* require that cost share worksheets are updated at least annually.

Effect: Potential cost shares are not applied against program expenditures.

Recommendation: The County may consider implementing additional review procedures to ensure cost share worksheets are being completed on an annual basis.

Corrective Action Plan

The Social Worker completing an annual review for a participant in the Community Options Program, will complete the File Review Checklist and submit all required information with the checklist to the Supervisor in the Long Term Support Unit. The Supervisor will review all information submitted, sign and date that the file is complete or corrective action is necessary and return the file to the assigned Social Worker.

Official Responsible for Ensuring the Corrective Action Plan

Connie Kuczarski, Long Term Support Supervisor

Planned Completion Date for the Corrective Action Plan

August 28, 2008

COUNTY OF MARATHON, WISCONSIN

Schedule of Findings and Questioned Costs
For Internal Control Over Financial Reporting
For the year ended December 31, 2007

Finding 2007-A: Internal Control Over Financial Reporting

Finding

Condition: Marathon County has not presented financial records that are free from material errors.

Criteria: Statement on Auditing Standards (SAS) No. 112 states that the county should have internal control procedures that enable the preparation of financial records and financial statements by county personnel that are free from material errors.

Effect: The county's financial records were materially misstated. The auditors proposed and made audit entries that were material to the county's financial statements during the 2007 audit. In addition, material changes were made to the 2007 county-prepared financial statements after auditor review.

Recommendation: The county may consider and implement additional internal control procedures to ensure the accuracy of its financial records.

Corrective Action Plan: The County was aware of the new auditing standards and created new procedures to provide that county personnel prepared the financial statements and be free of any material errors. The County reviewed transactions and accounts that met transaction dollar limits, reviewed transactions during the year and completed additional pre-audit work to verify all transactions were appropriate. The County takes the accuracy of its financial reporting very seriously and will continue to strive to create financial statements that are free of material misstatements.

Official Responsible for Ensuring the Corrective Action Plan:

Kristi Kordus, Marathon County Finance Director.

Planned Completion Date for the Corrective Action Plan:

Complete and review financial transactions during the year: On-going.

Complete additional pre-audit work on specific transactions and accounts: April 2009.

COUNTY OF MARATHON, WISCONSIN

Schedule of Findings and Questioned Costs
For Internal Control Over Financial Reporting
For the year ended December 31, 2007

Finding 2007-B: Internal Controls

Finding

Condition: Below is a list of potential controls that should be in place to achieve a higher level of reliability that errors or irregularities in your processes would be discovered by your staff. Our procedures identified that these controls do not currently exist, or are not documented, for Marathon County.

Controls Over Accounts Payable/Disbursements:

1. There should be an appropriate system for review and approval of vendors.
2. There should be physical evidence that invoices are properly approved for payment.
3. There should be a process in place to review, record, and approve encumbrances at year end.

Controls Over Payroll:

1. There should be documentation of the authorization for new employees and changes to employee rates and data in the payroll system.
2. Payroll transactions should be supported by approved time records.
3. There should be a review process in place to ensure that no changes are made to the ACH file for payroll direct deposits.

Controls Over Financial Reporting:

1. All decentralized bank account reconciliations should be reviewed by someone other than the preparer.
2. Trial balances or interim financial statements should be reviewed by all departments on a regular basis.
3. GASB No. 34 conversion entries and supporting documentation should be reviewed and approved by an appropriate person who is not the original preparer.
4. Client-prepared government-wide financial statements are not reviewed by someone independent of the preparer.

Entity-Wide Controls:

1. A formal fraud risk evaluation process should be in place. This is a control process that should exist and be performed by a newly created audit committee, the finance committee, or similar organization.

Controls Over Information Technology:

1. Network access and security logs should be reviewed on a regular basis in order to monitor security violations. In addition, there should be a procedure in place to resolve any security violations.
2. Only a select few employees should have access to the server room. IT management should review the list of those with access to the server room at least annually.
3. A formal IT job schedule should be created to identify all IT operations, including batch jobs, to ensure that the organization maintains reliable applications.
4. A standard form should be required to be used to facilitate adding new employees, modifying existing access, and removing access for terminated employees.
5. Access rights should be reviewed at least once a year by management to ensure users do not have access beyond their job responsibilities and segregation of duties is maintained.

COUNTY OF MARATHON, WISCONSIN

Schedule of Findings and Questioned Costs
For Internal Control Over Financial Reporting
For the year ended December 31, 2007

Finding 2007-B: Internal Controls (Continued)

Criteria: Auditing standards state that a lack of controls is a weakness in internal control.

Effect: Internal controls that are not in place can cause a greater risk for both intentional and unintentional errors.

Recommendation: The county should designate a person within the organization to review these potential controls and make a suggestion on the county's ability and cost (including time) to implement some or all of them.

Corrective Action Plan:

Controls over Accounts Payable/Disbursements: The County has changed several of its accounts payable processing procedures to create a more comprehensive control over this accounting cycle. These efforts include the following:

- The Finance Department has eliminated the ability for all Cayenta AP users to add one-time vendors to the vendor list. There are several employees that do have access to the one-time vendor for certain purposes.
- The Finance Department has limited the number of employees whose primary job is to add new vendors. This information has been communicated to the accounting staff in each County department.
- The Finance and Treasurer's Departments have further segregated the duties in the accounts payable processing cycle.
- Each invoice must be signed by the employee entering the invoice and the supervisor approving the invoice. The Finance Department updates a list for each department that indicates which employees can enter invoices and which employees can approve invoices.
- County staff creates spreadsheets to monitor multi-year capital projects. We have started using these same spreadsheets to track projects for capital asset reporting. We will also begin using these spreadsheets to review, record and approve encumbrances at year end.
- The County requires that an Employee Report Form is filled out for any payroll change for an employee. The form must be signed by the appropriate department head and reviewed by the Employee Resources Department.
- Time cards are expected to be signed by the employee and the employee's supervisor. Prior to final payroll processing, each department head or designee must review the time and pay for each employee in their department and sign a form stating that the payroll report is correct.
- The Finance Department will create a review process that would verify that no changes are made to the ACH file for payroll direct deposits prior to transmission.

COUNTY OF MARATHON, WISCONSIN

Schedule of Findings and Questioned Costs
For Internal Control Over Financial Reporting
For the year ended December 31, 2007

Finding 2007-B: Internal Controls (Continued)

Controls over Financial Reporting:

- The County has limited the number of decentralized bank accounts and in order to improve the process even further, the County can require a signature by a supervisor that indicates he or she has reviewed the monthly bank reconciliation.
- Each department receives a monthly report of account balances and the County Board receives a monthly report of revenues and expenditures for the current fiscal year.
- The Finance Director completes all of the government-wide financial statements using the data generated from financial information within the County. The County does not have ample staff in order to completely review all government-wide transactions and financial statements. Marathon County is one of the only Wisconsin municipalities that creates its own statements and therefore most likely is more diligent than other municipalities in reviewing all government-wide transactions and creating accurate statements.

Entity-Wide Controls:

- The Finance, Property and Facilities Committee does review the CAFR, Internal Control Letter, Management Response and Single Audit Report.

Controls over Information Technology (IT):

- The County's IT resources are provided by the City/County IT Commission (CCITC). The CCITC will receive a copy of the potential controls and report of the status of each IT control. The CCITC has been very proactive in creating and monitoring effective IT controls.

Official Responsible for Ensuring the Corrective Action Plan:

Kristi Kordus, Marathon County Finance Director.

Planned Completion Date for the Corrective Action Plan:

Since the Finding states that, "as you make changes within your organization, and we continue to rotate audit procedures, more controls of this kind will likely be communicated to you", we will strive to complete the corrective action plan work for the above items by December 2008. If the auditors determine through the course of their work in future years that there are additional areas to improve we will work to develop a plan for those items as well.

COUNTY OF MARATHON, WISCONSIN

Schedule of Findings and Questioned Costs
For Internal Control Over Financial Reporting
For the year ended December 31, 2007

Finding 2007-C: Departmental Controls/Decentralized Activities

Finding

Condition: Various departments at Marathon County do not have adequate segregation of duties regarding their accounting procedures.

Criteria: Auditing standards state that a lack of adequate segregation of duties is a weakness in internal control.

Effect: Financial records and assets at departments without adequate segregation of duties are at more risk for misstatement due to fraud or errors.

Recommendation: The county may consider and implement additional internal control procedures to ensure adequate segregation of duties in all departments. In lieu of additional controls, the county may rely on continued or increased involvement by the appropriate committees.

Corrective Action Plan: One issue that is listed in the 2007 Report on Internal Controls is, "the lack of segregation of duties that may occur at departments or locations that handle cash or do miscellaneous billing".

The County uses a separate system for cash receipting and has some limitations in regards to a comprehensive A/R billing software application. The County is working on implementing a new comprehensive miscellaneous A/R and cash receipting software from our current financial software vendor. This will provide for more consolidation of the cash receipting and miscellaneous billing processes and allow the County to create county-wide comprehensive internal control procedures for these accounting cycles.

The County management will continue to look at ways we can mitigate the risk posed by the lack of segregation of duties in the departments identified in your letter. As a part of this process staff from the Finance Department would meet with various departments and evaluate different aspects of the accounting cycles in order to identify opportunities for additional segregation of duties.

Official Responsible for Ensuring the Corrective Action Plan:

Kristi Kordus, Marathon County Finance Director

Planned Completion Date for the Corrective Action Plan:

The County will continue to work on implementing additional internal control procedures on an on-going basis.

COUNTY OF MARATHON, WISCONSIN

Schedule of Prior Year Findings and Questioned Costs
For Non-Compliance with State Requirements
For the year ended December 31, 2007

Finding 2006-01:

State of Wisconsin, Department of Health & Family Services General Requirements

Finding

Condition: For two of the eleven provider files tested, the County's expenditures exceeded the final amended contract.

Criteria: Program requirements as identified in the *State Single Audit Guidelines* require that the County ensure that payments for care and services do not exceed the amount specified in the contract.

Effect: Actual expenses exceed the contracts by \$961.

Recommendation: We recommend that the County monitor the actual expenses incurred in relation to the contract amount and obtain contract addendums as necessary.

Current Year Status:

Corrective action was taken consistent with correction action plan.

COUNTY OF MARATHON, WISCONSIN

Schedule of Prior Year Findings and Questioned Costs
For Non-Compliance with State Requirements
For the year ended December 31, 2007

Finding 2006-02:
CIP IB Program. State Assistance #435.564

Finding

Condition: During our testing of the CIP IB program, we found two out of ten files tested contained incorrect billing on the HSRS report. The SPC charged on HSRS did not correspond to the SPC indicated on the client's individualized service plan.

Criteria: Program requirements as identified in the *State Single Audit Guidelines* require that costs are appropriately reported on the HSRS.

Effect: The miscoded costs totaled \$1,565.

Recommendation: The County may consider implementing additional review procedures addressing the SPC numbers reported on the HSRS to ensure accuracy.

Current Year Status:

Corrective action was taken consistent with correction action plan.

COUNTY OF MARATHON, WISCONSIN

Schedule of Prior Year Findings and Questioned Costs
For Non-Compliance with State Requirements
For the year ended December 31, 2007

Finding 2006-03:

Child Care & Matching Funds

CFDA #93.596

Finding

Condition: During our testing of the child care program, we found two day care attendance forms that were not signed by the child care provider.

Criteria: Program requirements as identified in the *State Single Audit Guidelines* require that attendance forms be signed by the child care providers attesting to the accuracy of attendance being reported.

Effect: The absence of a provider signature on an attendance sheet may indicate incomplete or incorrect information.

Questioned Costs: None.

Recommendation: The County should review the attendance forms immediately upon receipt from child care providers and return any unsigned forms.

Current Year Status:

Corrective action was taken consistent with correction action plan.

COUNTY OF MARATHON, WISCONSIN

Schedule of Prior Year Findings and Questioned Costs
For Internal Control Over Financial Reporting
For the year ended December 31, 2007

Finding 2006-A: Internal Control Documentation and Financial Reporting

Finding: Internal Control Documentation

Condition: Marathon County has not documented its internal control procedures surrounding its major accounting cycles.

Criteria: Statement on Auditing Standards (SAS) No. 112 states that the county should have documentation of the internal control procedures surrounding its major accounting cycles written in enough detail that would allow a person to fulfill the requirements of those processes by following the explanations included in the documentation.

Effect: Turnover of accounting personnel could result in errors to the financial records that are not detected by the county's internal control procedures.

Recommendation: The county should thoroughly document its internal control procedures surrounding its major accounting cycles before the 2007 audit.

Corrective Action Plan: The County has created internal accounting procedure manuals for each of our account software applications. These manuals allow an accounting software user to create and process transactions through an accounting cycle. County management has written memos that describe standard internal control procedures for many of the major accounting cycles.

The corrective action plan will be to have Finance Department staff receive training in regards to the Internal Control Environment. Secondly, the Finance Department then will take the lead in creating an effective Internal Control Framework. The Finance Department will, in cooperation with County management, gather information on the County's internal control procedures from the documents that we have already created. Next, the County will evaluate and create additional documentation needed to provide internal control procedures at the activity-level for accounting cycles. This documentation will be communicated to County personnel and posted on the County's intranet. Lastly, the County management will monitor the effectiveness of the internal control procedures.

Current Year Status:

Corrective Action Plan action was taken, but not implemented until 11/2007.

COUNTY OF MARATHON, WISCONSIN

Schedule of Prior Year Findings and Questioned Costs
For Internal Control Over Financial Reporting
For the year ended December 31, 2007

Finding 2006-A: Internal Control Documentation and Financial Reporting

Finding: Financial Reporting

Condition: Marathon County has not presented financial records that are free from material errors.

Criteria: Statement on Auditing Standards (SAS) No. 112 states that the county should have internal control procedures that enable the preparation of financial records and financial statements by county personnel that are free from material errors.

Effect: The county's financial records were materially misstated. The auditors proposed and made audit entries that were material to the county's financial statements during the 2006 audit. In addition, material changes were made to the 2006 county-prepared financial statements after auditor review.

Recommendation: The county may consider and implement additional internal control procedures to ensure the accuracy of its financial records.

Corrective Action Plan: The County was aware of the new auditing standards and created new procedures to provide that county personnel prepared the financial statements and be free of any material errors. The County reviewed transactions and accounts that met transaction dollar limits, reviewed transactions during the year and completed additional pre-audit work to verify all transactions were appropriate. The County takes the accuracy of its financial reporting very seriously and will continue to strive to create financial statements that are free of material misstatements.

Current Year Status:

Corrective Action Plan completed as planned.

COUNTY OF MARATHON, WISCONSIN

Schedule of Prior Year Findings and Questioned Costs
For Internal Control Over Financial Reporting
For the year ended December 31, 2007

Finding 2006-B: Department Controls

Finding

Condition: Various departments at Marathon County do not have adequate segregation of duties regarding their accounting procedures.

Criteria: Auditing standards state that a lack of adequate segregation of duties is a weakness in internal control.

Effect: Financial records and assets at departments without adequate segregation of duties are at more risk for misstatement due to fraud or errors.

Recommendation: The county may consider and implement additional internal control procedures to ensure adequate segregation of duties in all departments. In lieu of additional controls, the county may rely on continued or increased involvement by the appropriate committees.

Corrective Action Plan: One issue that is listed in the 2006 Report on Internal Controls states that, "the lack of segregation of duties that may occur at departments or locations that handle cash or do miscellaneous billing".

The County uses separate systems for cash receipting and has some limitations in regards to a comprehensive A/R billing software application. The County has tentatively placed funding into the 2008 budget to purchase a comprehensive miscellaneous A/R and cash receipting software from our current financial software vendor. This will provide for more consolidation of the cash receipting and miscellaneous billing processes and allow the County to create one source to implement comprehensive internal control procedures for these accounting cycles.

As mentioned above, evaluating and documenting the internal control procedures for each accounting cycles will also assist in providing management the opportunity to create additional segregation of duties for various accounting cycles. As part of this process staff from the Finance Department would meet with various departments and evaluate different aspects of the accounting cycles in order to identify opportunities for additional segregation of duties.

Current Year Status:

Corrective Action Plan action taken but not as initially described.

Jan – March 2008: Work with various departments on creating adequate segregation of duties.

Jan, 2008: Purchase Misc AR software. Planned rollout of software in two phases in 2008. Also see note in regards to working with individual departments.

COUNTY OF MARATHON, WISCONSIN

Schedule of Prior Year Findings and Questioned Costs
For Internal Control Over Financial Reporting
For the year ended December 31, 2007

Finding 2006-C: Approval of Time Reporting

Finding

Condition: Marathon County does not require a supervisor to review and approve employee timesheets.

Criteria: An important component of sound internal control procedures includes the review and approval of all expenditures, including employee payroll.

Effect: Employee timesheets that are not reviewed and approved by a supervisor are at greater risk for both intentional and unintentional errors.

Recommendation: The county may consider and implement additional internal control procedures to ensure that all employee timesheets are reviewed and approved by an appropriate supervisor.

Corrective Action Plan: The County Finance Director will communicate to County management the importance of approving employee timesheets. The County Finance and Employee Resources departments facilitated several meetings in 2007 in which each labor union and management staff looked at options for creating timely and accurate reporting of payroll. Based on those discussions, the workgroup recommended the following:

Allow for additional time for departments to complete the time entry function for payroll time reporting. This will allow for up to an additional half day for the supervisors to review employee time cards and the department payroll staff to enter the approved time. Additionally the County is looking at implementing an automated time and attendance software system that will require supervisor approval of employee time prior to entry in the payroll software system. This automated system will also eliminate the need for paper time cards and more accurate reporting of time worked, paid time off and scheduling discrepancies.

Current Year Status:

Corrective Action was taken, but not as initially described as the time and attendance software has been funded in 2008 possibly deferring project until 2009.