

MARATHON COUNTY



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SINGLE AUDIT REPORT

For the Year Ended December 31, 2012

Single Audit Report

COUNTY OF MARATHON

Wausau, Wisconsin

For the Year Ended December 31, 2012

DEPARTMENT OF FINANCE

Kristi A. Kordus, Director of Finance

COUNTY OF MARATHON

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REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Independent Auditors' Report

To the County Board of Supervisors
Marathon County
Wausau, Wisconsin

We have audited, 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, 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, 2012, and the related notes to the financial statements, which collectively comprise Marathon County's basic financial statements and have issued our report thereon dated June 28, 2013. Our report includes a reference to other auditors who audited the financial statements of North Central Health Care, 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 of the financial statements, we considered Marathon County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Marathon County's internal control. Accordingly, we do not express an opinion on the effectiveness of Marathon County's internal control.

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

To the County Board of Supervisors
Marathon County

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs to be a material weakness. This material weaknesses is item 2012-A.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies. These significant deficiencies are items 2012-B and 2012-C.

Compliance and Other Matters

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

Marathon County's Response to Findings

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

Purpose of this Report

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

Baker Jilly Verchow Krause, CPA
Madison, Wisconsin
June 28, 2013

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND MAJOR STATE PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE;
AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
REQUIRED BY OMB CIRCULAR A-133 AND THE *STATE SINGLE AUDIT GUIDELINES*

Independent Auditors' Report

To the County Board of Supervisors
Marathon County
Wausau, Wisconsin

Report on Compliance for Each Major Federal and Major State Program

We have audited Marathon County, Wisconsin's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the *State Single Audit Guidelines* that could have a direct and material effect on each of Marathon County's major federal and major state programs for the year ended December 31, 2012. Marathon County's major federal and major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Marathon County's basic financial statements include the operations of the Children with Disabilities Education Board which received \$1,907,207 in federal and state awards and the operation of North Central Health Care which received \$6,600,483 in federal and state awards which are not included in the schedule of expenditures of federal and state awards for the year ended December 31, 2012. Our audit, described below, did not include the operations of the Children with Disabilities Education Board or North Central Health Care because these component units had separate audits in accordance with OMB Circular A-133.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Marathon County's major federal and major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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

To the County Board of Supervisors
Marathon County

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

Opinion on Each Major Federal and Major State Program

In our opinion, Marathon County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and major state programs for the year ended December 31, 2012.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which 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 2012-3, 2012-4, and 2012-6. Our opinion on each major federal and major state program is not modified with respect to these matters.

Marathon County's Response to Findings

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

Report on Internal Control Over Compliance

Management of Marathon County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Marathon County's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal or major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and major state program 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 Marathon County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal 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.

To the County Board of Supervisors
Marathon County

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 2012-1, 2012-2, 2012-5, and 2012-6 that we consider to be significant deficiencies.

Marathon County's Response to Findings

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

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and the *State Single Audit Guidelines*. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal and State Awards Required by OMB Circular A-133 and the State Single Audit Guidelines

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, 2012, and the related notes to the financial statements, which 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 Health Care, as described in our report on Marathon County's financial statements. We issued our report thereon dated June 28, 2013, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal 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 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal and state awards is fairly stated in all material respects in relation to the basic financial statements as a whole.


Madison, Wisconsin
September 11, 2013

COUNTY OF MARATHON, WI
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2012

Federal Grantor Agency Program Title	Grant ID	State Pass-thru Entity	Notes	Co Dept	CFDA Number	Accrued (Deferred) Fed Rev 01/01/12	Accrued (Deferred) Local Rev 01/01/12	Federal Expenditures	Local Expenditures	Federal Reimburse	Local Reimburse	Adjustments	Accrued (Deferred) Fed Rev 12/31/12	Accrued (Deferred) Local Rev 12/31/12
US Department of Agriculture														
Specialty Crop Block Grant/GLCI	11105	DATCP	1	CPZ	10.169	(50,000)	0	0	0	0	0	0	(50,000)	0
Food Stamps	No Info Provided	DHS	2	SOS	10.561	104,104	0	953,181	120,752	879,240	120,752	77	178,122	0
CHILD NUTRITION CLUSTER														
School Breakfast Program/Juv Detention	None Assigned	DPI	3	SHR	10.553	887	0	3,437	0	3,795	0	0	529	0
School Breakfast Program/Shelter Home	None Assigned	DPI	3	SHR	10.553	494	0	3,144	0	3,087	0	0	551	0
National School Lunch Prog/Juvenile Detention	None Assigned	DPI	3	SHR	10.555	1,384	0	4,797	0	5,377	0	0	804	0
National School Lunch Prog/Shelter Home	None Assigned	DPI	3	SHR	10.555	773	0	4,401	0	4,370	0	0	804	0
Total Child Nutrition Cluster						3,538	0	15,779	0	16,629	0	0	2,688	0
US Department of Justice														
CEASE (Agreement #98-87)	None Assigned	DOJ	3	SHR	16.000	(4,075)	0	4,075	0	0	0	0	0	0
DOJ Asset Forfeiture Program	None Assigned	None	4	SHR	16.000	0	(82,886)	0	34,083	0	29,460	0	0	(78,263)
Total CFDA #16.000						(4,075)	(82,886)	4,075	34,083	0	29,460	0	0	(78,263)
Early Truancy Intervention Program	2010/2011-JB-13-9869	DOJ		SOS	16.523	0	0	2,487	276	0	276	0	2,487	0
Juvenile Justice & Delinquency Prevention	2009-JF-08-8173	DOJ		SOS	16.540	9,502	0	0	0	9,502	0	0	0	0
Secure Detention Alternatives & Elementary Intervent	2010-JF-08-9126	DOJ		SOS	16.540	0	0	55,150	0	55,150	0	0	0	0
Total CFDA #16.540						9,502	0	55,150	0	64,652	0	0	0	0
Crime Victim Assist/Crime Response 11/12	2010-070-14	DOJ	5	DA	16.575	7,283	0	62,194	0	69,477	0	0	0	0
Crime Victim Assist/Crime Response 12/13	2011-070-15	DOJ	5	DA	16.575	0	0	17,567	0	0	0	0	17,567	0
Total CFDA #16.575						7,283	0	79,761	0	69,477	0	0	17,567	0
Drug Court Discretionary/OWI Court 11/12	2010-DC-BX-0031	None	6	ADM	16.585	0	0	74,088	0	74,088	0	0	0	0
Drug Court Discretionary/OWI Court 12/13	2010-DC-BX-0031	None	6	ADM	16.585	0	0	21,692	0	0	0	0	21,692	0
Total CFDA #16.585						0	0	95,780	0	74,088	0	0	21,692	0
ARRA - Violence Against Women	2009-VR-02B-7665	DOA/OJA		DA	16.588	1,506	0	107	0	1,613	0	0	0	0
Violence Against Women/VAWA Asst DA 10/11	2010-VA-02B-7775	DOA/OJA	5	DA	16.588	15,625	0	0	0	15,625	0	0	0	0
Violence Against Women/VAWA Asst DA 11/12	2011-VA-02B-8791	DOA/OJA	5	DA	16.588	0	0	54,287	0	54,287	0	0	0	0
Violence Against Women/VAWA Asst DA 12/13	2012-VA-02B-9620	DOA/OJA	5	DA	16.588	0	0	18,923	0	18,470	0	0	453	0
Total CFDA #16.588						17,131	0	73,317	0	89,995	0	0	453	0
State Criminal Alien Assist/SCAAP	2012-AP-BX-0808	None	3,7	SHR	16.606	(13,302)	0	1,954	0	8,882	0	0	(20,230)	0
Bulletproof Vest Partnership	2011BOBX11056939	None	3	SHR	16.607	0	0	1,350	1,350	1,350	1,350	0	0	0
Public Safety Partnership/Ed Bryn Discr	None Assigned	DOA/OJA		SHR	16.710	0	0	85	0	0	0	0	85	0
JAG PROGRAM CLUSTER														
Byrne Memorial Justice Assist/CEADEG	2011-DJ-01-9398	DOA/OJA	3,8,9	SHR	16.738	5,945	0	26,269	0	32,214	0	0	0	0
Byrne Memorial Justice Assist/Equipment	2011-DJ-BX-2324	None	3	SHR	16.738	253	0	29,901	0	28,697	0	0	1,457	0
Byrne Memorial Justice Assist/Imp'r Ser Init	2010-DJ-BX-0419	None	3	SHR	16.738	3,528	0	19,107	0	20,955	0	0	1,680	0
Byrne Memorial Formula/JAG Equip	2012-DJ-BX-0266	None	3	SHR	16.738	0	0	3,892	0	0	0	0	3,892	0
ARRA - Byrne Memorial Justice Assist/CEADEG	2009-DS-01-7432	DOA/OJA	3	SHR	16.803	2,630	0	0	0	2,630	0	0	0	0
Total JAG Program Cluster						12,356	0	79,169	0	84,496	0	0	7,029	0

COUNTY OF MARATHON, WI
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2012

Federal Grantor Agency Program Title	Grant ID	State Pass-thru Entity	Notes	Co Dept	CFDA Number	Accrued (Deferred) Fed Rev 01/01/12	Accrued (Deferred) Local Rev 01/01/12	Federal Expenditures	Local Expenditures	Federal Reimburse	Local Reimburse	Adjustments	Accrued (Deferred) Fed Rev 12/31/12	Accrued (Deferred) Local Rev 12/31/12
US Department of Transportation														
Highway Planning & Construction MPO	0093-05-89	DOT		CPZ	20.205	8,491	0	84,212	0	34,088	0	0	58,615	0
Highway Planning & Construction/Bituminous	6663-02-70	DOT		HWY	20.205	9,733	0	0	1,279	9,733	1,279	0	0	0
Highway Planning & Construction/Bituminous	9484-02-71	DOT		HWY	20.205	14,076	0	9,926	35,493	24,002	35,493	0	0	0
Total CFDA #20.205						32,300	0	94,138	36,772	67,823	36,772	0	58,615	0
Metropolitan Transportation Plan/Transit Dev	0093-05-06	DOT		CPZ	20.505	0	5,000	2,053	513	1,684	3,572	0	369	1,941
Federal Transit Formula/WATS	WI-90-X544	DOT	10,11	FIN	20.507	0	0	0	(4,025)	0	0	0	0	(4,025)
Interagency Hazard Material/Other Em	HM-HMP-180-10-01-00	DMA/DEM	3	EMG	20.703	0	0	6,950	0	1,200	0	0	5,750	0
Small Community Air Svc Develop/CWA	DOT-OST-2010-0124	None	12,13	CWA	20.930	0	(32,973)	17,303	17,691	17,303	164	0	0	(15,446)
HIGHWAY SAFETY CLUSTER														
State & Com Hwy Safety/Seat Belt	0952-25-14	DOT	3	SHR	20.600	1,920	0	14,580	0	16,500	7,715	0	0	(7,715)
State & Com Hwy Safety/Seat Belt 12/13	0953-25-69	DOT	3	SHR	20.600	0	0	4,320	0	0	0	0	4,320	0
State & Com Hwy Safety/Speed 11/12	0952-40-45	DOT	3	SHR	20.600	1,440	0	18,259	0	19,699	6,230	0	0	(6,230)
State & Com Hwy Safety/Speed 12/13	0953-40-79	DOT	3	SHR	20.600	0	0	3,120	0	0	0	0	3,120	0
State & Com Hwy Safety/DDACTS	0952-40-85	DOT	3	SHR	20.600	0	0	278	0	129	0	0	149	0
Alcohol Impaired Driving/Alcohol Enforce	0952-31-29	DOT	3	SHR	20.601	1,440	0	17,119	1,648	18,559	1,648	0	0	0
Alcohol Impaired Driving/Alcohol Enforce 2013	0953-31-02	DOT	3	SHR	20.601	0	0	2,460	0	480	0	0	1,980	0
Child Safety-Child Booster Seat/CPS Car Seat	0952-24-16	DOT		HLT	20.613	0	0	1,396	0	1,396	0	0	0	0
Total Highway Safety Cluster						4,800	0	61,532	1,648	56,763	15,593	0	9,569	(13,945)
US Department of Energy														
ARRA - Energy Efficiency & Conserv Blk Grt	DE-SC0002288	None	3	FCM	81.128	(10,840)	0	10,840	0	0	0	0	0	0
Environmental Protection Agency														
State Indoor Radon	Contract #20096	DHS/DPH	14	HLT	66.032	0	0	1,521	0	1,521	0	0	0	0
Capitalization Grant for Drinking Water/DNR	No Info Provided	DNR		HLT	66.468	(1,431)	(102,703)	29,788	0	23,820	0	0	4,537	(102,703)
US Department of Health & Human Services														
Public Health Emergency Prepare/Local PHP	Contract #17500	DHS/DPH		HLT	93.069	(411)	0	26,598	0	50,344	0	0	(24,157)	0
Public Health Emergency Prepare/Northwood Prep	Contract #19683	DHS/DPH		HLT	93.069	26,597	0	44,375	0	70,972	0	0	0	0
Public Health Emergency Prepare/PHER	Contract #17254	DHS/DPH		HLT	93.069	5,616	0	0	0	5,616	0	0	0	0
Public Health Emergency Prepare/PHP Consortium	No Info Provided	DHS/DPH	15	HLT	93.069	(130,052)	0	49,647	0	0	0	0	(80,405)	0
Public Health Emergency Prepare/Regional PHP	Contract #17460	DHS/DPH		HLT	93.069	25,037	0	0	0	25,037	0	0	0	0
Public Health Emergency Prepare/Northwoods 12/13	Contract #21421	DHS/DPH		HLT	93.069	0	0	38,980	0	47,570	0	0	(8,590)	0
Public Health Emergency Prepare/Local PHP 12/13	Contract #21421	DHS/DPH		HLT	93.069	0	0	20,963	0	0	0	0	20,963	0
Total CFDA #93.069						(73,213)	0	180,563	0	199,539	0	0	(92,189)	0
Maternal & Child Health/Autism 10/11	Contract #18237	DHS/DPH		HLT	93.110	3,237	0	0	0	3,237	0	0	0	0
Substance Abuse & Mental Health/SPF-SIG 11/12	No Info Provided	DHS/DPH		HLT	93.243	10,382	0	62,428	0	72,810	0	0	0	0
Drug Free Communities, DFC 10/11	5H79SP015980-07	None		HLT	93.276	5,369	0	4,398	0	9,767	0	0	0	0
Drug Free Communities, DFC 11/12	5H79SP015980-08	None		HLT	93.276	7,296	0	78,546	0	88,081	0	0	(2,239)	0
Drug Free Communities, DFC 12/13	5H79SP015980-09	None		HLT	93.276	0	0	24,112	0	14,000	0	0	10,112	0
Total CFDA #93.276						12,665	0	107,056	0	111,848	0	0	7,873	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, 2012

Federal Grantor Agency Program Title	Grant ID	State Pass-thru Entity	Notes	Co Dept	CFDA Number	Accrued (Deferred) Fed Rev 01/01/12	Accrued (Deferred) Local Rev 01/01/12	Federal Expenditures	Local Expenditures	Federal Reimburse	Local Reimburse	Adjustments	Accrued (Deferred) Fed Rev 12/31/12	Accrued (Deferred) Local Rev 12/31/12
US Department of Health & Human Services (continued)														
Affordable Care Act: CDC/Asthma 11/12	No Info Provided	DHS/DPH	16,17	HLT	93.283	220	0	4,780	0	5,000	0	0	0	0
Affordable Care Act: CDC/Asthma 12/13	No Info Provided	DHS/DPH	17,18	HLT	93.283	0	0	233	0	0	0	0	233	0
Total CFDA #93.283						220	0	5,013	0	5,000	0	0	233	0
PPHF Nat'l Public Health Improve/Infrastructure	No Info Provided	DHS/DPH		HLT	93.507	0	0	31,189	0	25,289	0	0	5,900	0
PPHF Community Transform 2012	406K512	None	19	HLT	93.531	0	0	145,964	0	145,964	0	0	0	0
PPHF Community Transform 12/13	421K385	None	19	HLT	93.531	0	0	25,472	0	0	0	0	25,472	0
Total CFDA #93.531						0	0	171,436	0	145,964	0	0	25,472	0
Family Preservation & Support Svc	No Info Provided	DCF		SOS	93.556	0	0	61,800	0	20,211	0	0	41,589	0
TANF, Block Grant	No Info Provided	DHS		SOS	93.558	0	0	45,409	0	32,633	0	0	12,776	0
TANF, Block Grant	No Info Provided	DCF		SOS	93.558	2,035	0	359,814	435,755	341,730	435,755	0	20,119	0
Total CFDA #93.558						2,035	0	405,223	435,755	374,363	435,755	0	32,895	0
Child Support Enforcement IV-D	No Info Provided	DCF		SOS	93.563	331,014	0	1,377,650	303,867	1,210,744	303,867	0	497,920	0
Low Income Home Energy Assistance	No Info Provided	DOA		SOS	93.568	12,716	0	178,255	0	174,046	0	0	16,925	0
Child Care Development Fund	No Info Provided	DCF		SOS	93.596	14,582	0	271,350	0	250,629	0	0	35,303	0
Chafee Education & Training Vouchers Program	No Info Provided	DCF		SOS	93.599	20,124	0	452,116	0	426,517	0	0	45,723	0
Children's Justice Grant	None Assigned	DOJ	3	SHR	93.643	(2,000)	0	2,000	0	0	0	0	0	0
Child Welfare Services	No Info Provided	DOC		SOS	93.645	0	0	11,898	0	11,956	0	0	(58)	0
Child Welfare Services	No Info Provided	DCF		SOS	93.645	0	0	398,922	1,411,251	398,922	1,411,251	0	0	0
Total CFDA #93.645						0	0	410,820	1,411,251	410,878	1,411,251	0	(58)	0
Foster Care Title IV-E	No Info Provided	DCF		SOS	93.658	3,008	0	66,940	226,517	67,862	226,517	0	2,086	0
Foster Care Title IV-E	No Info Provided	DOC		SOS	93.658	0	0	19,037	0	19,129	0	0	(92)	0
Total CFDA #93.658						3,008	0	85,977	226,517	86,991	226,517	0	1,994	0
Social Services Block Grant	No Info Provided	DHS		SOS	93.667	0	0	35,662	0	18,070	0	0	17,592	0
Social Services Block Grant	No Info Provided	DCF		SOS	93.667	0	0	176,366	623,921	176,366	623,921	0	0	0
Total CFDA #93.667						0	0	212,028	623,921	194,436	623,921	0	17,592	0
Child Abuse & Neglect Grant	No Info Provided	DCF		SOS	93.669	2,212	0	6,310	0	7,271	0	0	1,251	0
Chafee Foster Care Independence Program	No Info Provided	DCF		SOS	93.674	46,218	0	40,279	0	74,226	0	0	12,271	0
ARRA - Prevention & Wellness/Active School	No Info Provided	DHS/DPH		HLT	93.723	2,243	0	0	0	2,243	0	0	0	0
State Childrens Insurance Program	No Info Provided	DHS		SOS	93.767	14,870	0	157,544	0	150,421	0	0	21,993	0
Medical Assistance/Consolidated Contract MCH	Contract #20818	DHS/DPH	20	HLT	93.778	0	0	2,687	0	2,687	0	0	0	0
Medical Assistance Program	No Info Provided	DHS	21,22,23,24,25	SOS	93.778	(57,683)	0	522,461	143	483,327	143	37,370	18,821	0
Medical Assistance Program	No Info Provided	DHS		SOS	93.778	127,829	0	1,003,559	1,749,207	1,005,497	1,749,207	0	125,891	0
Medical Assistance Program	No Info Provided	DHS	26	SOS	93.778	21,578	0	47,824	0	57,743	0	5,252	16,911	0
Total CFDA #93.778						91,724	0	1,576,531	1,749,350	1,549,254	1,749,350	42,622	161,623	0
National Bioterror Hospital Prepare/NCP	No Info Provided	None	27, 28	HLT	93.889	0	0	2,235	0	2,235	0	0	0	0

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

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Federal Grantor Agency Program Title	Grant ID	State Pass-thru Entity	Notes	Co Dept	CFDA Number	Accrued	Accrued	Federal	Local	Federal	Local	Adjustments	Accrued	Accrued
						(Deferred) Fed Rev 01/01/12	(Deferred) Local Rev 01/01/12						Expenditures	Expenditures
US Department of Health & Human Services (continued)														
HIV Care/HIV Partner	No Info Provided	DHS/DPH	29	HLT	93.917	1,102	0	5,570	0	7,285	0	0	(613)	0
Preventive Health & Health Svc Blk Grant	Contract #17374	DHS/DPH		HLT	93.991	(4,658)	0	0	0	0	0	0	(4,658)	0
Preventive Health & Health Svc Blk Grant, 12/13	No Info Provided	DHS/DPH		HLT	93.991	0	0	0	0	1,221	0	0	(1,221)	0
Total CFDA #93.991						(4,658)	0	0	0	1,221	0	0	(5,879)	0
Maternal & Child Health/CYSHCN	Contract #20078	DHS/DPH	30	HLT	93.994	(2,600)	0	129,698	0	148,807	0	0	(21,709)	0
Maternal & Child Health Svcs Blk Grant to States	Contract #20818	DHS/DPH	20	HLT	93.994	(6,363)	0	42,240	0	37,003	0	0	(1,126)	0
Total CFDA #93.994						(8,963)	0	171,938	0	185,810	0	0	(22,835)	0
IMMUNIZATION CLUSTER														
Immunization/Consolidated Contract	Contract #20818	DHS/DPH		HLT	93.268	0	0	32,142	0	32,142	0	0	0	0
ARRA - Immunization	3H23IP522563-07S2	DHS/DPH	31	HLT	93.712	(66)	0	0	0	0	0	66	0	0
Total Immunization Cluster						(66)	0	32,142	0	32,142	0	66	0	0
US Department of Homeland Security														
Disaster Grant-Public Assist/Infrastructure	PA05-WI-1944-PW-00339	DMA/DEM		HWY	97.036	51,938	0	0	0	51,938	0	0	0	0
Disaster Grant-Public Assist/Cattails	PA05-WI-1944-PW00293	DMA/DEM		PRF	97.036	(11,007)	0	6,852	0	2,906	0	0	(7,061)	0
Total CFDA #97.036						40,931	0	6,852	0	54,844	0	0	(7,061)	0
Hazard Mitigation/Hazmat-Stettin	FEMA-1944-DR-WI	DMA/DEM	5	EMG	97.039	0	0	2,634	0	0	0	0	2,634	0
Emergency Mgmt Performance 10/11	None Assigned	DMA/DEM	3,32	EMG	97.042	44,041	(23,809)	0	0	44,041	0	23,809	0	0
Emergency Mgmt Performance 11/12	None Assigned	DMA/DEM	3,33	EMG	97.042	11,348	0	71,055	32,651	33,441	45,206	12,555	48,962	0
Emergency Mgmt Performance 12/13	None Assigned	DMA/DEM	3	EMG	97.042	0	0	11,681	14,119	0	14,119	0	11,681	0
Total CFDA #97.042						55,389	(23,809)	82,736	46,770	77,482	59,325	36,364	60,643	0
Pre-Disaster Mitigation/PDM	EMC-2009-PC-0003	DMA/DEM	3	SHR	97.047	3,700	0	0	0	3,700	0	0	0	0
Homeland Security/Bomb Squad Truck	2008-HS-02A-8535	DOA/OJA	3	SHR	97.067	300,000	0	0	0	300,000	0	0	0	0
Homeland Security/Alert	2010-HS-02A-9401	DOA/OJA	3	SHR	97.067	0	0	66,512	0	0	0	0	66,512	0
Homeland Security/Exercise	2010-HS-04-8757	DOA/OJA	3	EMG	97.067	3,659	0	9,171	0	12,830	0	0	0	0
Total CFDA #97.067						303,659	0	75,683	0	312,830	0	0	66,512	0
Total Federal Programs						994,497	(237,371)	7,761,571	5,006,491	7,632,389	5,017,925	79,129	1,166,444	(212,441)

COUNTY OF MARATHON, WI
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
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State Grantor Agency Program Title	Grant ID	State Division	Notes	Co Dept	CFDA Number	State Assist Number	Accrued (Deferred) State Rev 01/01/12	Accrued (Deferred) Local Rev 01/01/12	State Expenditures	Local Expenditures	State Reimburse	Local Reimburse	Adjustments	Accrued (Deferred) State Rev 12/31/12	Accrued (Deferred) Local Rev 12/31/12
WI Department of Agriculture, Trade & Consumer Protection															
Grazing Lands Conservation	10104	None		CPZ	None	115.000	0	0	40,000	0	0	0	0	40,000	0
Grazing Lands Conservation	10210	None		CPZ	None	115.000	0	0	16,219	0	16,219	0	0	0	0
Total State Assist #115.000							0	0	56,219	0	16,219	0	0	40,000	0
Clean Sweep/HHW	None Assigned	None		SWM	None	115.040	0	0	34,171	15,263	19,171	21,139	0	15,000	(5,876)
County Staff & Support	None Assigned	None		CPZ	None	115.150	0	0	129,656	0	129,656	0	0	0	0
Land & Water Rsrc Mgmt Plan/LWRM Direct	None Assigned	None		CPZ	None	115.400	23,450	0	115,121	0	124,773	0	0	13,798	0
WI Department of Natural Resources															
On-Q Holstein Runoff	CW20-37000-N12	None		CPZ	None	370.TE1	0	0	151,403	0	151,403	0	0	0	0
Nonpoint Source Pollution Abate/Target Rsrc	370.TF1	None	34	CPZ	None	370.424	142,254	0	449,257	0	591,511	0	0	0	0
Enforcement Aids/Boating	None Assigned	None	34	SHR	None	370.550	1,930	0	2,325	0	2,498	0	0	1,757	0
Enforcement Aids/ATV 11/12	None Assigned	None	34	SHR	None	370.551	616	0	2,873	0	3,489	0	0	0	0
Enforcement Aids/ATV 12/13	None Assigned	None	34	SHR	None	370.551	0	0	293	0	0	0	0	293	0
Total State Assist #370.551							616	0	3,166	0	3,489	0	0	293	0
Enforcement Aids/Snowmobile 11/12	None Assigned	None	34	SHR	None	370.552	74	0	5,433	0	5,507	0	0	0	0
Enforcement Aids/Snowmobile 12/13	None Assigned	None	34	SHR	None	370.552	0	0	1,855	0	0	0	0	1,855	0
Enforcement Aids/Snowmobile Equipment	None Assigned	None	34	SHR	None	370.552	0	0	7,500	0	0	0	0	7,500	0
Total State Assist #370.552							74	0	14,788	0	5,507	0	0	9,355	0
Wildlife Damage Claim & Abatement	9JMA0000023	None		CPZ	None	370.553	16,891	0	57,926	0	58,407	0	0	16,410	0
Resource Aids/County Conservation Aids	None Assigned	None		PRF	None	370.563	1,827	(6,782)	9,989	4,896	11,816	4,411	0	0	(6,297)
Environmental Aids/Lake Protection	LPT-403-11	None	34,35	CPZ	None	370.663	(4,735)	0	17,840	0	5,788	0	0	7,317	0
Environmental Aids/Lake Protection	LPT-402-11	None	34,35	CPZ	None	370.663	(1,706)	0	39,206	0	4,170	0	0	33,330	0
Environmental Aids/Lake Protection	LPT-430-12	None	34,35	CPZ	None	370.663	(12,500)	0	0	0	0	0	0	(12,500)	0
Environmental Aids/Lake Protection	LPT-429-12	None	34,35	CPZ	None	370.663	(12,500)	0	50,000	0	0	0	0	37,500	0
Environmental Aids/Lake Protection	LPT-450-13	None	34,35	CPZ	None	370.663	0	0	0	0	12,500	0	0	(12,500)	0
Environmental Aids/Lake Protection	LPT-451-13	None	34,35	CPZ	None	370.663	0	0	0	0	12,500	0	0	(12,500)	0
Environmental Aids/Lake Protection-Shoreland	LPT-374-11	None	34,35	CPZ	None	370.663	(1,250)	0	0	0	0	0	0	(1,250)	0
Total State Assist #370.663							(32,691)	0	107,046	0	34,958	0	0	39,397	0
Recreational Aids-Fish, Wildlife/Wildlife Habitat	None Assigned	None	34	PRF	None	370.564	0	(3,327)	1,493	556	1,493	21	0	0	(2,792)
Resource Aids - Co Forest Loans/State Aid	None Assigned	None	34	PRF	None	370.567	0	0	14,650	0	14,650	0	0	0	0
County Forest Administrator Grant	None Assigned	None	34	PRF	None	370.572	0	0	51,505	0	51,505	0	0	0	0
Snowmobile Trail Aid 07/08	S-3478	None		SNW	None	370.574	(45,069)	0	25,945	0	0	0	0	(19,124)	0
Snowmobile Trail Aid 10/11	S-3878	None		SNW	None	370.574	64,257	0	(21,044)	0	43,213	0	0	0	0
Snowmobile Trail Aid 11/12	S-4011	None		SNW	None	370.574	30,258	0	67,430	0	97,688	0	0	0	0
Snowmobile Trail Aid 12/13	S-4135	None		SNW	None	370.574	0	0	118,433	0	99,638	0	0	18,795	0
Snowmobile Trail Aid/Special Projects	S-3716/18/20	None		SNW	None	370.574	98,093	0	1,970	0	108,233	0	0	(8,170)	0
Total State Assist #370.574							147,539	0	192,734	0	348,772	0	0	(8,499)	0
All-Terrain Vehicle Program/Summer 11/12	ATV-2144	None		SNW	None	370.577	(878)	0	3,964	0	3,086	0	0	0	0
All-Terrain Vehicle Program/Summer 12/13	ATV-2257	None		SNW	None	370.577	0	0	6,055	0	4,612	0	0	1,443	0
All-Terrain Vehicle Program/Winter 11/12	ATV-2177	None		SNW	None	370.577	(34,485)	0	68,970	0	34,485	0	0	0	0
All-Terrain Vehicle Program/Winter 12/13	ATV-2291	None		SNW	None	370.577	0	0	475	0	34,485	0	0	(34,010)	0
All-Terrain Vehicle Program/Special Projects	ATV-3036	None	36	SNW	None	370.577	(4,540)	0	0	0	0	0	0	(4,540)	0
Total State Assist #370.577							(39,903)	0	79,464	0	76,668	0	0	(37,107)	0

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State Grantor Agency Program Title	Grant ID	State Division	Notes	Co Dept	CFDA Number	State Assist Number	Accrued (Deferred) State Rev 01/01/12	Accrued (Deferred) Local Rev 01/01/12	State Expenditures	Local Expenditures	State Reimburse	Local Reimburse	Adjustments	Accrued (Deferred) State Rev 12/31/12	Accrued (Deferred) Local Rev 12/31/12
WI Department of Transportation															
Alcohol Impaired Driving/Div Justice 10/11	0950-50-05	None		ADM	20.601	None	(758)	0	758	0	0	0	0	0	0
Alcohol Impaired Driving/Div Justice 11/12	0950-39-06	None		ADM	20.601	None	20,458	0	23,296	35,704	43,754	35,704	0	0	0
Alcohol Impaired Driving/Div Justice 12/13	0952-39-02	None		ADM	20.601	None	0	0	21,427	35,704	21,427	35,704	0	0	0
Total State-Funded CFDA #20.601							19,700	0	45,481	71,408	65,181	71,408	0	0	0
Specialized Transportation Assist/III-B	20.513	None		CPZ	None	395.101	0	(3,727)	299,833	0	309,674	45,821	0	(9,841)	(49,548)
Highway Planning & Construction/Bituminous	9479-06-71	None		HWY	20.205	None	0	0	5,115	0	5,115	0	0	0	0
Highway Planning & Construction/Bituminous	1053-09-21	None	37	HWY	20.205	None	0	0	0	0	19,758	0	19,758	0	0
Highway Planning & Construction/Bituminous	1053-09-01	None	38	HWY	20.205	None	0	0	0	0	2,281	0	2,281	0	0
Highway Planning & Construction/Bituminous	6651-01-71	None	39	HWY	20.205	None	0	0	0	0	22,241	0	22,241	0	0
Total State-Funded CFDA #20.205							0	0	5,115	0	49,395	0	44,280	0	0
Highway Planning & Construction MPO	0093-05-89	None		CPZ	20.205	395.202	955	5,263	4,011	7,829	2,983	11,474	0	1,983	1,618
WI Department of Corrections															
Early & Intensive Intervention Program	No Info Provided	None		SOS	None	410.302	0	0	62,520	0	62,520	0	0	0	0
Child Welfare Services	No Info Provided	None		SOS	None	410.313	0	0	1,158,885	0	1,164,500	0	0	(5,615)	0
WI Department of Health Services															
Funeral/Cemetery	No Info Provided	None	40	SOS	None	435.105	11,357	0	0	0	11,357	0	1,001	1,001	0
TB Dispensary/2011	No Info Provided	DPH		HLT	None	435.107	94	0	2,027	0	2,121	0	0	0	0
TB Dispensary/2012	No Info Provided	DPH		HLT	None	435.107	0	0	1,134	0	0	0	0	1,134	0
Total State Assist #435.107							94	0	3,161	0	2,121	0	0	1,134	0
Medical Assistance Program	No Info Provided	None		SOS	93.778	435.131	(1,557)	0	0	0	(1,557)	0	0	0	0
FSET Admin GPR/Fed Base	No Info Provided	None	41	SOS	10.561	435.231	0	0	43,149	0	10,787	0	38,894	71,256	0
FSET Transp GPR/Fed Base	No Info Provided	None		SOS	10.561	435.233	0	0	9,099	0	8,743	0	0	356	0
FSET Retent GPR/Fed Base	No Info Provided	None		SOS	10.561	435.235	0	0	3,106	0	3,202	0	0	(96)	0
Medical Assistance Program IM Avail Alloc	No Info Provided	None		SOS	None	435.283	6,699	0	869,494	536,955	841,595	536,955	0	34,598	0
Medical Assistance Program IM Avail Alloc	No Info Provided	None	42	SOS	93.778	435.284	16,769	0	125,393	0	124,658	0	26,664	44,168	0
Medical Assistance Program IM Avail Alloc	No Info Provided	None	43	SOS	93.778	435.291	(8,916)	0	(38,567)	16	(27,910)	16	(168)	(19,741)	0
Community Options Program (COP)	No Info Provided	None		SOS	None	435.367	0	0	75,818	0	75,818	0	0	0	0
Children's Long Term Support	No Info Provided	None	44	SOS	None	435.450	(23,460)	0	0	0	(23,460)	0	9,735	9,735	0
Children's Long Term Support	No Info Provided	None	45	SOS	None	435.451	(2,263)	0	0	0	(2,263)	0	272	272	0
Children's Long Term Support	No Info Provided	None	46	SOS	None	435.460	1,747	0	0	0	1,747	0	(32,172)	(32,172)	0
Children's Long Term Support	No Info Provided	None	47	SOS	None	435.461	(6,962)	0	0	0	(6,962)	0	1,025	1,025	0
Children's Long Term Support	No Info Provided	None	48	SOS	None	435.462	(5,020)	0	0	0	(5,020)	0	(1,313)	(1,313)	0
Basic County Allocation	No Info Provided	None		SOS	93.667	435.561	(15,713)	0	267,704	0	138,007	(18,070)	0	132,054	0
Family Support Program	No Info Provided	None	49	SOS	None	435.577	(5,456)	0	54,319	0	70,439	0	21,105	(471)	0

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State Grantor Agency Program Title	Grant ID	State Division	Notes	Co Dept	CFDA Number	State Assist Number	Accrued (Deferred) State Rev 01/01/12	Accrued (Deferred) Local Rev 01/01/12	State Expenditures	Local Expenditures	State Reimburse	Local Reimburse	Adjustments	Accrued (Deferred) State Rev 12/31/12	Accrued (Deferred) Local Rev 12/31/12
WI Department of Health Services (continued)															
Base County Allocation - State Match	No Info Provided	None		SOS	None	435.681	25,696	0	35,293	59,269	34,519	59,269	0	26,470	0
TPA CLTS Autism GPR	No Info Provided	None		SOS	None	435.802	0	0	85,435	0	85,435	0	0	0	0
TPA CLTS DD Other GPR	No Info Provided	None		SOS	None	435.805	0	0	218,597	0	218,597	0	0	0	0
TPA CLTS MH Autism GPR	No Info Provided	None		SOS	None	435.808	0	0	1,120	0	1,120	0	0	0	0
TPA CLTS MH Other GPR	No Info Provided	None		SOS	None	435.811	0	0	10,489	0	10,489	0	0	0	0
TPA CLTS PD Other GPR	No Info Provided	None		SOS	None	435.817	0	0	38,159	0	38,159	0	0	0	0
CLTS DD Aut CWA Admin GPR	No Info Provided	None		SOS	None	435.832	0	0	9,331	0	6,957	0	0	2,374	0
CLTS DD Oth CWA Admin GPR	No Info Provided	None		SOS	None	435.835	0	0	11,282	0	9,007	0	0	2,275	0
CLTS MH Aut CWA Admin GPR	No Info Provided	None		SOS	None	435.838	0	0	642	0	0	0	0	642	0
CLTS MH Oth CWA Admin GPR	No Info Provided	None		SOS	None	435.841	0	0	926	0	665	0	0	261	0
CLTS PD Oth CWA Admin GPR	No Info Provided	None		SOS	None	435.847	0	0	2,506	0	2,001	0	0	505	0
CLTS Pr Yr Adj Aut Loc State	No Info Provided	None		SOS	None	435.850	0	0	1,229	0	0	0	0	1,229	0
CLTS Pr Yr Adj Oth Loc State	No Info Provided	None		SOS	None	435.853	0	0	3,063	0	0	0	0	3,063	0
Csh Adj TPA CLTS BCA Mtch	No Info Provided	None	50	SOS	93.778	435.918	0	0	(8,976)	0	(3,943)	0	(558)	(5,591)	0
Csh Adj TPA CLTS COP Mtch	No Info Provided	None	51	SOS	None	435.920	0	0	(102,657)	0	(17,511)	0	(3,774)	(88,920)	0
Waiver Prgm/Prov Audit	No Info Provided	None		SOS	None	435.952	0	0	(3,711)	0	(3,711)	0	0	0	0
Food Stamps FSET	No Info Provided	None	52	SOS	10.561	435.66106	(631)	0	0	0	(631)	0	0	0	0
Food Stamps FSET	No Info Provided	None	53	SOS	10.561	435.66107	1,362	0	0	0	1,362	0	0	0	0
Food Stamps FSET	No Info Provided	None	54	SOS	10.561	435.66108	(649)	0	0	0	(649)	0	0	0	0
State Indoor Radon	Contract #20096	DPH	14	HLT	66.032	435.103010	(1,500)	0	13,845	0	13,845	0	0	(1,500)	0
PUBLIC HEALTH CLUSTER															
WI Well Woman Program	Contract #20818	DPH	20	HLT	None	435.157000	(37,704)	0	38,909	0	38,874	0	0	(37,669)	0
Consolidated Contract Childhood Lead	Contract #20818	DPH		HLT	None	435.157720	0	0	13,470	0	13,470	0	0	0	0
TPCP Com Intervention/MJC	No Info Provided	DPH		HLT	None	435.158125	8,144	0	90,351	0	97,615	0	0	880	0
TPCP Com Intervention/TCB	Contract #16791	DPH		HLT	None	435.158125	(59,463)	0	0	0	0	0	0	(59,463)	0
TPCP Wisconsin Wins/MJC Wins	No Info Provided	DPH		HLT	None	435.158127	3,932	0	12,220	0	12,079	0	0	4,073	0
Maternal & Child Health Svcs Blick Grant to States	Contract #20818	DPH	20	HLT	93.994	435.159320	0	0	2,686	0	2,686	0	0	0	0
Total State Public Health Cluster							(85,091)	0	157,636	0	164,724	0	0	(92,179)	0
WI Department of Justice															
DRCI Penalty Assessment-JAG Drug/CEADEC	None Assigned	None	55	SHR	16.738	None	(18,177)	0	18,177	0	0	0	0	0	0
Reimbursement for Victim & Witness Svc	None Assigned	None	56	DA	None	455.503	30,578	0	34,823	71,010	65,401	78,200	7,190	0	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, 2012

State Grantor Agency Program Title	Grant ID	State Division	Notes	Co Dept	CFDA Number	State Assist Number	Accrued (Deferred) State Rev 01/01/12	Accrued (Deferred) Local Rev 01/01/12	State Expenditures	Local Expenditures	State Reimburse	Local Reimburse	Adjustments	Accrued (Deferred) State Rev 12/31/12	Accrued (Deferred) Local Rev 12/31/12
WI Department of Children & Families															
Food Stamp Agency Incentive	No Info Provided	None		SOS	10.561	437.267	124	0	0	0	124	0	0	0	0
Alternative Response	No Info Provided	None		SOS	None	437.3312	12,438	0	0	0	12,438	0	0	0	0
AW DOJ Fingerprint Background	No Info Provided	None		SOS	96.658	437.3324	566	0	1,656	0	1,828	0	0	394	0
CQI Case Review	No Info Provided	None	57	SOS	None	437.3346	2,150	0	0	(1,264)	2,150	(1,264)	2,757	2,757	0
CW Foster Parent Competency Based	No Info Provided	None		SOS	96.658	437.3396	0	0	1,203	0	0	0	0	1,203	0
Basic County Allocation	No Info Provided	None		SOS	None	437.3561	0	0	636,876	2,253,050	636,876	2,253,050	0	0	0
City Data Leadership Initiative	No Info Provided	None		SOS	None	437.3611	1,984	0	1,270	0	3,095	0	0	159	0
F State/County Match	No Info Provided	None		SOS	None	437.3681	0	0	112,144	2,363,735	112,176	2,363,735	0	(32)	0
CS State GPR/PR Funding Allocation	No Info Provided	None		SOS	None	437.7502	0	0	109,453	303,867	109,453	303,867	0	0	0
WI Department of Military Affairs															
Disaster Grant-Public Assist/Infrastructure	PA05-WI-1944-PW-00339	DEM		HWY	97.036	465.305	8,656	0	0	0	8,656	0	0	0	0
Disaster Grant-Public Assist/Cattails	PA05-WI-1944-PW00293	DEM		PRF	97.036	465.305	(3,669)	0	2,284	0	969	0	0	(2,354)	0
Hazard Mitigation/Hazmat-Stettin	FEMA-1944-DR-WI	DEM	5	EMG	97.039	465.305	0	0	429	437	0	437	0	429	0
Total State Assist #465.305							4,987	0	2,713	437	9,625	437	0	(1,925)	0
Emergency Response Equipment/Hazmat	None Assigned	DEM		EMG	None	465.308	8,778	0	8,605	0	8,778	0	0	8,605	0
Emergency Planning/SARA 10/11	None Assigned	DEM		EMG	None	465.337	15,191	0	0	0	15,191	0	0	0	0
Emergency Planning/SARA 11/12	None Assigned	DEM	58	EMG	None	465.337	6,621	0	25,328	11,019	15,975	20,499	9,480	15,974	0
Emergency Planning/SARA 12/13	None Assigned	DEM		EMG	None	465.337	0	0	4,759	6,832	0	6,832	0	4,759	0
Total State Assist #465.337							21,812	0	30,087	17,851	31,166	27,331	9,480	20,733	0
WI Department of Administration															
Asset Seizure & Forfeiture Program/State SIU	None Assigned	OJA	4,59	SHR	None	505.000	0	(75,987)	0	15,244	0	11,783	0	0	(72,526)
Land Info Board/Education-Training	493	None		CPZ	None	505.116	(645)	0	465	0	300	0	0	(480)	0
DRCI Penalty Assessment/Enterprise Inter Proj	2008-DR-01-3411	OJA	60	SHR	None	505.636	0	(22,649)	0	22,649	0	0	0	0	0
Low Income Home Energy Assistance Program	No Info Provided	None		SOS	None	505.371	9,257	0	117,819	0	118,518	0	0	8,558	0
WI Public Service Commission															
E-911 Program	05-TR-104	None	61	SHR	None	None	(71,247)	0	0	18,036	0	0	0	0	(53,211)
Total State Programs							191,753	(107,209)	6,008,934	5,760,807	6,190,414	5,769,583	124,418	207,338	(188,632)
TOTAL FEDERAL AND STATE PROGRAMS							1,186,250	(344,580)	13,770,505	10,767,298	13,822,803	10,787,508	203,547	1,373,782	(401,073)

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, 2012

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	--	Program previously reported under Grant ID 928-1.
2	77	State Adjustment to Profile 912 FS/SNAP Drug Testing.
3	--	Awarded to direct application under DUNS Number 001713882--County of Marathon, WI.
4	--	Funding for this Program is accomplished by the County retaining a share of forfeitures.
5	--	Local Match Component met through Non-monetary, In-kind Contributions.
6	--	Local Match Component met through Wages, Benefits and Office Space.
7	--	Program previously reported under Grant ID 2011-AP-BX-0653.
8	--	Program previously reported under Grant ID 2010-OJ-01-8423.
9	--	The State Match component to this grant is the "DRCI Penalty Assessment-JAG Drug/CEADEG" grant.
10	--	Funding flows through City of Wausau, WI.
11	--	Funding flows through Wausau Area Transit System.
12	--	Awarded to direct application under DUNS Number 038767315--Central Wisconsin Airport.
13	--	Local Match Component met through SEATS Committee Time & In-kind marketing efforts.
14	--	Program previously reported under Grant ID Contract #17432.
15	--	Funding flows through Northwoods Consortium.
16	--	Program previously reported under the name "CDC Invest & Tech Assist/Asthma".
17	--	Funding flows through the Children's Health Alliance of Wisconsin.
18	--	Awarded to direct application under DUNS Number 157314618--Children's Health Alliance of WI.
19	--	Funding flows through the UW Board of Regents on behalf of the WI Clearinghouse for Prevention Resources.
20	--	Program previously reported under Grant ID Contract #17374.
21	14,931	State Adjustment to Profile 427 CLTS DD Autism, Reconciliation to HSRS.
22	18,131	State Adjustment to Profile 429 CLTS DD, Reconciliation to HSRS.
23	417	State Adjustment to Profile 437 CLTS MH Autism, Reconciliation to HSRS.
24	1,570	State Adjustment to Profile 439 CLTS MH, Reconciliation to HSRS.
25	2,321	State Adjustment to Profile 449 CLTS PD, Reconciliation to HSRS.
26	5,252	State Adjustment for Child Care Admin.
27	--	Awarded to direct application under DUNS Number 063616700--Lac Courte Oreilles Tribal Governing Board.
28	--	Funding flows through Lac Courte Oreilles Tribal Governing Board.
29	--	Program previously reported under Grant ID 2U62PS523469.
30	--	Program previously reported under Grant ID Contract #19016.
31	66	Excess funding returned to the County's General Fund.
32	23,809	Excess Local funding returned to the County's General Fund (\$19,153) and Excess Local funding transferred to "Emergency Planning/SARA 11/12" grant (\$4,656).
33	12,555	Excess Local funding returned to the County's General Fund.
34	--	The 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.
35	--	Local Match Component met through Staff Time and Volunteers.
36	--	Program previously reported under Grant ID ATV-1691-2,1702/23.
37	19,758	Additional funding released to Marathon County, although project was completed and closed in a prior period.
38	2,281	Additional funding released to Marathon County, although project was completed and closed in a prior period.
39	22,241	Additional funding released to Marathon County, although project was completed and closed in a prior period.
40	1,001	State Adjustment to Profile 105 Funeral/Cemetery.
41	38,894	State Adjustment to Profile 231 FSET Admin GPR.
42	26,664	State Adjustment to Profile 284 IMAA Federal Share.
43	(168)	State Adjustment to Profile 291 Medicaid Sub Collection.
44	9,735	State Adjustment to Profile 450 CLTS DD, Reconciliation to HSRS.

COUNTY OF MARATHON, WI
 SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
 FOR THE YEAR ENDED DECEMBER 31, 2012

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.

45	272	State Adjustment to Profile 451 CLTS MH, Reconciliation to HSRS.
46	(32,172)	State Adjustment to Profile 460 CLTS DD, Reconciliation to HSRS.
47	1,025	State Adjustment to Profile 461 CLTS MH, Reconciliation to HSRS.
48	(1,313)	State Adjustment to Profile 462 CLTS PD, Reconciliation to HSRS.
49	21,105	State Adjustment to Profile 577 Family Support Program, Reconciliation to HSRS.
50	(558)	State Adjustment to Profile 9218 Cash Adjust TPA CLTS BCA Match, Reconciliation to HSRS.
51	(3,774)	State Adjustment to Profile 920 Cash Adjust TPA CLTS COP Match, Reconciliation to HSRS.
52	--	Program previously reported under CARS 435.231.
53	--	Program previously reported under CARS 435.233.
54	--	Program previously reported under CARS 435.235.
55	--	The Federal Component to this grant is the Federal "Byrne Memorial Justice Assist/CEADEG Grant".
56	7,190	Excess Local funding returned to the County's General Fund.
57	2,757	State Adjustment for CQI Case Review.
58	9,480	Excess Local funding returned to the County's General Fund (\$14,136) and Excess Local funding transferred from "Emergency Mgmt Performance 10/11" grant (\$4,656).
59	--	Program previously reported under CFDA #16.000.
60	--	The WI DOA 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.
61	--	Reclassify remaining funds from State to Local, due to prior-period reporting error.

COUNTY OF MARATHON, WISCONSIN
Notes to the Schedule of Expenditures of Federal and State Awards
For the year ended December 31, 2012

(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 Health Care 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. In addition, federal and state awards received directly by the North Central Health Care Center are not included in this report since the North Central Health Care Center has been audited by other auditors for their grants, and those amounts are reported 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

Expenditures reported on the schedule are reported on the accrual basis or the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

The underlying accounting records for some grant programs are maintained on the modified accrual basis of accounting. Under the modified accrual basis, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the liability is incurred. The accounting records for other grant programs are maintained on the accrual basis, i.e., when the revenue has been earned and the liability is incurred.

COUNTY OF MARATHON, WISCONSIN
Notes to the Schedule of Expenditures of Federal and State Awards
For the year ended December 31, 2012

(3) Oversight Agency

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

(4) CARS/CORE Report Dates

The Schedule of Expenditures of Federal and State Awards includes adjustments through the following Community Aids Reporting System (CARS) reports:

<u>Agency Number</u>	<u>Date</u>
210	4/15/2013
215	4/15/2013

The Schedule of Expenditures of Federal and State Awards includes adjustments through the December 31, 2012 CORE report.

COUNTY OF MARATHON, WISCONSIN
 Schedule of Findings and Questioned Costs
 For the year ended December 31, 2012

(1) Summary of Auditor's Results:

- (A) The type of auditors' report issued:
Unmodified.
- (B) Internal control over financial reporting:
Material weakness(es) identified?
Yes.
Significant deficiency(ies) identified?
Yes.
- (C) Noncompliance material to financial statements noted:
No.
- (D) Internal control over major programs:
Material weakness(es) identified?
No.
Significant deficiency(ies) identified?
Yes.
- (E) Type of auditors' report issued on compliance for major programs:
Unmodified.
- (F) Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?
Yes.
- (G) Auditee qualified as a low-risk auditee?
Federal Programs: No. State Programs: No.
- (H) Identification of Federal Major Programs:
 - 93.558 Temporary Assistance for Needy Families
 - 93.563 Child Support Enforcement
 - 93.596 Child Care Mandatory and Matching Funds of the Child Care and Development Fund
 - 93.599 Chafee Education & Training Vouchers Program
 - 93.645 Stephanie Tubbs Jones Child Welfare Services
 - 93.778 Medical Assistance
- (I) Dollar threshold used to distinguish between Type A and Type B programs:
Federal: \$300,000. State DHS: \$100,000. State Other: \$100,000
- (J) Identification of State Major Programs:
 - 395.101 Specialized Transportation Assist/III-B
 - 435.283 IM Available Allocation
 - 435.284 IM Available Allocation
 - 435.561/681 Basic County Allocation
 - 437.3561/3681 Basic County Allocation
 - 435.802 TPA CLTS Autism GPR
 - 435.805 TPA CLTS DD Other GPR
 - 435.808 TPA CLTS MH Autism GPR
 - 435.811 TPA CLTS MH Other GPR
 - 435.817 TPA CLTS PD Other GPR
 - 435.832 CLTS DD Aut CWA Admin GPR
 - 435.835 CLTS DD Oth CWA Admin GPR
 - 435.838 CLTS MH Aut CWA Admin GPR
 - 435.841 CLTS MH Oth CWA Admin GPR
 - 435.847 CLTS PD Oth CWA Admin GP
 - 435.850 CLTS Pr Yr Adj Aut Loc State
 - 435.853 CLTS Pr Yr Adj Oth Loc State
 - 435.918 Csh Adj TPA CLTS BCA Match
 - 435.920 Csh Adj TPA CLTS COP Match

COUNTY OF MARATHON, WISCONSIN
Schedule of Findings and Questioned Costs
For the year ended December 31, 2012

(K) The following federal and state programs reported as the Public Health Cluster were tested as a major program according to the requirements of the *State Single Audit Guidelines*:

93.778	Medical Assistance/Consolidated Contract MCH
93.994	Maternal & Child Health/CYSHCN
93.994	Maternal & Child Health Services Block Grant to the States
435.157000	WI Well Woman Program
435.157720	Consolidated Contract Childhood Lead
435.158125	TPCP Com Intervention/MJC
435.158125	TPCP Com Intervention/TCB
435.158127	TPCP Wisconsin Wins/MJC Wins
435.159320	Maternal & Child Health Services Block Grant to the States

(L) The following Federal program was tested as major according to the requirements of the *State Single Audit Guidelines*:

93.778	Medical Assistance/Comprehensive Community Services.
--------	--

(2) Financial Statement Findings Required to be Reported in Accordance with *Government Auditing Standards*:

See 2012-A, 2012-B, and 2012-C.

(3) Federal and State Findings and Questioned Costs:

See 2012-1, 2012-2, 2012-3, 2012-4, 2012-5, and 2012-6.

(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 Children and Families	Yes.
Department of Corrections	No.
Department of Health Services	Yes.
Department of Justice	No.
Department of Military Affairs	No.
Department of Natural Resources	No.
Department of Transportation	Yes.

(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 11, 2013

COUNTY OF MARATHON, WISCONSIN

Schedule of Findings and Questioned Costs
For Non-Compliance with Federal and State Requirements
For the year ended December 31, 2012

FINDING 2012-1

Program CFDA Number: 93.599, 93.563, 93.596, 437.3561, 437.3681,
Chafee Education & Training Vouchers Program
Child Support Enforcement
Child Care Mandatory and Matching Funds of the Child Care and
Development Fund
State Grantor: Basic County Allocation
Wisconsin Department of Children and Families

Criteria: The A-102 Common Rule and 2 CFR part 215 require that non-federal entities receiving federal awards establish and maintain internal control designed to reasonably ensure compliance with federal laws, regulations, and program compliance requirements. OMB Circular A-133 further requires auditors to obtain an understanding of the non-federal entity's internal control over federal programs.

To minimize the risk of errors, internal controls should be in place for all program compliance requirements, including the preparation and submission of monthly reports, which should be reviewed and approved by a responsible party other than the original preparer.

Condition/Context: Monthly reports submitted to the State of Wisconsin's Central Office Reporting (CORE) system were not reviewed by someone other than the preparer. While there were no compliance issues noted while reviewing the accuracy of the monthly reports, it is important that the County implement effective controls over the process to minimize the risk of incorrect reporting.

Questioned Costs: None.

Cause: The County did not have a process in place to separate the preparation and review functions surrounding monthly CORE reporting for the first seven months of the year. The remaining five months of the year, the County had preparation and review functions in place.

Effect: There is a greater chance that errors may exist in the monthly reports.

Recommendation: We recommend the County continue with the monthly independent review process implemented during August 2012. Appropriate documentation supporting the segregation of the preparation and review functions should continue to be kept by the County.

Management's Response: The County will continue to independently review the State reports on a monthly basis.

Official Responsible for Ensuring the Corrective Action Plan: Jean Schult, Fiscal Services Manager.

Planned Completion Date for the Corrective Action Plan: August 26, 2013.

COUNTY OF MARATHON, WISCONSIN

Schedule of Findings and Questioned Costs
For Non-Compliance with Federal and State Requirements
For the year ended December 31, 2012

FINDING 2012-2

Program CFDA Number: 435.283, 435.284, 435.561, 435.681
IM Available Allocation

State Grantor: Basic County Allocation
Wisconsin Department of Health Services

Criteria: The *State Single Audit Guidelines* require that local entities receiving state awards establish and maintain internal control designed to reasonably ensure compliance with federal laws, regulations, and program compliance requirements. The *State Single Audit Guidelines* further requires auditors to obtain an understanding of the local entity's internal control over state programs.

To minimize the risk of errors, internal controls should be in place for all program compliance requirements, including the preparation and submission of monthly reports, which should be reviewed and approved by a responsible party other than the original preparer.

Condition/Context: Monthly reports submitted to the State of Wisconsin's Community Aids Reporting System (CARS) were not reviewed by someone other than the preparer. While there were no compliance issues noted while reviewing the accuracy of the monthly reports, it is important that the County implement effective controls over the process to minimize the risk of incorrect reporting.

Questioned Costs: None.

Cause: The County did not have a process in place to separate the preparation and review functions surrounding monthly CARS reporting for the first seven months of the year. The remaining five months of the year, the County had proper preparation and review functions in place.

Effect: There is a greater chance that errors may exist in the monthly reports.

Recommendation: We recommend the County with the monthly independent review process implemented during August 2012 appropriate documentation supporting the segregation of the preparation and review functions should continue to be kept by the County.

Management's Response: The County will continue to independently review the State reports on a monthly basis.

Official Responsible for Ensuring the Corrective Action Plan: Jean Schult, Fiscal Services Manager.

Planned Completion Date for the Corrective Action Plan: August 26, 2013.

COUNTY OF MARATHON, WISCONSIN

Schedule of Findings and Questioned Costs
For Non-Compliance with Federal and State Requirements
For the year ended December 31, 2012

FINDING 2012-3

State Grantor: *Wisconsin Department of Children and Families (DCF) General Requirements*

Criteria: The DCF general requirements found in the State Single Audit Guidelines states that Random Moment Sampling (RMS) responses should be reasonably supported by appropriate documentation.

Condition/Context: One out of the twenty-five items tested did not have supporting documentation consistent with the reported program activity.

Questioned Costs: None.

Cause: Unknown

Effect: The caseworker could be working on a different program than what the RMS sample states and could result in an inaccurate distribution of expenditures to programs for financial reporting to the state.

Recommendation: We recommend the County establish controls, such as internal review procedures, to ensure that RMS responses are consistent with supporting documentation.

Management's Response: Economic support staff will be reminded of the importance of documenting work being performed on the case in CARES when reporting to RMS.

Official Responsible for Ensuring the Corrective Action Plan: Jane Huebsch, Support Program Manager.

Planned Completion Date for the Corrective Action Plan: September 30, 2013.

COUNTY OF MARATHON, WISCONSIN

Schedule of Findings and Questioned Costs
For Non-Compliance with Federal and State Requirements
For the year ended December 31, 2012

FINDING 2012-4

Program CFDA Number: 93.599
Chafee Education & Training Vouchers Program
State Grantor: *Wisconsin Department of Children and Families*

Criteria: According to the Wisconsin Department of Children and Families' *Allowable Cost Manual*, expenditures should be reported in the program year in which they were incurred.

Condition/Context: During our testing of program expenditures, we noted an expenditure that was incurred for 2011 tuition, but was recorded in the County's general ledger in 2012 and reported in CORE for 2012. We tested a total of forty expenditures under the program.

Questioned Costs: The expenditure in question was for \$460.

Cause: The cause is unknown.

Effect: The expenditure was reported in the wrong fiscal year in the County's general ledger and CORE.

Recommendation: We recommend the County review expenditures to ensure they are properly coded to the appropriate accounting period.

Management's Response: The County will review all expenses at year end to ensure proper reporting in the correct accounting period.

Official Responsible for Ensuring the Corrective Action Plan: Jean Schult, Fiscal Services Manager and Coleen Krasowski, Accountant II.

Planned Completion Date for the Corrective Action Plan: August 31, 2013.

COUNTY OF MARATHON, WISCONSIN

Schedule of Findings and Questioned Costs
For Non-Compliance with Federal and State Requirements
For the year ended December 31, 2012

FINDING 2012-5

Program CFDA Number: 395.101
*Specialized Transportation Assistance Program, Elderly & Handicapped
Aids, For Counties*

State Grantor: *Wisconsin Department of Transportation*

Criteria: The Wisconsin Department of Transportation requires counties to complete and submit semi-annual and annual financial reports regarding the operations and financial position of the County's specialized transportation assistance program.

Condition/Context: Semi-annual and annual reports submitted to the State of Wisconsin's Department of Transportation were not reviewed by someone other than the preparer. While there were no compliance issues noted while reviewing the accuracy of the monthly reports, it is important that the County implement effective controls over the process to minimize the risk of incorrect reporting.

Questioned Costs: None.

Cause: The County does not have a process in place to separate the preparation and review functions surrounding the semi-annual and annual reports.

Effect: There is a greater chance that errors may exist in the monthly reports.

Recommendation: We recommend the County formalize the reporting process and assign the functions of preparation and review of those reports to separate people. Appropriate documentation supporting the segregation of the preparation and review functions should also be kept by the County.

Management's Response: The Department will provide documentation in the form of a memo or email from the grant manager to the grant preparer, that all reports are approved and can be submitted to WisDOT.

Official Responsible for Ensuring the Corrective Action Plan: Dave Mack, Program Manager for Marathon County Conservation, Planning & Zoning (CPZ).

Planned Completion Date for the Corrective Action Plan: The Action Plan is already being carried out. The first approval memo was sent from the grant manager to the preparer on August 13, 2013.

COUNTY OF MARATHON, WISCONSIN

Schedule of Findings and Questioned Costs
For Non-Compliance with Federal and State Requirements
For the year ended December 31, 2012

FINDING 2012-6

Program CFDA Number: 93.778
Medical Assistance/Comprehensive Community Services (CCS)
Federal Grantor: U.S. Department of Health and Human Services
State Pass-Through Agency: Wisconsin Department of Health Services

Criteria: Require that the County is performing control activities for ensuring accurate reporting and consistency between what it reports in the financial charge logs and what is reported in a progress note.

Condition/Context: For one of the four items tested, a billing from North Central Health Center was overstated for the time actually spent by one caseworker.

Questioned Costs: The expenditure in question was for \$33.

Cause: The cause is unknown.

Effect: Services provided were overbilled.

Recommendation: We recommend the County review the processes and controls over the CCS program to ensure that file documentation is prepared to accurately report charges in the financial charge logs and in the progress notes.

Management's Response: The County will review and compare the staff time logs submitted to North Central Health Care with financial reimbursement detail for accuracy.

Official Responsible for Ensuring the Corrective Action Plan: Amber Myska, Social Work Supervisor.

Planned Completion Date for the Corrective Action Plan: October 31, 2013.

COUNTY OF MARATHON, WISCONSIN

Schedule of Findings and Questioned Costs
For Internal Control Over Financial Reporting
For the year ended December 31, 2012

FINDING 2012-A: INTERNAL CONTROL OVER FINANCIAL REPORTING

Criteria: According to Statement on Auditing Standards (SAS) No. 115, *Communicating Internal Control Related Matters Identified in an Audit*, sufficient internal controls should be in place that provide for the preparation of reliable financial statements that are fairly presented in conformity with generally accepted accounting principles.

Condition: Marathon County's financial records contained material misstatements and the auditors prepared the financial statements in accordance with generally accepted accounting principles.

Cause: The County has chosen to contract with the auditors for preparation of the annual financial statements. Material journal entries were also identified by the auditors.

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 2012 audit. In addition, the auditors prepared the financial statements.

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

Management's Response: With budget cuts, the Finance Department had reduced staff and had the auditors prepare the financial statements for 2012.

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 records 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 transaction accounts: April 2014.

Review staff levels in future years to see if the department has the funds and capacity to create the financial statements in house.

COUNTY OF MARATHON, WISCONSIN

Schedule of Findings and Questioned Costs
For Internal Control Over Financial Reporting
For the year ended December 31, 2012

FINDING 2012-B: INTERNAL CONTROL ENVIRONMENT

Criteria: According to Statement on Auditing Standards (SAS) Nos. 104-111, collectively known as the risk assessment standards, sufficient internal accounting controls should be in place that mitigate the risk of material misstatement in the financial records due to fraud or error.

Condition: We identified key controls that ideally should be present or strengthened in order to mitigate the risk of material misstatement in relation to the County's significant transaction cycles as follows:

Entity-Wide Controls

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 Cash

Bank reconciliations for the County's general checking account are being performed by someone who is independent of processing transactions flowing through the checking account. However, this bank reconciliation is not being independently reviewed and documented as such.

Cause: Certain controls do not exist due to County staffing and processes.

Effect: Due to the lack of certain controls, there is a risk that material misstatements due to fraud or error may go undetected in the County's financial records.

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.

Management's Response:

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

Controls Over Cash: The County does verify decentralized bank accounts by someone independent of processing the transactions. The County will initiate a similar procedure for the County's general checking account.

Official Responsible for Ensuring the Corrective Action Plan: Kristi Kordus, Marathon County Finance Director

Planned Completion Date for the Corrective Action Plan: The Finance Committee does review all annual financial statements and audits. The County will incorporate more risk assessment functions into the duties of the Finance and Property Committee by December 2013.

The County will initiate a similar procedure for verifying the County's general checking account by September 2013.

COUNTY OF MARATHON, WISCONSIN

Schedule of Findings and Questioned Costs
For Internal Control Over Financial Reporting
For the year ended December 31, 2012

FINDING 2012-C: DEPARTMENTAL CONTROLS/DECENTRALIZED ACTIVITIES

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

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

Cause: Many county departments lack the personnel necessary to adequately segregate financial and accounting duties.

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.

Management's Response: 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 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.



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COUNTY OF MARATHON, WISCONSIN
Schedule of Prior Year Findings and Questioned Costs
For Non-Compliance with Federal and State Requirements
For the year ended December 31, 2012

Finding 2011-01:

Children's Long-Term Support (CLTS) Waivers
State Assistance Numbers: 435.450, 435.451, 435.460, 435.461, 435.462
State Grantor: Wisconsin Department of Health Services

Finding

Criteria: According to the *Medicaid Home and Community-Based Services Waivers Manual*, the individual service plan (ISP) should list the type and amount of services and supports to be provided to meet assessed needs and address identified individual outcomes. Services provided to the individual that are reported through the Human Services Reporting System (HSRS) should correspond with services authorized in the ISP.

Condition/Context: Out of 14 program participants tested, there were two instances where the service code (SPC) billed on HSRS was not an authorized service according to the ISP.

Questioned Costs: The participants affected include 5425660456 and 8406372681.

Cause: It appears that the services billed on HSRS were reported under the wrong SPC.

Effect: Services reported on HSRS were not accurate.

Recommendation: We recommend the County consider additional review procedures in order to identify and correct coding errors.

Management Response

December 1, 2011, Marathon County transitioned to the State-designated Third Party Administrator for the Children's Long-Term Support program. The Third Party Administrator process requires pre-authorization for all services prior to payment.

Official Responsible for Ensuring the Corrective Action Plan

Reporting is now the responsibility of the State-designated Third Party Administrator.

Current Year Status

The transition to the third party administrator for all Children's Long Term Support claims requires precertification prior to payments being issued. Provider's claims are rejected if no precertification is received.



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COUNTY OF MARATHON, WISCONSIN
Schedule of Prior Year Findings and Questioned Costs
For Non-Compliance with Federal and State Requirements
For the year ended December 31, 2012

Finding 2011-02:

Children's Long-Term Support (CLTS) Waivers
State Assistance Numbers: 435.450, 435.451, 435.460, 435.461, 435.462
State Grantor: Wisconsin Department of Health Services

Finding

Criteria: According to the *Medicaid Home and Community-Based Services Waivers Manual*, the individual service plan (ISP) should list the type and amount of services and supports to be provided to meet assessed needs and address identified individual outcomes. The ISP should be reviewed every six months in a face-to-face meeting with the participant and his/her guardian. During the six-month review, participants must be informed that they may:

1. Request a change in type, amount, or frequency of service;
2. Request a new or additional service(s) not currently provided; or
3. Choose to change providers of current services by selecting another provider from the Medicaid Waivers Provider Registry or by asking that the waiver agency assist in qualifying a provider not currently listed on the Registry.

Condition/Context: Out of 14 program participants tested, there were four instances where there was no evidence that the participants were informed of their ability to access the services listed above.

Questioned Costs: The participants affected include 5425660456, 9437781991, 3432211139 and 7424531476.

Cause: According to discussion with supervisory personnel, case workers were providing this information on an annual basis instead of every six months.

Effect: The quality of service provided to the participants may be negatively affected.

Recommendation: We recommend the County ensure that program personnel are made aware of the specific requirements of the program.

Management Response:

CLTS Supervisor completes a review process after staff complete six month reviews on clients. This review process assures that participants were made aware of these rights.

Official Responsible for Ensuring the Corrective Action Plan

Julie Jensen, CLTS Supervisor.

Current Year Status

The CLTS is continuing to review the plans every six months and verifies the participants guardians were made aware of their rights to access services.



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COUNTY OF MARATHON, WISCONSIN
Schedule of Prior Year Findings and Questioned Costs
For Non-Compliance with Federal and State Requirements
For the year ended December 31, 2012

Finding 2011-03:

Children's Long-Term Support (CLTS) Waivers
State Assistance Numbers: 435.450, 435.451, 435.460, 435.461, 435.462
State Grantor: Wisconsin Department of Health Services

Finding

Criteria: According to the *Medicaid Home and Community-Based Services Waivers Manual*, the financial eligibility worksheet or the CARES Community Waivers Budget screen printout should be completed to document the participants' current financial eligibility in the program.

Condition/Context: Out of 14 program participants tested, there were two instances where there was no evidence that financial eligibility was determined using the financial eligibility worksheet or CARES Community Waivers Budget screen printout.

Questioned Costs: The participants affected include 5412893225 and 3432211139.

Cause: The cause is unknown.

Effect: If participants are required to pay a share of the cost of services provided, the County has not reduced its own costs.

Recommendation: We recommend the County consider additional review procedures to ensure cost share documentation is completed and appropriately filed.

Management Response:

CLTS Supervisor communicated a reminder to staff that all financial eligibility worksheets must be completed and included in the client file.

Official Responsible for Ensuring the Corrective Action Plan

Julie Jensen, CLTS Supervisor.

Current Year Status

Staff are aware of the requirement to include financial eligibility worksheets in the client file.



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COUNTY OF MARATHON, WISCONSIN
Schedule of Prior Year Findings and Questioned Costs
For Non-Compliance with Federal and State Requirements
For the year ended December 31, 2012

Finding 2011-04:

Chafee Education & Training Vouchers Program
CFDA Number: 93.599
State Grantor: Wisconsin Department of Children and Families

Finding

Criteria: The A-102 Common Rule and 2 CFR part 215 require that non-federal entities receiving federal awards establish and maintain internal control designed to reasonably ensure compliance with federal laws, regulations, and program compliance requirements. OMB Circular A-133 further requires auditors to obtain an understanding of the non-federal entity's internal control over federal programs. To minimize the risk of errors, internal controls should be in place for all program compliance requirements, including the preparation and submission of monthly reports, which should be reviewed and approved by a responsible party other than the original preparer.

Condition/Context: Monthly reports submitted to the State of Wisconsin's Central Office Reporting (CORE) system were not reviewed by someone other than the preparer. While there were no compliance issues noted while reviewing the accuracy of the monthly reports, it is important that the county implement effective controls over the process to minimize the risk of incorrect reporting.

Questioned Costs: None.

Cause: The county does not have a process in place to separate the preparation and review functions surrounding monthly CORE reporting.

Effect: There is a greater chance that errors may exist in the monthly reports.

Recommendation: We recommend the county formalize the monthly reporting process and assign the functions of preparation and review of those reports to separate people. Appropriate documentation supporting the segregation of the preparation and review functions should also be kept by the county.

Management Response:

Effective September 10, 2012, the Fiscal Services Manager will perform a review of all fiscal reports filed with the State or other granting agencies requesting reimbursement. Preparation and review of fiscal reports will be tracked on a routing form, which will be filed and retained with each month's fiscal reports.

Official Responsible for Ensuring the Corrective Action Plan

Jean Schult, Fiscal Services Manager

Current Year Status

A review process and routing form were established, effective for the August 2012 State reports. Due to staffing shortages in October, November and December, State reports for September, October and November were reviewed after reports were filed. Staffing has increased and State reports for December going forward are being reviewed prior to reports being filed.



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COUNTY OF MARATHON, WISCONSIN
Schedule of Prior Year Findings and Questioned Costs
For Non-Compliance with Federal and State Requirements
For the year ended December 31, 2012

Finding 2011-05:

Child Support Enforcement IV-D
CFDA Number: 93.563
State Grantor: Wisconsin Department of Children and Families

Finding

Criteria: The A-102 Common Rule and 2 CFR part 215 require that non-federal entities receiving federal awards establish and maintain internal control designed to reasonably ensure compliance with federal laws, regulations, and program compliance requirements. OMB Circular A-133 further requires auditors to obtain an understanding of the non-federal entity's internal control over federal programs. To minimize the risk of errors, internal controls should be in place for all program compliance requirements, including the preparation and submission of monthly reports, which should be reviewed and approved by a responsible party other than the original preparer.

Condition/Context: Monthly reports submitted to the State of Wisconsin's Central Office Reporting (CORE) system were not reviewed by someone other than the preparer. While there were no compliance issues noted while reviewing the accuracy of the monthly reports, it is important that the county implement effective controls over the process to minimize the risk of incorrect reporting.

Questioned Costs: None.

Cause: The county does not have a process in place to separate the preparation and review functions surrounding monthly CORE reporting.

Effect: There is a greater chance that errors may exist in the monthly reports.

Recommendation: We recommend the county formalize the monthly reporting process and assign the functions of preparation and review of those reports to separate people. Appropriate documentation supporting the segregation of the preparation and review functions should also be kept by the county.

Management Response:

Effective September 10, 2012, the Fiscal Services Manager will perform a review of all fiscal reports filed with the State or other granting agencies requesting reimbursement. Preparation and review of fiscal reports will be tracked on a routing form, which will be filed and retained with each month's fiscal reports.

Official Responsible for Ensuring the Corrective Action Plan

Jean Schult, Fiscal Services Manager

Current Year Status

A review process and routing form were established, effective for the August 2012 State reports. Due to staffing shortages in October, November and December, State reports for September, October and November were reviewed after reports were filed. Staffing has increased and State reports for December going forward are being reviewed prior to reports being filed.



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COUNTY OF MARATHON, WISCONSIN
Schedule of Prior Year Findings and Questioned Costs
For Non-Compliance with Federal and State Requirements
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Finding 2011-06:

Child Care Development Fund
CFDA Number: 93.596
State Grantor: Wisconsin Department of Children and Families

Finding

Criteria: The A-102 Common Rule and 2 CFR part 215 require that non-federal entities receiving federal awards establish and maintain internal control designed to reasonably ensure compliance with federal laws, regulations, and program compliance requirements. OMB Circular A-133 further requires auditors to obtain an understanding of the non-federal entity's internal control over federal programs. To minimize the risk of errors, internal controls should be in place for all program compliance requirements, including the preparation and submission of monthly reports, which should be reviewed and approved by a responsible party other than the original preparer.

Condition/Context: Monthly reports submitted to the State of Wisconsin's Central Office Reporting (CORE) system were not reviewed by someone other than the preparer. While there were no compliance issues noted while reviewing the accuracy of the monthly reports, it is important that the county implement effective controls over the process to minimize the risk of incorrect reporting.

Questioned Costs: None.

Cause: The county does not have a process in place to separate the preparation and review functions surrounding monthly CORE reporting.

Effect: There is a greater chance that errors may exist in the monthly reports.

Recommendation: We recommend the county formalize the monthly reporting process and assign the functions of preparation and review of those reports to separate people. Appropriate documentation supporting the segregation of the preparation and review functions should also be kept by the county.

Management Response:

Effective September 10, 2012, the Fiscal Services Manager will perform a review of all fiscal reports filed with the State or other granting agencies requesting reimbursement. Preparation and review of fiscal reports will be tracked on a routing form, which will be filed and retained with each month's fiscal reports.

Official Responsible for Ensuring the Corrective Action Plan

Jean Schult, Fiscal Services Manager

Current Year Status

A review process and routing form were established, effective for the August 2012 State reports. Due to staffing shortages in October, November and December, State reports for September, October and November were reviewed after reports were filed. Staffing has increased and State reports for December going forward are being reviewed prior to reports being filed.



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COUNTY OF MARATHON, WISCONSIN
Schedule of Prior Year Findings and Questioned Costs
For Non-Compliance with Federal and State Requirements
For the year ended December 31, 2012

Finding 2011-07:

Medical Assistance Program IM Available Allocation
State Assistance Numbers: 435.283, 435.284
State Grantor: Wisconsin Department of Health Services

Finding

Criteria: The *State Single Audit Guidelines* require that local entities receiving state awards establish and maintain internal control designed to reasonably ensure compliance with state laws, regulations, and program compliance requirements. The *State Single Audit Guidelines* further requires auditors to obtain an understanding of the local entity's internal control over state programs. To minimize the risk of errors, internal controls should be in place for all program compliance requirements, including the preparation and submission of monthly reports, which should be reviewed and approved by a responsible party other than the original preparer.

Condition/Context: Monthly reports submitted to the State of Wisconsin's Community Aids Reporting System (CARS) were not reviewed by someone other than the preparer. While there were no compliance issues noted while reviewing the accuracy of the monthly reports, it is important that the county implement effective controls over the process to minimize the risk of incorrect reporting.

Questioned Costs: None.

Cause: The county does not have a process in place to separate the preparation and review functions surrounding monthly CARS reporting.

Effect: There is a greater chance that errors may exist in the monthly reports.

Recommendation: We recommend the county formalize the monthly reporting process and assign the functions of preparation and review of those reports to separate people. Appropriate documentation supporting the segregation of the preparation and review functions should also be kept by the county.

Management Response:

Effective September 10, 2012, the Fiscal Services Manager will perform a review of all fiscal reports filed with the State or other granting agencies requesting reimbursement. Preparation and review of fiscal reports will be tracked on a routing form, which will be filed and retained with each month's fiscal reports.

Official Responsible for Ensuring the Corrective Action Plan

Jean Schult, Fiscal Services Manager

Current Year Status

A review process and routing form were established, effective for the August 2012 State reports. Due to staffing shortages in October, November and December, State reports for September, October and November were reviewed after reports were filed. Staffing has increased and State reports for December going forward are being reviewed prior to reports being filed.



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COUNTY OF MARATHON, WISCONSIN
Schedule of Prior Year Findings and Questioned Costs
For Internal Control Over Financial Reporting
For the year ended December 31, 2012

Finding 2011-A: Internal Control Over Financial Reporting

Finding

Criteria: According to Statement on Auditing Standards (SAS) No. 115, *Communicating Internal Control Related Matters Identified in an Audit*, sufficient internal controls should be in place that provide for the preparation of reliable financial statements that are fairly presented in conformity with generally accepted accounting principles.

Condition: Marathon County's financial records contained material misstatements and the auditors prepared the financial statements in accordance with generally accepted accounting principles.

Cause: The County has chosen to contract with the auditors for preparation of the annual financial statements. Material journal entries were also identified by the auditors.

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 2011 audit. In addition, the auditors prepared the financial statements.

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

Management Response:

With budget cuts, the Finance Department has reduced staff and had the auditors prepare the financial statements for 2011.

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 records that are free of material misstatements.

Official Responsible for Ensuring the Corrective Action Plan:

Kristi Kordus, Marathon County Finance Director

Current Year Status

The Finance Department reviews financial transactions monthly and completes on-going review of financial transactions. The additional pre-audit work on specific transaction accounts will occur in April 2013 as specified in the Prior Year Findings and Questioned Costs. Therefore, the corrective action will be taken consistent with the corrective action plan.



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COUNTY OF MARATHON, WISCONSIN
Schedule of Prior Year Findings and Questioned Costs
For Internal Control Over Financial Reporting
For the year ended December 31, 2012

Finding 2011-B: Internal Accounting Controls

Finding

Criteria: According to Statement on Auditing Standards (SAS) Nos. 104-111, collectively known as the risk assessment standards, sufficient internal accounting controls should be in place that mitigate the risk of material misstatement in the financial records due to fraud or error.

Condition: We identified key controls that ideally should be present or strengthened in order to mitigate the risk of material misstatement in relation to the County's significant transaction cycles as follows:

Entity-Wide Controls:

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 Cash:

Bank reconciliations for the County's general checking account are being performed by someone who is independent of processing transactions flowing through the checking account. However, this bank reconciliation is not being independently reviewed and documented as such.

HSRS to General Ledger Reconciliation:

The Department of Social Services reports costs to the State of Wisconsin through a state-wide cost accounting system, the Human Services Reporting System (HSRS) each month. A critical control for this process is the reconciliation between costs recorded within the County's financial system and those reported through HSRS. While this reconciliation is being performed each month, there is no documentation to evidence it is being independently reviewed. We recommend the reviewer of this reconciliation and the preparer initial off indicating their respective completion of this process and important control.

Cause: Certain controls do not exist due to County staffing and processes.

Effect: Due to the lack of certain controls, there is a risk that material misstatements due to fraud or error may go undetected in the County's financial records.

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.



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COUNTY OF MARATHON, WISCONSIN
Schedule of Prior Year Findings and Questioned Costs
For Internal Control Over Financial Reporting
For the year ended December 31, 2012

Finding 2011-B: Internal Accounting Controls (Continued)

Management Response:

Entity-Wide Controls:

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

Controls over Cash:

The County does verify decentralized bank accounts by someone independent of processing the transactions. The County will initiate a similar procedure for the County's general checking account.

HSRS to General Ledger Reconciliation:

The HSRS reporting for Social Services programs ended December 31, 2011, with the transition of the Children's Long Term Support program expenses being paid through the State designated Third Party Administrator.

Official Responsible for Ensuring the Corrective Action Plan:

Kristi Kordus, Marathon County Finance Director.

Current Year Status

Entity-wide controls: The Finance Committee does review the annual financial statements and audits. The Finance Committee reviewed and formally placed on file the 2011 CAFR and Auditor's Report on Internal Control and Response at the Finance Committee meeting held on July 23, 2012. Therefore the corrective action plan was implemented as described by the completion date.

A draft copy of the 2011 Single Audit was reviewed by the Finance Director on September 18, 2012. Therefore the corrective action plan was implemented as described by the completion date.

Controls over Cash: Bank reconciliations will be independently reviewed and documented starting with the September 2012 bank reconciliation. The corrective action plan was not implemented as of September 2012 but will be reviewed as the 2012 year-end work is being completed.

HSRS to General Ledger Reconciliation: The HSRS reporting at Social Services ended on December 31, 2011. The Children's Long Term Support program expenses are now being paid through the State's designated Third Party Administrator. Therefore the corrective action plan was implemented as described by the completion date.



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COUNTY OF MARATHON, WISCONSIN
Schedule of Prior Year Findings and Questioned Costs
For Internal Control Over Financial Reporting
For the year ended December 31, 2012

Finding 2011-C: Departmental Controls/Decentralized Activities

Finding

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

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

Cause: Many County departments lack the personnel necessary to adequately segregate financial and accounting duties.

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.

Management Response:

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 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.

Current Year Status

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