

**CHIPPEWA COUNTY, WISCONSIN
FEDERAL AND STATE SINGLE AUDIT REPORTS
YEAR ENDED DECEMBER 31, 2021**



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**CHIPPEWA COUNTY, WISCONSIN
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**CHIPPEWA COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2021**

Federal Grantor Agency/Program	Federal Assistance Listing #	Pass-Through Entity	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<u>Department of Agriculture</u>					
Special Supplemental Nutrition Assistance Program for Women, Infants and Children	10.557	WI DHS	CARS 154710, 154746, 154760	\$ -	\$ 296,207
State Matching Grant for Food Stamp Program (SNAP Cluster)	10.561				
Nutritional Ed Grant		WI DHS	CARS 154661	-	37,893
Income Maintenance Contract		WI DHS / GRIM	CARS 283, 284	-	291,642
Total SNAP Cluster				-	329,535
Total Department of Agriculture				-	625,742
<u>Department of Housing and Urban Development</u>					
Community Development Block Grants	14.228				
Community Development Block Grants - Housing		WI DOA	HSG 20-07	-	1,436,077
COVID-19 Community Development Block Grants		WI DOA	CDBG CV 21-11	-	946,116
Total Department of Housing and Urban Development (#14.228)				-	2,382,193
<u>Department of Justice</u>					
COVID 19 Coronavirus Emergency Supplemental Funding	16.034	WI DOJ	# 16236, 16571	-	179,858
Bulletproof Vest Partnership Program	16.607	Direct	N/A	-	1,162
Public Safety Partnership and					
Community Policing Grants	16.710	Eau Claire County	2021 Anti-Heroin Grant	-	3,887
Edward Byrne Memorial Justice Assistance Grant Program:	16.738				
Edward Byrne Memorial Justice Assistance		Eau Claire County	2021 Drug Task Force	-	428
Jaily Re-Entry Diversion Grant		WI DOJ	#15938	-	89,433
Total Edward Byrne Memorial Justice Assistance Grant (# 16.738)				-	89,861
Total Department of Justice				-	274,768
<u>Department of Transportation</u>					
Highway Planning and Construction Cluster	20.205	WI DOT	#7863-00-02, 8953-04-02, 8996-01-06	-	233,948
State and Community Highway Safety (Highway Safety Cluster)	20.600	WI DOT	#3950959-25-11	-	3,228
<u>Department of Treasury</u>					
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	Direct	N/A	-	1,200
<u>Department of Education</u>					
Grants for Infants and Toddlers	84.181	WI DHS	CARS 550	-	57,852
<u>Department of Election Assistance Commission</u>					
HAVA Election Security Grants	90.404	WI DOA	2021	-	47,700

See Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance.

CHIPPEWA COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2021

Federal Grantor Agency/Program	Federal Assistance Listing #	Pass-Through Entity	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<u>Department of Health and Human Services</u>					
Special Programs for the Aging - Title III, Part D Aging Cluster	93.043	WI DHS / GWAAR	CARS 560510	\$ -	\$ 1,459
Special Programs for the Aging - Title III, Part B	93.044	WI DHS / GWAAR	CARS 560340	-	85,937
Special Programs for the Aging - Title III, Part C		WI DHS / GWAAR	CARS 560360, 560361	-	281,001
Nutrition Services Incentive Program	93.053	WI DHS / GWAAR	CARS 560422	-	21,677
Total Aging Cluster				-	388,615
COVID19 Special Programs for the Aging - Title IV	93.048	WI DHS	CARS 560200	-	3,570
National Family Caregivers Support Program	93.052	WI DHS / GWAAR	CARS 560520	-	45,837
Public Health Emergency Preparedness	93.069	WI DHS	CARS 155015	-	38,092
Medicare Enrollment Assistance Program	93.071	WI DHS / GWAAR	CARS 560620	-	3,749
Injury Prevention and Control Research	93.136	WI DHS	CARS 150216	-	54,095
Family Planning Services	93.217	WI DHS	CARS 159328	-	21,862
Immunization Cooperative Agreements	93.268	WI DHS			
COVID-19 Immunization			CARS 155020, 155809		44,338
COVID-19 Aging and Disability Resource Center			CARS 560201	-	9,825
COVID-19 Vaccination Community Outreach			FAIN NH231P922611	-	36,791
Total Immunization Cooperative Agreements (# 93.268)				-	90,954
Drug-Free Communities Support Program Grants	93.276	WI DHS	#1H79SP081761-01	-	136,220
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	WI DHS	CARS 155802, 155806	-	985,356
State Health Insurance Assistance Program	93.324	WI DHS / GWAAR	CARS 560432	-	4,330
Public Health Emergency Response	93.354	WI DHS	CARS 155801	-	55,400
Innovative State and Local Public Health Strategies to Prevent Diabetes	93.435	WI DHS	CARS 150429	-	13,892
Promoting Safe and Stable Families	93.556	WI DCF	SPARC 3306	-	58,219
Temporary Assistance for Needy Families	93.558				
Basic County Allocation		WI DHS	CARS 561, 3561	-	123,755
Children and Families Contract		WI DCF	SPARC 3632	-	76,240
Total Temporary Assistance for Needy Families (# 93.558)				-	199,995
			SPARC 7332, 7477, 7482, 7506,		
Child Support Enforcement Program (Title IV-D)	93.563	WI DCF	7560, 7618, 7619	-	656,862
Child Care and Development Block Grant (CCDF Cluster)	93.575	WI DCF	SPARC 831, 852	-	129,471
Child Welfare Services Program	93.645	WI DCF	SPARC 3413, 3561, 3681	-	29,976
Foster Care - Title IV-E	93.658	WI DCF	SPARC 3413, 3561, 3568, 3681,	-	614,605
Adoption Assistance	93.659	WI DCF	SPARC 3574	-	617
Social Services Block Grant	93.667	WI DHS	CARS 561, 3561	-	232,321
COVID-19 Elder Abuse Prevention Interventions Program	93.747	WI DHS	CARS 560332	-	14,160
State Children's Insurance Program	93.767	WI DHS / GRIM	CARS 283, 284	-	38,145

See Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance.

CHIPPEWA COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2021

Federal Grantor Agency/Program	Federal Assistance Listing #	Pass-Through Entity	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<u>Department of Health and Human Services (Continued)</u>					
Medicaid Cluster	93.778				
Social Services and Community Programs Contract		WI DHS	CARS 878	\$ -	\$ 92,914
Children's Long-Term Support (CLTS) Program		WI DHS / WPS	CARS 831, 834, 840, 846	-	321,689
Case Management		WI DHS	43070900 MCD	-	63,521
Comprehensive Community Services		WI DHS	100044114 MCD	2,979,426	20,936,187
Crisis Care		WI DHS	100049018 MCD	-	249,467
Wisconsin Medicaid Cost Reporting Program		WI DHS	Final 2020	-	698,128
Aging and Disability Resource Center		WI DHS	CARS 560152, 560155	-	445,346
Public Health Services		WI DHS	CARS 75, 159320	-	22,238
Income Maintenance Contract		WI DHS / GRIM	CARS 283, 284	-	391,908
CLTS Program Paid to Providers Via Third Party Administrator		(A)		-	1,424,055
Total Medicaid Cluster				2,979,426	24,645,453
Block Grant for Community Mental Health Services	93.958	WI DHS	CARS 512, 569, 533283	-	53,623
Block Grant - Prevention and Treatment of Substance Abuse	93.959	WI DHS	CARS 570, 515, 545, 546	-	100,229
Preventive Health and Health Service Block Grant	93.991	WI DHS	CARS 159220	-	14,200
Maternal and Child Health Services Block Grant	93.994	WI DHS	CARS 159320, 159332, 191001	-	307,662
Total Department of Health and Human Services				2,979,426	28,938,969
<u>Department of Homeland Security</u>					
Emergency Management Performance Grants	97.042	WI DMA	EMPG-S-WI-2020-C8309, 2021-EMPG-01-12093, 2022-EMPG-01-12567	-	73,030
Building Resilient Infrastructure and Communities	97.047	WI DMA	PDMC-PL-05-WI-2017-002	-	24,000
Total Department of Homeland Security				-	97,030
Total Expenditures of Federal Awards				\$ 2,979,426	\$ 32,662,630

(A) = See Note 4

See Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance.

**CHIPPEWA COUNTY, WISCONSIN
SCHEDULE OF STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2021**

State Grantor Agency/ Program Title and Year	State I.D. Number	Grant Expenditures
<u>Department of Agriculture, Trade, and Consumer Protection</u>		
Clean Sweep Program	115.040	\$ 9,899
Soil and Water Resource Management	115.15	182,536
County Staff and Support		
Land and Water Resource Management Projects	115.40	100,076
Total Department of Agriculture, Trade, and Consumer Protection		292,511
<u>Department of Natural Resources</u>		
Venison Processing	370.549	3,373
Boating Enforcement Aids	370.550	29,689
All-Terrain Vehicle Enforcement Aids	370.551	23,669
Snowmobile Enforcement Aids	370.552	15,010
Wildlife Damage Claims and Abatement	370.553	23,475
Recreational Aids - Fish, Wildlife, and Forestry	370.564	2,806
County Conservation Aids	370.563	2,806
County Forest Administration	370.572	54,606
Snowmobile Trails Aids	370.574/370.575	120,247
All-Terrain Vehicle Aids	370.576/370.577	30,085
Lakes Management Planning Grant	370.663	13,558
Municipal and County Recycling Grants	370.670	220,444
River Protection	370.675	3,982
Total Department of Natural Resources		543,750
<u>Department of Transportation</u>		
Elderly and Handicapped Transportation Aid	395.101	(C) 150,096
<u>Department of Health Services</u>		
WIC Farmers Market Grant	435.154720	3,536
Communicable Disease Central and Prevention	435.155800	5,300
Consolidated Contract - CHHD LD	435.157720	7,290
Reproductive Health	435.159321	35,890
Reproductive Health - LPHD	435.159322	3,017
TPCP - Wisconsin WINS	435.181004	4,438
IM Available Allocation	435.283	148,488
IM Available Allocation Federal Share	435.284	4,868
Adult Protective Services	435.312	55,548
Kinship Care Base Benefit	435.377	104,834
Coordinated Services - CTY	435.515	149,526
Certified Mental Health Program	435.517	135,032
Birth-to-Three Initiative	435.550	66,455
B3 Innovation Grant	435.553	77,397
Aging and Disability Resource Center (ADRC):		
ADRC MFP-NH Relocation	435.560065	30,045
Aging and Disability Resource Center	435.560100	380,068
ADRC Dementia Care Project	435.560158	67,417
ADRC Elderly Benefit Specialist GPR	435.560320	28,215
ADRC Elderly Benefit Specialist SPAP	435.560328	998
Basic County Allocation - State Funded	435.561	1,369,933
State/County Match	435.681	189,606
CLTS DD Non-Federal	435.832	2,347
CLTS DD Non-Federal Other	435.838	155,580
CLTS MH Non-Federal Other	435.841	11,021
CLTS PD Non-Federal Other	435.847	42
CLTS Other CWA Admin GPR	435.877	60,535
CLTS PF State Match	435.882	(3,653)

(C) The County's matching contribution for the fiscal year was \$43,715.

See Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance.

CHIPPEWA COUNTY, WISCONSIN
SCHEDULE OF STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED DECEMBER 31, 2021

State Grantor Agency/ Program Title and Year	State I.D. Number	Grant Expenditures
<u>Department of Health Services (Continued)</u>		
Passed through Area Agency on Aging		
State Senior Community Services	435.560330	\$ 8,288
Congregate Nutrition	435.560350	4,222
Special Programs for the Aging - Title III, Part C	435.560360	11,078
Alzheimer's Family Caregiver Support	435.560381	28,697
Special Programs for the Aging - Programs for Prevention	435.560490	23,961
Total Department of Health Services		<u>3,170,019</u>
<u>Department of Children and Families</u>		
Food Stamp Agency Incentives	437.0965	22,950
AFDC Agency Incentives	437.0975	75
Medicaid Agency Incentives	437.0980	19,022
CW Kinship Care Program - Benefits	437.3377	290,270
CW Kinship Care Program - Assessment	437.3380	19,202
JJ Community Intervention Prog	437.3410	16,329
JJ AODA	437.3411	11,562
JJ Youth Aids	437.3413	511,541
Basic Children and Families Allocation	437.3561	634,121
CW Children and Families Allocations	437.3681	50,805
CW WiSACWIS Annual Operation Maintenance Fee	437.3935	(7,573)
PDS Partnership Fees	437.3940	(2,856)
Child Support - Additional Funding	437.7335	16,605
Child Support - State Share	437.7502	86,978
Child Support - Medical Support GPR	437.7606	3,534
Total Department of Children and Families		<u>1,672,565</u>
<u>Department of Justice</u>		
Treatment Alternatives and Diversion	455.271	115,327
Victim and Witness Assistance Program	455.532	88,343
Total Department of Justice		<u>203,670</u>
<u>Department of Military Affairs</u>		
Computer and Hazmat Equipment	465.308	7,530
HazMat Emergency Preparedness	465.310	403
Emergency Planning & Community Right-to-Know Act (EPCRA)	465.337	19,612
HazMat Training Grant	465.363	848
Total Department of Military Affairs		<u>28,393</u>
<u>Department of Administration</u>		
Utility Public Benefits	505.371	68,639
Land Information Board Grants	505.173	202,565
Total Department of Administration		<u>271,204</u>
Subtotal State Financial Assistance		6,332,208
<u>Claims Paid to Providers Via Third Party Administrator</u>		
Children's Long Term Support	(B)	748,085
Total State Financial Assistance Expenditures		<u><u>\$ 7,080,293</u></u>

(B) See Note 4

See Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance.

CHIPPEWA COUNTY, WISCONSIN
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL
AWARDS AND STATE FINANCIAL ASSISTANCE
DECEMBER 31, 2021

NOTE 1 REPORTING ENTITY

Chippewa County is governed by a board of supervisors consisting of 15 elected members.

The financial reporting entity for the County is based upon criteria set forth in generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The financial reporting entity is defined by GASB to consist of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The basic financial statements of the County consist solely of the primary government. No other organizations were identified for inclusion in the financial reporting entity of the County.

NOTE 2 BASIS OF PRESENTATION

The schedules of expenditures of federal awards and state financial assistance have been presented on a basis to reflect the flow of available funds in the individual programs as follows:

Expenditures – Expenditures are presented on the modified accrual basis of accounting. Grant expenditures represent the amount of program funds expended during the year.

NOTE 3 CDBG PROGRAM REVOLVING LOAN FUND

Housing Rehabilitation

The County was awarded Community Development Block Grants (CDBG) in prior years for financing housing rehabilitation loans. Repayments received on the loans are recorded in a separate revolving loan fund by the County and are used to finance similar loans in accordance with the original grant agreements. Transactions of the revolving loan fund for the year ending December 31, 2021 are summarized as follows:

Balance January 1, 2021	\$ 440,049
Grant Revenue	1,400,234
Loan Repayments	541,382
Interest Accrued to Fund	1,517
Loans Made from Fund	(1,892,302)
Administration Paid from Fund	(301,124)
Balance December 31, 2021	<u>\$ 189,756</u>

**CHIPPEWA COUNTY, WISCONSIN
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL
AWARDS AND STATE FINANCIAL ASSISTANCE
DECEMBER 31, 2021**

NOTE 3 CDBG PROGRAM REVOLVING LOAN FUND (CONTINUED)

Housing Rehabilitation (Continued)

These loans do not have continuing compliance requirements, and therefore, the above transactions are not included in the schedule of expenditures of federal awards.

NOTE 4 CLAIMS PAID VIA THIRD PARTY ADMINISTRATOR

Amounts shown as paid via Third-Party Administrator (TPA) are payments made for the by a TPA for County authorized services for the Children's Long Term Support (CLTS) program. The TPA makes payments directly to service providers, and receives reimbursement for these services directly from the Wisconsin Department of Health Services (DHS). The activity between the TPA and service providers is not recorded in the County's financial accounting system; however, DHS guidance dictates that these transactions are to be included in the Schedules of Expenditures of Federal Awards and State Financial Assistance of the County.

NOTE 5 INDIRECT COSTS

The County has not elected to use the 10% de minimis indirect cost rate.



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

The County Board
Chippewa County, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Chippewa County, Wisconsin (County) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated July 11, 2022.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2021-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters


As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 test disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

County's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the finding identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Eau Claire, Wisconsin
July 11, 2022



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND REPORT ON THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE REQUIRED BY THE UNIFORM GUIDANCE AND STATE SINGLE AUDIT GUIDELINES

The County Board
Chippewa County, Wisconsin

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited Chippewa County, Wisconsin's (County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2021. We have also audited the County's compliance with types of compliance requirements described in the *State Single Audit Guidelines*, issued by the Wisconsin Department of Administration that are applicable to each of its major state programs (including federal programs required to be tested as major state programs) for the same period. The County's major federal programs and major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2021.

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and the *State Single Audit Guidelines*, issued by the Wisconsin Department of Administration. Our responsibilities under those standards, the Uniform Guidance, and the *State Single Audit Guidelines* are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to County's federal and state programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the *State Single Audit Guidelines* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Chippewa County's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and *State Single Audit Guidelines*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 result of that testing based on the requirements of the Uniform Guidance and *State Single Audit Guidelines*. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by Uniform Guidance and Schedule of State Financial Assistance Required by State Single Audit Guidelines

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of County as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise County's basic financial statements. We issued our report thereon dated July 11, 2022, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements as a whole. The accompanying schedule of expenditures of federal awards and schedule of state financial assistance are presented for purposes of additional analysis as required by the Uniform Guidance and *State Single Audit Guidelines*, respectively, and are 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 expenditure of federal awards and schedule of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.



CliftonLarsonAllen LLP

Eau Claire, Wisconsin
August 17, 2022

**CHIPPEWA COUNTY, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2021**

PART I: SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? yes X no
- Significant deficiency(ies) identified? X yes none reported

Noncompliance material to financial statements noted?

 yes X no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? yes X no
- Significant deficiency(ies) identified? yes X none reported

Type of auditors' report issued on compliance for major programs

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

 yes X no

Identification of Major Federal Programs:

Assistance Listing Number(s)

Name of Federal Program or Cluster

93.323

Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)

93.778

Medicaid Cluster

Dollar threshold used to distinguish between type A and type B programs: \$979,879

Auditee qualified as low-risk auditee?

 X yes no

**CHIPPEWA COUNTY, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2021**

PART I: SUMMARY OF AUDITORS' RESULTS (CONTINUED)

State Awards

Internal control over major programs:

- Material weakness(es) identified? _____ yes X no
- Significant deficiency(ies) identified? _____ yes X none reported

Type of auditors' report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with the *State Single Audit Guidelines*? _____ yes X no

Identification of major State programs:

<u>State ID Number(s)</u>	<u>Name of State Program or Cluster</u>
435.561, 437.3561, 435.681, 437.3681 435.8xx	Basic County Allocation-State Funded and State/County Match Children's Long-Term Support (CLTS)

Dollar threshold used to distinguish between type A and type B programs: \$250,000

Auditee qualified as low-risk auditee? X yes _____ no

**CHIPPEWA COUNTY, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2021**

PART II: FINDINGS RELATED TO INTERNAL CONTROL OVER FINANCIAL REPORTING:

FINDING: 2021-001 Limited Segregation of Duties

Type of Finding: Significant Deficiency in Internal Control Over Financial Reporting

Criteria: Generally, a system of internal control contemplates separation of duties such that no individual has responsibility to execute a transaction, have physical access to the related assets, and have responsibility or authority to record the transaction.

Condition: In some of the smaller County offices the available staff precludes a proper separation of duties to assure adequate internal control.

Context: The limited size of the County's staff in some departments responsible for accounting and financial duties precludes a complete segregation of incompatible duties. The County has informed us that it may not be cost effective to hire the additional personnel required to achieve complete segregation of duties.

Cause: The condition is due to limited staff available.

Effect: The potential exists that the design of the internal controls over financial reporting could affect the ability of the County to record, process, summarize and report financial data consistently with the assertions of management in the financial statements. In addition, this lack of segregation of duties may result in the county's inability to prevent/detect misappropriation of County assets.

Repeat Finding: This finding is a repeat of a finding in the immediate prior year. The prior year finding number was 2020-001.

Recommendation: The County should continue to evaluate its staffing in order to segregate incompatible duties whenever possible.

Views of Responsible Officials and Planned Corrective Actions: The County continues to work to achieve segregation of duties whenever cost effective. The Finance Director is the official responsible for ensuring corrective action of the deficiency.

**CHIPPEWA COUNTY, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2021**

PART III: FINDINGS RELATED TO MAJOR FEDERAL AWARD PROGRAMS:

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

PART IV: FINDINGS RELATED TO MAJOR STATE FINANCIAL ASSISTANCE PROGRAMS:

None.

PART V: OTHER ISSUES

1. Do the auditors' 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

2. Does the auditors' report show audit issues (i.e., material noncompliance, nonmaterial noncompliance, questioned costs, material weaknesses, significant deficiencies, management letter comments, excess revenue or excess reserve) related to grants or contracts with funding agencies that require audits to be in accordance with the *State Single Audit Guidelines*:

Department of Agriculture, Trade and Consumer Protection	No
Department of Justice	No
Department of Military Affairs	No
Department of Natural Resources	No
Department of Transportation	No
Department of Administration	No
Department of Health Services	No
Department of Children and Families	No

3. Was a management letter or other document conveying audit comments issued as a result of this audit? No

4. Name and Signature of Principal



April Anderson, CPA

5. Date of Report

August 17, 2022

