

RUSK COUNTY, WISCONSIN
FEDERAL AND STATE SINGLE AUDIT REPORTS
YEAR ENDED DECEMBER 31, 2018

**RUSK COUNTY, WISCONSIN
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**RUSK COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2018**

Federal Grantor Agency/Pass-Through Agency/ Program Title and Year	Federal CFDA Number	Pass-Through Entity	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<u>U.S. Department of Agriculture</u>					
Special Supplemental Food Program for Woman, Infants and Children	10.557	WI DHS	CARS #154710, 154760	\$ -	\$ 91,493
State Matching Grant for Food Stamp Program (SNAP Cluster)	10.561				
Income Maintenance Contract		WI DHS / Northern IM Consortium	CARS #284, 293, 298	-	69,225
Total U.S. Department of Agriculture				-	160,718
<u>U.S. Department of Justice</u>					
Crime Victim Assistance	16.575	WI DOJ	2015-VO-01-12847, 2016-VO-01-12369, 2017-VO-01-13250	-	31,207
Edward Byrne Memorial State & Local Law Enforcement Anti-Drug Abuse Grant	16.580	WI DOJ	211-36-43211	-	9,934
State Criminal Alien Assistance Program	16.606	Direct	N/A	-	3,049
Bulletproof Vests Partnership Program	16.607	Direct	N/A	-	1,164
Asset Forfeiture Programs Equitable Sharing	16.922	Direct	N/A	-	6,720
Total U.S. Department of Justice				-	52,074
<u>U.S. Department of Transportation</u>					
Formula Grants for Rural Areas	20.509	** WI DOT	Section 5311 FY18	456,605	456,605
Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	WI DOT	Section 5310 FY18	25,000	25,000
Total U.S. Department of Transportation				481,605	481,605
<u>U.S. Department of Education</u>					
Special Education Grants for Infants and Families:	84.181	WI DHS	CARS #550	-	16,201
<u>U.S. Department of Health and Human Services</u>					
Preventive Health - Title III D	93.043	WI DHS / GWAAR	CARS #560510	-	2,207
Aging Cluster:					
Supportive Services - Title III B	93.044	WI DHS / GWAAR	CARS #560340	-	27,464
Title III-Part C-Nutrition Services:	93.045	WI DHS / GWAAR	CARS #560350, 560360	-	91,391
Nutrition Services Incentives Program	93.053	WI DHS / GWAAR	CARS #560422	-	17,615
Total Aging Cluster				-	136,470
National Family Caregivers Support Program	93.052	WI DHS / GWAAR	CARS #560520	-	10,814
Bioterrorism Focus A Planning	93.069	WI DHS / Polk County	CARS #155015, 155050	-	34,813
State Health Insurance Assistance Program	93.324	WI DHS / GWAAR	CARS #560432	-	4,617
PPHF Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance	93.539	WI DHS	CARS #155020	-	5,660
Safe & Stable Families	93.556	WI DCF	CORS #3306	-	32,642
Temporary Assistance for Needy Families (TANF Cluster):	93.558				
Children and Families Basic County Allocation		WI DCF	CORS #3377, 3380, 3561	-	50,954
Social Services and Community Programs Contract		WI DHS	CARS #561	-	47,753
Total TANF Cluster				-	98,707

** Major Federal Program

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

**RUSK COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2018**

Federal Grantor Agency/Pass-Through Agency/ Program Title and Year	Federal CFDA Number		Pass-Through Entity	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<u>U.S. Department of Health and Human Services (Continued)</u>						
Child Support Enforcement	93.563	**	WI DCF	COrE #7332, 7477, 7482, 7506, 7606, 7616, 7903 AD1599972.54, AD1599973.54	\$ -	\$ 178,490
Low Income Home Energy Assistance Program	93.568		WI DOA	AD1599973.54	-	28,657
Child Care and Development Fund:	93.596					
Child Care Certification			WI DCF	COrE #831	-	12,971
Child Care Administration			Vilas County	COrE #852	-	16,294
Total Child Care and Development Fund					-	29,265
Stephanie Tubbs Jones Child Welfare Services Program:	93.645					
Basic Children and Families Allocation			WI DCF	COrE #3561, 3413	-	15,818
Foster Care-Title IV-E:	93.658					
Basic Children and Families Allocation			WI DCF	COrE #3561, 3413, 3681	-	172,183
Social Services Block Grant	93.667					
Human Services Contract			WI DHS	CARS #561	-	89,130
Preventative Health and Health Services Block Grant	93.758		WI DHS	CARS #155800, 159220	-	6,352
Children's Health Insurance Program	93.767		WI DHS / Northern IM Consortium	CARS #284, 293, 298	-	8,915
Medicaid Cluster:	93.778	**				
Case Management			WI DHS	Payee ID #43075300	-	15,872
Human Services Contract			WI DHS	CARS #878, 882	-	7,454
Aging and Disability Resource Center (ADRC)			WI DHS / Barron County	CARS #560061, 560071, 560081, 560087, 560091	-	53,129
Children's Long-Term Support (CLTS)			WI DHS / WPS	CY 2018	-	64,240
Children's Long-Term Support (CLTS) - via Third Party Administrator		^^	WPS	CY 2018	-	41,449
I&A Elderly Benefit Specialist			WI DHS / GWAAR	CARS #560021	-	7,690
Comprehensive Community Services			Chippewa County	CY 2018	-	27,429
Income Maintenance Contract			WI DHS / Northern IM Consortium	CARS #284, 293, 298	-	142,605
Wisconsin Medical Assistance Cost Reporting (WIMCR)			WI DHS	Final 2017	-	10,133
Total Medicaid Cluster					-	370,001
Block Grants for Community Mental Health Services	93.958		WI DHS	CARS #515, 569	-	16,227
Block Grants for Prevention and Treatment of Substance Abuse	93.959		WI DHS	CARS #515, 570	-	31,492
Maternal and Child Health Services Block Grant	93.994		WI DHS	CARS #159320, 159321	-	25,448
Total U.S. Department of Health and Human Services					-	1,297,908
<u>U.S. Department of Homeland Security</u>						
Emergency Management Performance Grant	97.042		WI DMA	EMPG FY17	-	31,795
TOTAL FEDERAL AWARDS					\$ 481,605	\$ 2,040,301

** Major Federal Program

^^ See Note 4

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

RUSK COUNTY, WISCONSIN
SCHEDULE OF STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2018

<u>State Grantor Agency/ Program Title and Year</u>	<u>State I.D. Number</u>	<u>Grant Expenditures</u>
<u>Department of Agriculture, Trade and Consumer Protection</u>		
Soil and Water Resource Management	115.15	\$ 105,685
Land and Water Resource Management	115.40	<u>72,576</u>
Total Department of Agriculture, Trade and Consumer Protection		178,261
 <u>Department of Safety and Professional Services</u>		
Environmental Aids Private Sewage System	165.202	3,050
 <u>Department of Natural Resources</u>		
Boating Enforcement Aids	370.550	7,701
All-Terrain Vehicle Enforcement Aids	370.551	3,110
Snowmobile Enforcement Aids	370.552	4,149
Wildlife Damage Abatement and Claims	370.553	28,970
County Conservation Aids	370.563	4,956
County Recreation Aids	370.564	4,768
County Forest Loans	370.567	49,792
County Forest Administration	370.572	47,920
Snowmobile Trails	370.574/575	** 155,364
All-Terrain Vehicle Aids	370.576	** 182,945
Recycling Grant	370.670	<u>82,022</u>
Total Department of Natural Resources		571,697
 <u>Department of Transportation</u>		
Elderly and Handicapped County Transportation Aids	395.101	70,970
Transit Operating Aids	395.104	** 242,785
County Forest Road Aids	395.170	<u>6,975</u>
Total Department of Transportation		320,730
 <u>Department of Health Services</u>		
WIC Farmers Market Grant	435.154720	911
Communicable Disease Control & Prevention	435.155800	3,187
Cons Contracts Lead Poisoning	435.157720	2,348
Reproductive Health	435.159321	12,210
APS-Adult Protective Services	435.312	21,949
Children's COP	435.377	30,459
Alzheimer's Family Support	435.381	9,906
Coordinated Services	435.515	36,834
Community Mental Health	435.516	100,374
Birth to Three Initiative	435.550	15,900
ADRC MFP-NH RELOCATE GPR	435.560062	25,605
ADRC MFP-NH RELOCATION	435.560065	433
I & A EBS EXPENSE GPR	435.560072	6,749
OTHER EBS ADRC EXPENSE	435.560075	14,530
DBS RC MEDICAID I&A GPR	435.560082	15,111
ADRC DISABILITY BEN SPEC	435.560085	13,840
RESOURCE CTR MA I&A GPR	435.560088	26,806
RESOURCE CTR SCREEN GPR	435.560092	3,152
ADRC OTHER EXPENSES	435.560095	24,050
Basic County Allocation	435.561	** 513,700

** Major State Financial Assistance Program

RUSK COUNTY, WISCONSIN
SCHEDULE OF STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED DECEMBER 31, 2018

<u>State Grantor Agency/ Program Title and Year</u>	<u>State I.D. Number</u>	<u>Grant Expenditures</u>
<u>Department of Health Services (Continued)</u>		
CLTS DD OTH CWA ADMIN GPR	435.835	\$ 34,584
CLTS MH OTH CWA ADMIN GPR	435.841	10,894
CLTS OTHER CWA ADMIN GPR	435.877	7,506
Emergency Medical Services Funding Assistance	435.EMS	9,729
Passed through Area Agency on Aging:		
Elderly Benefit Specialist Program	435.560320	19,640
Elderly Benefit Specialist Program	435.560324	7,690
Pharmaceutical Assistance Program	435.560327	3,275
State Senior Community Services	435.560330	5,264
Title III, Part C-1 Congregate Meals	435.560350	6,492
Title III, Part C-2 Home Delivered Meals	435.560360	701
Elder Abuse	435.560490	7,665
Passed through Great Rivers Income Maintenance Consortium:		
IMAA State Share	435.283	72,360
Total Department of Health Services		<u>1,063,854</u>
<u>Department of Children and Families</u>		
Child Support Medical Support Liability Incentive	437.7332	10,382
Child Support Enforcement	437.7502	23,670
Child Support Medical Support	437.7606	237
JJ Community Intervention	437.3410	6,010
JJ Youth Aids	437.3413	187,280
Basic County Allocation	437.3561	** 162,332
State/County Match	437.3681	** 16,283
CW WSACWIS Annual Op Maint Fee	437.3935	(1,972)
PDS Partnership Fees	437.3940	(645)
Food Stamp Agency Incentives	437.965	2,186
Medicaid Agency Incentives	437.980	573
Total Department of Department of Children and Families		<u>406,336</u>
<u>Department of Justice</u>		
Treatment Alternatives and Diversion	455.271	102,679
Victim Witness Assistance Program	455.532	21,222
Total Department of Justice		<u>123,901</u>
<u>Department of Military Affairs</u>		
Computer & Hazmat Equipment Grant	465.308	384
Emergency Planning Grant	465.337	6,562
Total Department of Military Affairs		<u>6,946</u>
<u>Department of Administration</u>		
Land Information Grant	505.173	120,118
Public Benefits	505.371	20,101
Total Department of Administration		<u>140,219</u>
Total State Financial Assistance		2,814,994
<u>Claims Paid to Providers via Third Party Administrator</u>		
Children's Long Term Support	^^	<u>29,344</u>
TOTAL STATE FINANCIAL ASSISTANCE EXPENDITURES		<u>\$ 2,844,338</u>

** Major State Financial Assistance Program

^^ See Note 4

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

RUSK COUNTY, WISCONSIN
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
DECEMBER 31, 2018

NOTE 1 REPORTING ENTITY

Rusk County is governed by a board of supervisors consisting of nineteen 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.

**RUSK COUNTY, WISCONSIN
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
DECEMBER 31, 2018**

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. Loans issued under the CDBG programs were \$34,920 during the year ended December 31, 2018. The balance of loans outstanding was \$2,654,086 as of December 31, 2018. These 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 by a TPA for County authorized services. 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.

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
Rusk County, Wisconsin

We have audited, in accordance with auditing standards generally accepted in the United States of America and 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 Rusk County, Wisconsin (County) as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated September 23, 2019. Our report includes a reference to other auditors who audited the financial statements of the Rusk County Memorial Hospital, as described in our report on Rusk 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. The financial statements of Rusk County Memorial Hospital were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

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. 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 first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. 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 2018-001 that we consider to be a significant deficiency.

Compliance and Other Matters

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

Rusk County's Response to Findings

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result 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.



CliftonLarsonAllen LLP

Eau Claire, Wisconsin
September 23, 2019



CliftonLarsonAllen LLP
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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
Rusk County, Wisconsin

Report on Compliance for Each Major Federal and State Program

We have audited Rusk 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, 2018. 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.

Rusk County's basic financial statements include the operations of the Rusk County Memorial Hospital, an enterprise fund of the County, which expended federal awards that are not included in the schedule of expenditures of federal awards during the year ended December 31, 2018. Our audit, described below, did not include the operations of the Rusk County Memorial Hospital.

Management's Responsibility

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to its federal and state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal and 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; 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. Those standards, the Uniform Guidance and state guidelines require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal and State Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended December 31, 2018.

Report on Internal Control over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or 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 program and to test and report on internal control over compliance in accordance with the Uniform Guidance and 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 the County's internal control over compliance.

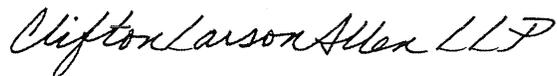
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal 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 program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 the 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 Rusk County as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise Rusk County's basic financial statements. We issued our report thereon dated September 23, 2019, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards 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 expenditures of federal awards and the 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
September 23, 2019

**RUSK COUNTY, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
DECEMBER 31, 2018**

PART I: SUMMARY OF AUDITOR'S 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 that are not considered
 to be material weaknesses? 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 that are not considered
 to be material weakness(es)? _____ 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) of the Uniform Guidance? _____ yes X no

Identification of major Federal programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
20.509	Public Transportation for Non-Urbanized Areas
93.563	Child Support Enforcement
93.778	Medicaid Cluster

Dollar threshold used to distinguish between type A and type B programs: \$750,000

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

**RUSK COUNTY, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
DECEMBER 31, 2018**

PART I: SUMMARY OF AUDITOR'S RESULTS (CONTINUED)

State Awards

Internal control over major programs:

- Material weakness(es) identified? _____ yes X no
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? _____ 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>
370.574, 370.575	Snowmobile Trail Maintenance and Development
370.576	ATV/UTV Trail Maintenance and Development
395.104	Transit Operating Aids
435.561, 437.3561	Basic County Allocation
435.681, 437.3681	Community Services and MH Services - State/County Match

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

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

RUSK COUNTY, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
DECEMBER 31, 2018

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

FINDING: 2018-001 Limited Segregation of Duties

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.

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

Views of Responsible Officials: 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.

PART III: FINDINGS RELATED TO MAJOR FEDERAL AWARD PROGRAMS:

None.

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

None.

PART V: FINDINGS RELATED TO STATE GENERAL REQUIREMENTS:

None.