

**RUSK COUNTY, WISCONSIN**  
**FEDERAL AND STATE SINGLE AUDIT REPORTS**  
**YEAR ENDED DECEMBER 31, 2013**

**RUSK COUNTY, WISCONSIN  
TABLE OF CONTENTS  
YEAR ENDED DECEMBER 31, 2013**

<b>SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS</b>	<b>1</b>
<b>SCHEDULE OF EXPENDITURES OF STATE AWARDS</b>	<b>8</b>
<b>NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE AWARDS</b>	<b>15</b>
<b>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 <i>GOVERNMENT AUDITING STANDARDS</i></b>	<b>17</b>
<b>INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM, INTERNAL CONTROL OVER COMPLIANCE, AND ON THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE AWARDS IN ACCORDANCE WITH <i>OMB CIRCULAR A-133 AND STATE SINGLE AUDIT GUIDELINES</i></b>	<b>19</b>
<b>SCHEDULE OF FINDINGS AND QUESTIONED COSTS</b>	<b>22</b>

**RUSK COUNTY, WISCONSIN  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 2013**

Federal Grantor Agency/Pass-Through Agency/ Program Title and Year	Federal CFDA #	Accrued (Deferred) Reimbursements 1/1/13	Prior Years Adjustments	Expenditures		Receipts		Accrued (Deferred) Reimbursements 12/31/13
				Federal	Local	Grant Reimburse- ments	Local Share	
<u>Department of Agriculture</u>								
Passed through Wisconsin Department of Health Services:								
Special Supplemental Food Program for Women, Infants and Children:								
2013	10.557	\$ -	\$ -	\$ 92,917	\$ -	\$ 74,539	\$ -	\$ 18,378
2012		11,285	-	-	-	11,285	-	-
Passed through Wisconsin Department of Children and Families:								
State Matching Grant for Food Stamp Program:								
2013	10.561	-	-	472	-	479	-	(7)
Passed through Northern IM Consortium:								
State Matching Grant for Food Stamp Program:								
Income Maintenance Contract:								
2013	10.561	-	-	79,503	51,407	59,005	51,407	20,498
2012		20,319	-	-	-	20,319	-	-
Total Department of Agriculture		31,604	-	172,892	51,407	165,627	51,407	38,869
<u>Department of Commerce</u>								
Direct Grant:								
Investments for Public Works and Economic Development Facilities:								
3/14/08-6/14/11                      06-01-05271	11.300	795,845	-	-	-	795,845	-	-
<u>Department of Housing and Urban Development</u>								
Passed through Wisconsin Department of Administration:								
Community Development Block Grant:								
1/1/12-5/31/14                      H11-14	14.228 (X)	(249)	-	613,603	-	615,600	-	(2,246)
<u>Department of Interior</u>								
Direct Grant:								
Wildlife Habitat Development Program								
6/7/11-12/30/12                      F11AC00485	15.631	(2,782)	-	2,782	-	-	-	-

(X) = Major Federal Program  
See Notes to Schedules of Expenditures of Federal Awards and Awards

**RUSK COUNTY, WISCONSIN  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2013**

Federal Grantor Agency/Pass-Through Agency/ Program Title and Year	Federal CFDA #	Accrued (Deferred) Reimbursements 1/1/13	Prior Years Adjustments	Expenditures		Receipts		Accrued (Deferred) Reimbursements 12/31/13
				Federal	Local	Grant Reimburse- ments	Local Share	
<b>Department of Justice</b>								
Direct Grant:								
Joint Law Enforcement Operations:	16.111							
5/14/13-9/30/14           GL-WIIV-0066		\$ -	\$ -	\$ 1,973	\$ -	\$ 1,681	\$ -	\$ 292
Edward Byrne Memorial State & Local Law Enforcement Anti-Drug Abuse Grant	16.580							
12/16/09-12/15/13       2010CKWX0187		2,209	-	10,556	-	9,969	-	2,796
State Criminal Alien Assistance Program	16.606							
2013                       2013-AP-BX-0621		-	-	1,304	-	1,304	-	-
Bulletproof Vest Partnership Program	16.607							
9/10/12-8/31/14		-	-	298	298	-	298	298
Passed through Wisconsin Department of Justice:								
Victims of Crime Act	16.575							
10/1/12-9/30/13       2010-075-15		-	-	4,047	683	-	683	4,047
10/1/12-9/30/13       2010-075-14		3,980	-	13,860	5,096	17,840	5,096	-
Total Department of Justice		6,189	-	32,038	6,077	30,794	6,077	7,433
<b>Department of Transportation</b>								
Passed through Wisconsin Department of Transportation:								
Highway Planning and Construction Assistance Projects:	20.205 (X)(A)							
CTH "V"               #8796-01-71		2,571	-	-	-	2,571	-	-
CTHS "O"             #8785-00-70		5,506	-	-	-	5,506	-	-
CTH "P"             #8792-04-71		-	5,751	-	-	5,751	-	-
CTH "A"             #8787-00-71		-	-	112,342	28,086	68,565	28,086	43,777
CTH "O"             #8785-00-72		-	-	638,204	159,551	356,263	159,551	281,941
CTH "VV"            #8789-00-70		-	-	120,195	30,049	82,604	30,049	37,591
Public Transportation for Non-Urbanized Areas	20.509							
Operating Assistance Grant:								
2013		-	-	404,420	368,876	247,357	368,876	157,063
2012		103,999	-	-	-	103,999	-	-
Capital Assistance Grant:								
2013		-	-	54,416	-	42,570	-	11,846
New Freedom Grant	20.521							
2012		10,350	-	-	-	10,350	-	-
Child Safety and Child Booster Seats Incentive Grants	20.613							
10/1/12-9/30/13       #0953-24-15		-	-	3,955	4,506	3,955	4,506	-
Passed through Wisconsin Department of Natural Resources:								
National Recreational Trails Grant:	20.219 (A)							
9/1/11-6/30/13       RTA-471-11		15,125	-	-	-	15,125	-	-
Total Department of Transportation		137,551	5,751	1,333,532	591,068	944,616	591,068	532,218

(A) = Highway Planning and Construction Cluster

(X) = Major Federal Program

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

**RUSK COUNTY, WISCONSIN**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**  
**YEAR ENDED DECEMBER 31, 2013**

Federal Grantor Agency/Pass-Through Agency/ Program Title and Year	Federal CFDA #	Accrued (Deferred) Reimbursements 1/1/13	Prior Years Adjustments	Expenditures		Receipts		Accrued (Deferred) Reimbursements 12/31/13
				Federal	Local	Grant Reimburse- ments	Local Share	
<u>Department of Education</u>								
Passed through Wisconsin Department of Health Services:								
Grants for Infants and Toddlers:	84.181							
2013		\$ -	\$ -	\$ 16,201	\$ -	\$ 16,201	\$ -	\$ -
<u>Department of Health and Human Services</u>								
Passed through Area Agency on Aging:								
Preventive Health - Title III D:	93.043							
2013		-	-	2,327	708	651	708	1,676
2012		1,131	-	-	-	1,131	-	-
Supportive Services - Title III B:	93.044 (B)							
2013		-	-	27,369	15,671	10,550	15,671	16,819
2012		8,447	-	-	-	8,447	-	-
Title III-Part C-Nutrition Services:	93.045 (B)							
Congregate Nutrition - Title III C-1:								
2013		-	-	36,134	34,795	35,317	34,795	817
Home Delivered Nutrition - Title III C-2:								
2013		-	-	13,007	63,893	12,705	63,893	302
2012		267	-	-	-	267	-	-
National Family Caregivers Support Program:	93.052							
2013		-	-	10,101	3,552	733	3,552	9,368
2012		6,727	-	-	-	6,727	-	-
Nutrition Services Incentive Program:	93.053 (B)							
10/1/12-9/30/13		-	-	13,762	-	18,661	-	(4,899)
Nutrition Services Incentive Program:	93.667							
10/1/12-9/30/13		-	-	804	-	1,090	-	(286)
Title III-Part C-Nutrition Services:	93.667							
Congregate Nutrition - Title III C-1:								
2013		-	-	891	859	871	859	20
Home Delivered Nutrition - Title III C-2:								
2013		-	-	670	3,289	654	3,289	16
State Pharmaceutical Assistance Program:	93.778 (X)							
2013		-	-	3,275	-	3,275	-	-
State Elderly Benefit Services:	93.778 (X)							
2013		-	-	34,613	-	18,651	-	15,962
2012		18,554	-	-	-	18,554	-	-
State Health Insurance Assistance Program:	93.779							
4/1/12-3/31/13		-	-	6,600	-	6,600	-	-

(B) = Health and Human Services Aging Cluster

(X) = Major Federal Program

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

**RUSK COUNTY, WISCONSIN**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**  
**YEAR ENDED DECEMBER 31, 2013**

Federal Grantor Agency/Pass-Through Agency/ Program Title and Year	Federal CFDA #	Accrued (Deferred)		Expenditures		Receipts		Accrued
		Reimbursements 1/1/13	Prior Years Adjustments	Federal		Grant Reimburse- ments	Local Share	Reimbursements 12/31/13
				Federal	Local			
<b>Department of Health and Human Services (Continued)</b>								
Passed through Barron County:								
Social Services Block Grant:	93.667							
Social Services and Community Programs Contract:								
2013		\$ -	\$ -	\$ 617	\$ 130	\$ 494	\$ 130	\$ 123
2012		118	-	-	-	118	-	-
Aging and Disability Resource Center:	93.778 (X)							
2013		-	-	86,599	-	69,334	-	17,265
2012		16,655	-	-	-	16,655	-	-
Passed through Wisconsin Department of Health Services:								
Public Health Emergency Preparedness:	93.074							
Biot Focus A Planning:								
2013		-	-	22,246	-	29,008	-	(6,762)
2012		(5,459)	-	-	-	(5,459)	-	-
Childhood Immunization Grants:	93.268							
Women, Infants, and Children:								
2013		-	-	6,637	3,389	6,637	3,389	-
Temporary Assistance for Needy Families:	93.558							
Social Services and Community Programs Contract:								
2013		-	-	53,053	-	52,279	-	774
Social Services Block Grant:	93.667							
Social Services and Community Programs Contract:								
2013		-	-	92,530	-	91,181	-	1,349
Medical Assistance Program:	93.778 (X)							
Social Services and Community Programs Contract:	**							
2013		-	-	5,897	102,136	2,523	102,136	3,374
2012		3,550	-	-	-	3,550	-	-
Income Maintenance Contract	**							
2013		-	-	37,882	-	29,392	-	8,490
2012		2,837	-	-	-	2,837	-	-
Case Management:	**							
2013		-	-	11,477	-	10,515	-	962
2012		237	-	-	-	237	-	-
Wisconsin Medicaid Cost Reporting Program:	**							
2013		-	-	67,711	-	-	-	67,711
2012		49,993	-	-	-	49,993	-	-
Maternal and Child Health Services:	**							
2013		-	-	515	-	515	-	-

(X) = Major Federal Program

\*\* Major State Program

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

**RUSK COUNTY, WISCONSIN**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**  
**YEAR ENDED DECEMBER 31, 2013**

Federal Grantor Agency/Pass-Through Agency/ Program Title and Year	Federal CFDA #	Accrued (Deferred) Reimbursements 1/1/13	Prior Years Adjustments	Expenditures		Receipts		Accrued (Deferred) Reimbursements 12/31/13
				Federal	Local	Grant Reimburse- ments	Local Share	
<u>Department of Health and Human Services (Continued)</u>								
Passed through Wisconsin Department of Health Services (Continued):								
Block Grants for Community Mental Health Services: 2013	93.958	\$ -	\$ -	\$ 9,661	\$ -	\$ 9,661	\$ -	\$ -
Block Grants for Prevention and Treatment of Substance Abuse:	93.959							
2013		-	-	30,407	-	18,477	-	11,930
2012		4,016	-	-	-	4,016	-	-
Preventive Health and Health Service Block Grant: 2013	93.991	-	-	3,154	-	3,154	-	-
Maternal and Child Health Services Block Grant: Consolidated Contract:	93.994							
2013		-	-	8,475	-	8,475	-	-
Reproductive Health: 2013		-	-	14,115	-	14,115	-	-
Passed through Wisconsin Department of Children and Families:								
Enhance the Safety of Children Affected by Substance Abuse:	93.087							
2012		247	-	-	-	247	-	-
Family Preservation and Support Services:	93.556							
2013		-	-	27,065	-	15,379	-	11,686
2012		661	-	-	-	661	-	-
W2 Program:	93.558							
2013		-	-	45,459	-	39,220	-	6,239
2012		3,420	-	-	-	3,420	-	-
Child Support Enforcement Program (Title IV-D):	93.563							
2013		-	-	177,616	35,583	128,418	35,583	49,198
2012		50,131	-	-	-	50,131	-	-
Child Care Development:	93.596							
Child Care Programs Contract:								
1/1/13-12/31/13		-	-	27,791	-	15,974	-	11,817
1/1/12-12/31/12		822	-	-	-	822	-	-

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

**RUSK COUNTY, WISCONSIN**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**  
**YEAR ENDED DECEMBER 31, 2013**

Federal Grantor Agency/Pass-Through Agency/ Program Title and Year	Federal CFDA #	Accrued	Prior Years Adjustments	Expenditures		Receipts		Accrued	
		(Deferred)		Federal	Local	Grant Reimburse- ments	Local Share	(Deferred) Reimbursements 12/31/13	
		Reimbursements 1/1/13							
<u>Department of Health and Human Services (Continued)</u>									
Passed through Wisconsin Department of Children and Families (Continued):									
Child Welfare Services:	93.645								
Basic Children and Families Allocation									
2013		\$ -	\$ -	\$ 13,654	\$ -	\$ 13,654	\$ -	\$ -	
Foster Care - Title IV-E:	93.658								
Basic Children and Families Allocation									
2013		-	-	84,598	-	84,598	-	-	-
2012		(5)	-	-	-	(5)	-	-	-
Social Services Block Grant:	93.667								
Basic Children and Families Allocation									
2013		-	-	37,401	-	37,401	-	-	-
Child Care Expansion:	93.674								
CW IV-E Youth Independent Living									
2013		-	-	4,975	-	1,008	-	3,967	
2012		(8,630)	-	-	-	(8,630)	-	-	-
Medical Assistance Program:	93.778 (X)								
2013		-	-	(415)	-	(565)	-	150	
Passed through Wisconsin Department of Administration:									
Low-Income Home Energy Assistance:	93.568**								
10/1/13-9/30/14 AD1296172.54		-	-	8,441	-	2,071	-	6,370	
10/1/12-9/30/13 AD129617.54		5,649	(541)	21,466	-	26,574	-	-	
Passed through Wisconsin Department of Corrections:									
Child Welfare Services:	93.645								
Non-CARS:									
2013		-	-	2,174	-	1,565	-	609	
2012		1,070	-	-	-	1,070	-	-	
Foster Care - Title IV-E:	93.658								
Non-CARS:									
2013		-	-	3,261	-	2,348	-	913	
2012		1,713	-	-	-	1,713	-	-	

(X) = Major Federal Program

\*\* Major State Program

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

**RUSK COUNTY, WISCONSIN**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**  
**YEAR ENDED DECEMBER 31, 2013**

Federal Grantor Agency/Pass-Through Agency/ Program Title and Year	Federal CFDA #	Accrued (Deferred) Reimbursements 1/1/13	Prior Years Adjustments	Expenditures		Receipts		Accrued (Deferred) Reimbursements 12/31/13
				Federal	Local	Grant Reimburse- ments	Local Share	
<b>Department of Health and Human Services (Continued)</b>								
Passed through Northern IM Consortium:								
Temporary Assistance for Needy Families:	93.558							
2013		\$ -	\$ -	\$ 2,569	\$ 1,661	\$ 1,907	\$ 1,661	\$ 662
2012		657	-	-	-	657	-	-
State Children's Insurance Program:	93.767							
2013		-	-	14,877	9,619	11,041	9,619	3,836
2012		3,802	-	-	-	3,802	-	-
Medical Assistance Program:	93.778 (X)							
Income Maintenance Contract	**							
2013		-	-	110,251	71,289	81,825	71,289	28,426
2012		28,178	-	-	-	28,178	-	-
Total Department of Health and Human Services		194,788	(541)	1,181,712	346,574	1,107,075	346,574	268,884
<b>Department of Homeland Security</b>								
Passed through Wisconsin Department of Military Affairs								
Hazard Mitigation Planning Grant:	97.039							
2013		-	-	10,114	-	-	-	10,114
Emergency Management Assistance:	97.042							
10/1/12-9/30/13		-	-	33,451	41,057	15,441	41,057	18,010
10/1/11-9/30/12		15,863	-	-	-	15,863	-	-
Total Department of Homeland Security		15,863	-	43,565	41,057	31,304	41,057	28,124
<b>TOTAL FEDERAL AWARDS</b>		<b>\$ 1,178,809</b>	<b>\$ 5,210</b>	<b>3,396,325</b>	<b>\$ 1,036,183</b>	<b>\$ 3,707,062</b>	<b>\$ 1,036,183</b>	<b>\$ 873,282</b>
<b>Claims Paid to Providers Via Third Party Administrator</b>								
Medical Assistance	93.778** (X)			\$ 65,198				
<b>TOTAL FEDERAL AWARD EXPENDITURES</b>				<b>\$ 3,461,523</b>				

(X) = Major Federal Program

\*\* Major State Program

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

**RUSK COUNTY, WISCONSIN  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
YEAR ENDED DECEMBER 31, 2013**

State Grantor Agency/ Program Title and Year	State I.D. Number	Accrued (Deferred) Reimbursements 1/1/13	Prior Years Adjustments	Expenditures	Receipts		Accrued (Deferred) Reimbursements 12/31/13
					Grant Reimburse- ments	Local Share	
<u>Department of Agriculture, Trade and Consumer Protection</u>							
Soil and Water Resource Management:	115.15						
County Staff and Support:							
2013		\$ -	\$ -	\$ 147,072	\$ -	\$ 43,182	\$ 103,890
2012		97,099	-	-	97,099	-	-
Land and Water Resource Management Projects:	115.40						
2013		-	-	61,741	20,023	-	41,718
2012		2,872	-	-	2,872	-	-
Total Department of Agriculture, Trade and Consumer Protection		<u>99,971</u>	<u>-</u>	<u>208,813</u>	<u>119,994</u>	<u>43,182</u>	<u>145,608</u>
<u>Department of Safety and Professional Services</u>							
Environmental Aids - Private Sewage System:	165.202						
Private Sewage System Grants:							
2/2/12-12/31/13 #201354		-	-	22,676	22,676	-	-
Total Department of Safety and Professional Services		<u>-</u>	<u>-</u>	<u>22,676</u>	<u>22,676</u>	<u>-</u>	<u>-</u>
<u>Department of Natural Resources</u>							
Utility-Terrain Vehicle Aids:	370.547						
7/2/13-6/30/14 UTV-14020		-	-	-	1,171	-	(1,171)
Boating Enforcement Aids:	370.550						
2013		-	-	4,854	-	1,323	3,531
2012		4,020	2	-	4,022	-	-
All-Terrain Vehicle Enforcement Aids:	370.551						
2013		-	-	7,242	6,893	349	-
Snowmobile Enforcement Aids:	370.552						
2013		-	-	6,705	5,267	1,438	-
Wildlife Damage Claims and Abatement:	370.553						
Administration and Abatement:							
2013		-	-	20,058	-	-	20,058
2012		26,464	-	-	26,464	-	-

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

**RUSK COUNTY, WISCONSIN**  
**SCHEDULE OF EXPENDITURES OF STATE AWARDS (CONTINUED)**  
**YEAR ENDED DECEMBER 31, 2013**

State Grantor Agency/ Program Title and Year	State I.D. Number	Accrued (Deferred) Reimbursements 1/1/13	Prior Years Adjustments	Expenditures	Receipts		Accrued (Deferred) Reimbursements 12/31/13
					Grant Reimburse- ments	Local Share	
<b>Department of Natural Resources (Continued)</b>							
County Conservation:	370.563						
7/9/12-6/30/14    CC-4891		\$ 2,452	\$ -	\$ -	\$ 2,452	\$ -	\$ -
County Recreation Aides:	370.564						
2013            10 cents/acre		(1,000)	-	4,901	4,421	-	(520)
Forest Crop	370.566						
2013		-	-	37,375	37,375	-	-
County Forest Road:	370.567						
2013		(24,786)	-	68,964	44,383	-	(205)
Urban and Community Forestry:	370.572						
2013		-	-	41,820	41,820	-	-
Recreational Boating Facilities	370.573						
5/1/12-6/30/12    RBF-1380		1,438	-	-	1,438	-	-
5/1/12-6/30/14    RBF-1381		396	-	-	396	-	-
8/16/11-6/30/12    RBF-1374		2,500	-	-	2,500	-	-
4/9/13-6/30/14    RBF-1425		-	-	-	4,000	-	(4,000)
4/10/13-6/30/15    RBF-1434		-	-	-	2,500	-	(2,500)
Snowmobile Trails and Areas:	370.574						
7/1/12-6/30/13    #S-4279		-	-	1,836	41,490	-	(39,654)
7/1/12-6/30/13    #S-4159		(39,186)	-	80,336	41,150	-	-
Snowmobile Trails and Areas (Transp. Fd.):	370.575**						
10/25/12-6/30/14    #S-4208		239	-	54,040	-	-	54,279
10/2/12-6/30/14    #S-4194		5,822	(1,873)	-	3,949	-	-
8/30/11-6/30/13    #S-4059		7,125	-	1,223	-	-	8,348
9/1/11-6/30/13    #S-4060		15,125	-	-	15,125	-	-
7/1/12-6/30/13    #S-4159 Supplemental		-	-	47,881	30,671	-	17,210
All-Terrain Vehicle Aids:	370.576						
7/2/13-6/30/14    ATV-3075		-	-	11,538	7,461	-	4,077
7/2/12-6/30/13    ATV-2236		(1,327)	-	10,627	9,300	-	-

\*\* Major State Program  
See Notes to Schedules of Expenditures of Federal Awards and State Awards

**RUSK COUNTY, WISCONSIN  
SCHEDULE OF EXPENDITURES OF STATE AWARDS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2013**

State Grantor Agency/ Program Title and Year	State I.D. Number	Accrued	Prior Years	Expenditures	Receipts		Accrued
		(Deferred) Reimbursements 1/1/13			Adjustments	Grant Reimburse- ments	Local Share
<u>Department of Natural Resources (Continued)</u>							
Municipal and County Recycling Grants: 2013	370.670	\$ -	\$ -	\$ 94,201	\$ 82,022	\$ 12,179	\$ -
State Forest and Park Road Aid Funds: 2013	370.785	77,986	-	3,615	81,601	-	-
Total Department of Natural Resources		<u>77,268</u>	<u>(1,871)</u>	<u>497,216</u>	<u>497,871</u>	<u>15,289</u>	<u>59,453</u>
<u>Department of Transportation</u>							
Urban Mass Transit Operating Assistance: 2013	395.104	-	-	172,636	155,372	-	17,264
2012		13,935	-	-	-	-	13,935
2011		14,981	-	-	-	-	14,981
2010		13,358	-	-	-	-	13,358
Bureau of Transit and Local Roads County Forest Road Aids: 2013	395.170	-	-	6,517	6,517	-	-
Elderly and Handicapped County Aids: Elderly and Handicapped Transportation: 2013	395.101**	-	-	81,740	68,117	13,623	-
Total Department of Transportation		<u>42,274</u>	<u>-</u>	<u>260,893</u>	<u>230,006</u>	<u>13,623</u>	<u>59,538</u>
<u>Department of Corrections</u>							
Capacity Building for Early Intervention: 7/1/12-6/30/13	410.302	-	-	7,270	7,270	-	-
Youth Aids Community: 2013	410.313	-	-	211,965	152,610	-	59,355
2012		104,265	-	-	104,265	-	-
Total Department of Corrections		<u>104,265</u>	<u>-</u>	<u>219,235</u>	<u>264,145</u>	<u>-</u>	<u>59,355</u>

\*\* Major State Program  
See Notes to Schedules of Expenditures of Federal Awards and State Awards

**RUSK COUNTY, WISCONSIN  
SCHEDULE OF EXPENDITURES OF STATE AWARDS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2013**

State Grantor Agency/ Program Title and Year	State I.D. Number	Accrued (Deferred) Reimbursements 1/1/13	Prior Years Adjustments	Expenditures	Receipts		Accrued (Deferred) Reimbursements 12/31/13
					Grant Reimburse- ments	Local Share	
<b>Department of Health Services</b>							
Fluoride Mouthrinse Program:	435.151735						
2013		\$ -	\$ -	\$ 184	\$ 290	\$ -	\$ (106)
2012		(535)	-	-	(535)	-	-
WIC Farmers Market Grant:	435.154720						
2013		-	-	859	320	-	539
WWWP - GPR:	435.157000						
2013		-	-	9,857	9,416	-	441
2012		3,388	-	-	3,388	-	-
Consolidated Contract - CHHD LD:	435.157720						
2013		-	-	-	659	-	(659)
2012		(972)	-	-	(972)	-	-
Maternal and Health Services Block Grant	435.159320						
Consolidated Contracts:							
2013		-	-	515	515	-	-
Maternal and Health Services Block Grant:	435.159321						
2013		-	-	10,885	10,885	-	-
Adult Protective Services:	435.312						
2013		-	-	21,949	5,853	-	16,096
2012		16,462	-	-	16,462	-	-
Community Options Program:	435.367						
2013		-	-	90,725	101,021	-	(10,296)
2012		(17,792)	-	-	(17,792)	-	-
Alzheimer's Family Support:	435.381						
2013		-	-	3,730	3,653	-	77
2012		1,393	-	-	1,393	-	-

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

**RUSK COUNTY, WISCONSIN  
SCHEDULE OF EXPENDITURES OF STATE AWARDS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2013**

State Grantor Agency/ Program Title and Year	State I.D. Number	Accrued (Deferred) Reimbursements 1/1/13	Prior Years Adjustments	Expenditures	Receipts		Accrued (Deferred) Reimbursements 12/31/13
					Grant Reimburse- ments	Local Share	
<b>Department of Health Services (Continued)</b>							
Certified Mental Health Program	435.517						
2013		\$ -	\$ -	\$ 14,355	\$ 3,710	\$ -	\$ 10,645
2012		11,382	-	-	11,382	-	-
Birth-to-Three Initiative:	435.550						
2013		-	-	15,900	15,900	-	-
Basic County Allocation - State Funded:	435.561**						
2013		-	-	547,009	539,031	-	7,978
Family Support Program:	435.577						
2013		-	-	10,420	13,899	-	(3,479)
2012		4,080	-	-	4,080	-	-
State Senior Community Services:							
State/County Match:	435.681**						
2013		-	-	141,965	19,004	70,982	51,979
2012		57,029	-	-	57,029	-	-
CLTS COP Local:	435.826						
2013		-	-	1,505	-	1,505	-
CLTS CWA Local:	435.829						
2013		-	-	5	-	5	-
CLTS DD Non-Federal:	435.832**						
2013		-	-	9,372	847	7,627	898
2012		172	-	-	172	-	-
CLTS MH Non-Federal:	435.835**						
2013		-	-	68,793	18,939	43,174	6,680
2012		3,537	-	-	3,537	-	-
CLTS MH Non-Federal Other:	435.841**						
2013		-	-	8,633	1,606	6,253	774
2012		986	-	-	986	-	-
CLTS PD Non-Federal Other:	435.847**						
2013		-	-	13,594	1,454	11,291	849
2012		865	-	-	865	-	-
Passed through Barron County:							
Aging and Disability Resource Center:	435.560100**						
2013		-	-	121,689	80,447	21,210	20,032
2012		18,371	-	-	18,371	-	-
Aging and Disability Resource Center:	435.560063**						
MFP-NH RELOC NON MA							
2013		-	-	205	164	-	41
2012		19	-	-	19	-	-

\*\* Major State Program  
See Notes to Schedules of Expenditures of Federal Awards and State Awards

**RUSK COUNTY, WISCONSIN  
SCHEDULE OF EXPENDITURES OF STATE AWARDS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2013**

State Grantor Agency/ Program Title and Year	State I.D. Number	Accrued (Deferred) Reimbursements 1/1/13	Prior Years Adjustments	Expenditures	Receipts		Accrued (Deferred) Reimbursements 12/31/13
					Grant Reimburse- ments	Local Share	
<b>Department of Health Services (Continued)</b>							
Passed through Northern IM Consortium: Income Maintenance Contract: 2013	435.283**	\$ -	\$ -	\$ 72,392	\$ 72,392	\$ -	\$ -
Passed through Area Agency on Aging: State Pharmaceutical Assistance Program: 7/1/12-6/30/13	435.560327	-	-	2,387	2,387	-	-
State Senior Community Services: 2013	435.560330	-	-	6,355	5,264	1,091	-
Congregate Nutrition: 2013	435.560350	-	-	74,355	37,023	36,476	856
Special Programs for the Aging - Title III, Part C: 2013	435.560360	-	-	11,204	1,851	9,309	44
2012		28	-	-	28	-	-
Special Programs for the Aging - Programs for Prevention: 2013	435.560490	-	-	9,900	1,028	-	8,872
2012		4,360	-	-	4,360	-	-
Emergency Medical Services Funding Assistance: 2013	435.EMS	(11,630)	-	-	5,871	-	(17,501)
<b>Total Department of Health Services</b>		<b>91,143</b>	<b>-</b>	<b>1,268,742</b>	<b>1,056,202</b>	<b>208,923</b>	<b>94,760</b>
<b>Department of Children and Families</b>							
Child Support - State Share: 2013	437.7502	-	-	16,994	16,994	-	-
CW Adam Walsh Foster/Adoptive Parent: 2012	435.3324	(15)	-	-	(15)	-	-
FS/Medicaid Collections and Incentives 2013	437.267	-	-	56	(86)	-	142
Basic Children and Families Allocation: 2013	437.3561**	-	-	135,059	135,059	-	-
CW WSACWIS Annual Op Maint Fee: 2013	437.3604	-	-	(1,972)	(1,972)	-	-
CW Children and Families Allocations: 2013	437.3681**	-	-	89,397	-	65,586	23,811
2012		24,037	-	-	24,037	-	-
<b>Total Department of Children and Families</b>		<b>24,022</b>	<b>-</b>	<b>239,534</b>	<b>174,017</b>	<b>65,586</b>	<b>23,953</b>

\*\* Major State Program  
See Notes to Schedules of Expenditures of Federal Awards and State Awards

**RUSK COUNTY, WISCONSIN  
SCHEDULE OF EXPENDITURES OF STATE AWARDS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2013**

State Grantor Agency/ Program Title and Year	State I.D. Number	Accrued (Deferred)	Prior Years Adjustments	Expenditures	Receipts		Accrued (Deferred)
		Reimbursements 1/1/13			Grant Reimburse- ments	Local Share	Reimbursements 12/31/13
<b>Department of Justice</b>							
Victim and Witness Services Program:	455.532						
2013		\$ -	\$ -	\$ 40,561	\$ 10,448	\$ 19,528	\$ 10,585
2012		6,635	-	-	6,635	-	-
Total Department of Justice		6,635	-	40,561	17,083	19,528	10,585
<b>Department of Military Affairs</b>							
Hazard Mitigation Planning Grant:	465.305						
2013		-	-	1,686	-	-	1,686
Emergency Planning Grant Program:							
LEPC Emergency Planning Grant:	465.337						
10/1/12-9/30/13		-	-	5,626	2,813	-	2,813
10/1/11-9/30/12		2,712	-	-	2,712	-	-
Computer and Hazmat Equipment:	465.367						
2013		-	-	1,042	1,042	-	-
Total Department of Military Affairs		2,712	-	8,354	6,567	-	4,499
<b>Department of Administration</b>							
Utility Public Benefits:	505.371**						
10/1/13-9/30/14		-	-	3,905	1,139	-	2,766
10/1/12-9/30/13		2,964	-	6,531	9,495	-	-
Land Information Board Grants:	505.116						
Contract #85190 - Base Budget/Mapping		(18,411)	-	13,120	28,574	-	(33,865)
2013 Training Grant		-	-	300	300	-	-
Total Department of Administration		(15,447)	-	23,856	39,508	-	(31,099)
Subtotal State Financial Assistance		\$ 432,843	\$ (1,871)	2,789,880	\$ 2,428,069	\$ 366,131	\$ 426,652
<b>Claims Paid to Providers Via Third Party Administrator</b>							
Children's Long Term Support	(A)			44,804			
Deduct: Local Share of Expenditures				(366,131)			
<b>TOTAL STATE FINANCIAL ASSISTANCE EXPENDITURES</b>				<b>\$ 2,468,553</b>			

(A) See Note 5

\*\* Major State Program

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

**RUSK COUNTY, WISCONSIN**  
**NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND**  
**STATE AWARDS**  
**DECEMBER 31, 2013**

**NOTE 1 REPORTING ENTITY**

Rusk County (the 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 awards 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 accrual basis of accounting. Grant expenditures represent the amount of program funds expended during the year.

**Receipts** – Receipts recorded under the Grant Reimbursement category represent actual program funds received by the County during the year. Receipts recorded under the Local Share category, if any, represent the amounts of local funds used to finance the County's share of program expenditures on selected programs.

**Accrued Reimbursement** – Amounts recorded as accrued reimbursements represent the excess of program funds expended over available program funds. Such amounts represent program funds receivable by the County, except as discussed in Note 4.

**Deferred Reimbursement** – Amounts recorded as deferred reimbursements represent available (unexpended) program funds held by the County.

**NOTE 3 ADJUSTMENTS TO BEGINNING ACCRUED (DEFERRED) REIMBURSEMENT**

Prior year adjustments included in the schedules of expenditures of federal awards and state awards represent adjustments to the January 1, 2013 accrued (deferred) reimbursement balances of the individual programs based on subsequent funding of the programs in 2013 and/or adjustment of accruals resulting from prior year audit findings.

**RUSK COUNTY, WISCONSIN  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND  
STATE AWARDS  
DECEMBER 31, 2013**

**NOTE 4 CDBG PROGRAM REVOLVING LOAN FUND**

**Housing Rehabilitation**

The County was awarded Community Development Block Grants (CDBG) in the current and 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 \$551,303 during the year ended December 31, 2013. The balance of loans outstanding was \$2,733,109 as of December 31, 2013. These transactions are not included in the schedule of expenditures of federal awards.

**NOTE 5 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 Awards.

**NOTE 6 PASS-THROUGH GRANT NUMBERS**

Pass-through grant numbers were not assigned by the pass-through agencies.

**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, 2013, 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 26, 2014. Our report includes a reference to other auditors who audited the financial statements of the Rusk County Memorial Hospital and Nursing Home, 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 and Nursing Home 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.

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.

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. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 2013-001, 2013-002 and 2013-003 to be material weaknesses.

### **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 responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. The County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

### **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 26, 2014

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM,  
INTERNAL CONTROL OVER COMPLIANCE, AND ON THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE AWARDS IN ACCORDANCE WITH OMB CIRCULAR A-133 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 Circular A-133 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, 2013. 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 and Nursing Home, 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, 2013. Our audit, described below, did not include the operations of the Rusk County Memorial Hospital and Nursing Home.

***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 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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and the *State Single Audit Guidelines*, issued by the Wisconsin Department of Administration. Those standards, OMB Circular A-133 and *State Single Audit Guidelines* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about 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 to 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, 2013.

### **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 OMB Circular A-133 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 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 OMB Circular A-133 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 OMB Circular A-133 and Schedule of State Awards 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, 2013, and the related notes to the financial statements, which collectively comprise Rusk County's basic financial statements. We issued our report thereon dated September 26, 2014, 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 expenditures of state awards are presented for purposes of additional analysis as required by OMB Circular A-133 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 schedule of expenditures of state awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Eau Claire, Wisconsin  
September 26, 2014

**RUSK COUNTY, WISCONSIN  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
DECEMBER 31, 2013**

**PART I: SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements**

Type of auditors' report issued: Unmodified  
 Internal control over financial reporting:  
 • Material weakness(es) identified?  X  yes   no  
 • Significant deficiency(ies) identified that are not considered to be material weaknesses?   yes  X  no  
 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  no  
 Type of auditors' report issued on compliance for major programs Unmodified  
 Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?   yes  X  no

Identification of major Federal programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
14.228	Community Development Block Grant
20.205	Highway Planning and Construction Cluster
93.778	Medical Assistance Program

Dollar threshold used to distinguish between type A and type B programs:  \$300,000

Auditee qualified as low-risk auditee?   yes  X  no

**RUSK COUNTY, WISCONSIN**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**DECEMBER 31, 2013**

**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   no

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>
N/A	DHS, DWD, DCF General Requirements
370.575	Snowmobile Trail Development
395.101	Elderly and Handicapped Transportation
435.283	IM Available Allocation
435.832	Children's Long-Term Support DD Non-Federal
435.835	Children's Long-Term Support MH Non-Federal
435.841	Children's Long-Term Support MH Non-Federal Other
435.847	Children's Long-Term Support PD Non-Federal Other
435.560063	Aging and Disability Resource Center MFP-NH RELOC NON MA
435.560100	Aging and Disability Resource Center
435.561	Basic County Allocation
435.681	Community Services and MH Services - State/County Match
437.3561	Basic Children and Families Allocation
437.3681	State/County Match
505.371	Utility Public Benefits

Federal programs audited as State major programs:

93.778	Medical Assistance Program – Human Services Contract
93.778	Medical Assistance Program – Income Maintenance Contract
93.778	Medical Assistance Program – Children's Long-Term Support
93.778	Medical Assistance Program – Case Management
93.778	Medical Assistance Program – Aging and Disability Resource Center
93.778	Medical Assistance Program – WI Medicare Cost Reporting
93.568	Low-Income Home Energy Assistance – Utility Public Benefits
93.596	Child Care Development

Dollar threshold used to distinguish between type A and type B programs:   \$100,000  

Auditee qualified as low-risk auditee?                    \_\_\_\_\_ yes      X   no

**RUSK COUNTY, WISCONSIN  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
DECEMBER 31, 2013**

**PART II: FINDINGS RELATED TO THE INTERNAL CONTROLS OVER FINANCIAL REPORTING:**

**FINDING: 2013-001 Annual Financial Reporting Under Generally Accepted Accounting Principles (GAAP)**

**Criteria:** It is the County's responsibility to have controls in place to prevent or detect a material misstatement in the annual financial statements, including footnote disclosures.

**Condition:** The County does not have an internal control policy in place over annual financial reporting that would enable management to conclude its annual financial statements and related footnote disclosures are complete and presented in accordance with Generally Accepted Accounting Principles (GAAP).

**Context:** The County has decided to outsource preparation of the annual financial statements instead of compiling them internally. The decision is based on weighing the internal cost and lack of finance personnel availability vs. the benefit of eliminating the internal control finding and the risk potential of financial statement misstatement. As a result, finance personnel of the County are less likely to identify and prevent a material misstatement in the annual financial statements including footnote disclosures. However, they have reviewed and approved the annual financial statements and the related footnote disclosures.

**Cause:** The County relies on the audit firm to prepare the annual financial statements and related footnote disclosures.

**Effect:** The potential exists that a material misstatement of the annual financial statements could occur and not be prevented or detected by the County's internal controls.

**Recommendation:** The County should continue to evaluate its internal staff and expertise to determine if internal preparation of the annual financial reporting is beneficial.

**CORRECTIVE ACTION PLAN (CAP):**

**Explanation of Disagreement with Audit Findings**

There is no disagreement with the audit finding.

**Actions Planned in Response to Finding:**

The County will continue to rely upon the audit firm to prepare the financial statements and related footnote disclosures and will review and approve these prior to the issuance of the annual financial statements. The Finance Director is the official responsible for ensuring corrective action of the deficiency.

**Planned Completion Date for CAP:**

The CAP is ongoing.

**Plan to Monitor Completion of CAP:**

The County Board will be monitoring this corrective action plan.

**RUSK COUNTY, WISCONSIN**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**DECEMBER 31, 2013**

**PART II: FINDINGS RELATED TO THE INTERNAL CONTROLS OVER FINANCIAL REPORTING:  
(CONTINUED)**

**FINDING: 2013-002 Material Audit Adjustments**

- Criteria:** The County should have controls in place to prevent or detect a material misstatement in the financial statements in a timely manner.
- Condition:** The audit firm proposed and the County posted to its general ledger accounts journal entries for correcting certain misstatements.
- Context:** The County has informed us that they will continue to rely upon the audit firm to propose such audit adjustments as are necessary to adjust accounts in accordance with Generally Accepted Accounting Principles (GAAP). Management will review and approve those entries prior to recording them.
- Cause:** The County has not established controls to ensure that all accounts are adjusted to their appropriate year end balances in accordance with GAAP.
- Effect:** The potential exists that financial statements of the County may include inaccurate information not detected or prevented by County staff.
- Recommendation:** The County should continue to evaluate its internal control processes to determine if additional internal control procedures should be implemented to ensure that accounts are adjusted to their appropriate year end balances in accordance with GAAP.

**CORRECTIVE ACTION PLAN (CAP):**

**Explanation of Disagreement with Audit Findings**

There is no disagreement with the audit finding.

**Actions Planned in Response to Finding:**

The County will continue to rely upon the audit firm to propose audit adjustments necessary to adjust accounts in accordance with GAAP. Management will review and approve these entries prior to recording them. The Finance Director is the official responsible for ensuring corrective action of the deficiency.

**Planned Completion Date for CAP:**

The CAP is ongoing.

**Plan to Monitor Completion of CAP:**

The County Board will be monitoring this corrective action plan.

**RUSK COUNTY, WISCONSIN  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
DECEMBER 31, 2013**

**PART II: FINDINGS RELATED TO THE INTERNAL CONTROLS OVER FINANCIAL REPORTING:  
(CONTINUED)**

**FINDING: 2013-003 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.

**CORRECTIVE ACTION PLAN (CAP):**

**Explanation of Disagreement with Audit Findings**

There is no disagreement with the audit finding.

**Actions Planned in Response to Finding:**

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.

**Planned Completion Date for CAP:**

The CAP is ongoing.

**Plan to Monitor Completion of CAP:**

The County Board will be monitoring this corrective action plan.

**Compensating Controls and Mitigating Factors:**

The cash disbursements process includes approval of the disbursement by the department head and approval of each voucher and coding by the finance department. The payroll disbursements process includes board approval of all contracts and hourly wage rates, supervisor approval of timesheets, and review of coding by payroll personnel. The receipts process includes pre-numbering, a restrictive endorsement stamp, and a reconciliation of departmental deposits performed by the Treasurer. In addition to the above, each department head and members of administration monitor budget to actual reports on a regular basis in order to identify unusual variances or activities.

**RUSK COUNTY, WISCONSIN  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
DECEMBER 31, 2013**

**PART III: FINDINGS RELATED TO MAJOR FEDERAL AWARD PROGRAMS:**

None.

**PART IV: FINDINGS RELATED TO MAJOR STATE AWARD 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 Veterans Affairs	No
Department of Natural Resources	No
Department of Transportation	No
Department of Administration	No
Department of Corrections	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

5. Date of Report

September 26, 2014