

CHIPPEWA COUNTY, WISCONSIN
FEDERAL AND STATE SINGLE AUDIT REPORTS
YEAR ENDED DECEMBER 31, 2022



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CHIPPEWA COUNTY, WISCONSIN
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CHIPPEWA COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2022

| <u>Federal Grantor Agency/Program</u> | <u>Federal Assistance Listing #</u> | <u>Pass-Through Entity</u> | <u>Pass-Through Entity Identifying Number</u> | <u>Passed-Through to Subrecipients</u> | <u>Federal Expenditures</u> |
|--|-------------------------------------|----------------------------|---|--|-----------------------------|
| <u>Department of Agriculture</u> | | | | | |
| Special Supplemental Nutrition Assistance Program for Women, Infants and Children | 10.557 | WI DHS | CARS 154710, 154760 | \$ - | \$ 291,611 |
| State Matching Grant for Food Stamp Program (SNAP Cluster) Nutritional Ed Grant | 10.561 | WI DHS | CARS 154661 | - | 42,012 |
| Income Maintenance Contract | | WI DHS / GRIM | CARS 283, 284 | - | 300,907 |
| Total SNAP Cluster | | | | - | 342,919 |
| Total Department of Agriculture | | | | - | 634,530 |
| <u>Department of Housing and Urban Development</u> | | | | | |
| Community Development Block Grants | 14.228 | WI DOA | HSG 20-07 | - | 703,338 |
| <u>Department of Justice</u> | | | | | |
| COVID-19 Coronavirus Emergency Supplemental Funding | 16.034 | WI DOJ | # 16571 | - | 11,840 |
| Treatment Court Discretionary Grant Program | 16.585 | WI DOJ | 15PBJA-21-GG-04211-DGCT | - | 42,771 |
| Bulletproof Vest Partnership Program | 16.607 | Direct | N/A | - | 5,398 |
| Public Safety Partnership and Community Policing Grants | 16.710 | Eau Claire County | 2022 Anti-Meth Grant | - | 502 |
| Edward Byrne Memorial Justice Assistance Grant Program: Edward Byrne Memorial Justice Assistance | 16.738 | Eau Claire County | 2022 Drug Task Force | - | 8,631 |
| Jail Re-Entry Diversion Grant | | WI DOJ | #15938 | - | 93,473 |
| Total Edward Byrne Memorial Justice Assistance Grant (# 16.738) | | | | - | 102,104 |
| Total Department of Justice | | | | - | 162,615 |
| <u>Department of Transportation</u> | | | | | |
| Highway Planning and Construction Cluster | | | | | |
| Transportation Alternatives Program | 20.205 | WI DOT | #7863-00-02 | - | 51,228 |
| Recreational Trails Program | 20.219 | WI DNR | RTP-1077-22ND | - | 1,851 |
| Total Highway Planning and Construction Cluster | | | | - | 53,079 |
| State and Community Highway Safety (Highway Safety Cluster) | 20.600 | WI DOT | #3950959-25-11 | - | 4,519 |
| Total Department of Transportation | | | | - | 57,598 |
| <u>Department of Treasury</u> | | | | | |
| COVID-19 Coronavirus State and Local Fiscal Recovery Funds | 21.027 | | | | |
| ARPA COVID Recovery Fund | | WI DHS | CARS 155811 | - | 354,514 |
| SAFER LEA | | WI DOA | 2022 | - | 42,421 |
| American Rescue Plan Act | | Direct | N/A | - | 2,461,173 |
| Total Coronavirus State and Local Fiscal Recovery Funds (# 21.027) | | | | - | 2,858,108 |
| COVID-19 Local Assistance and Tribal Consistency Fund | 21.032 | Direct | N/A | - | 50,000 |
| Total Department of Treasury | | | | - | 2,908,108 |
| <u>Environmental Protection Agency</u> | | | | | |
| Nonpoint Source Implementation Grants | 66.460 | WI DNR | NOD09000Y20 | - | 575,499 |
| <u>Department of Education</u> | | | | | |
| Grants for Infants and Toddlers | 84.181 | WI DHS | CARS 550, 535000 | - | 74,958 |

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, 2022

| Federal Grantor Agency/Program | Federal Assistance Listing # | Pass-Through Entity | Pass-Through Entity Identifying Number | Passed-Through to Subrecipients | Federal Expenditures |
|---|------------------------------|---------------------|--|---------------------------------|----------------------|
| Department of Health and Human Services | | | | | |
| Special Programs for the Aging - Title III, Part D Aging Cluster | 93.043 | WI DHS / GWAAR | CARS 560510 | \$ - | \$ 5,556 |
| Special Programs for the Aging - Title III, Part B | 93.044 | WI DHS / GWAAR | CARS 560340 | - | 73,631 |
| Special Programs for the Aging - Title III, Part C | 93.045 | WI DHS / GWAAR | CARS 560260, 560350, 560353, 560361 | - | 220,901 |
| Nutrition Services Incentive Program | 93.053 | WI DHS / GWAAR | CARS 560422 | - | 30,746 |
| Total Aging Cluster | | | | - | 325,278 |
| National Family Caregivers Support Program | 93.052 | WI DHS / GWAAR | CARS 560520 | - | 37,378 |
| Public Health Emergency Preparedness | 93.069 | WI DHS | CARS 155015, 155050 | - | 64,880 |
| Medicare Enrollment Assistance Program | 93.071 | WI DHS / GWAAR | CARS 560620 | - | 3,863 |
| Guardianship Assistance | 93.090 | WI DCF | SPARC 3456 | - | 5,962 |
| Injury Prevention and Control Research | 93.136 | WI DHS | CARS 150216 | - | 39,867 |
| Family Planning Services | 93.217 | WI DHS | CARS 159328, 159367, 159371 | - | 57,142 |
| Early Hearing Detection and Intervention | 93.251 | WI DHS | CARS 115002 | - | 22,712 |
| Immunization Cooperative Agreements | 93.268 | WI DHS | CARS 155020, 155809 | - | 48,507 |
| Drug-Free Communities Support Program Grants | 93.276 | WI DHS | #1H79SP081761-01 | - | 131,859 |
| State Health Insurance Assistance Program | 93.324 | WI DHS / GWAAR | CARS 560432 | - | 4,538 |
| Public Health Emergency Response | 93.354 | WI DHS | CARS 155812 | - | 32,669 |
| Innovative State and Local Public Health Strategies to Prevent Diabetes | 93.435 | WI DHS | CARS 150429 | - | 4,337 |
| Promoting Safe and Stable Families | 93.556 | WI DCF | SPARC 3306 | - | 42,827 |
| Temporary Assistance for Needy Families | 93.558 | | | | |
| Basic County Allocation | | WI DHS | CARS 561 | - | 126,707 |
| Children and Families Contract | | WI DCF | SPARC 3632, 3645 | - | 45,841 |
| Total Temporary Assistance for Needy Families (# 93.558) | | | | - | 172,548 |
| Child Support Enforcement Program (Title IV-D) | 93.563 | WI DCF | SPARC 7332, 7477, 7482, 7506, 7620 | - | 647,988 |
| Child Care and Development Block Grant (CCDF Cluster) | 93.575 | WI DCF | SPARC 831, 852, 875 | - | 126,583 |
| COVID-19 State Court Improvement Program | 93.586 | Supreme Court | 2022 | - | 4,799 |
| Child Welfare Services Program | 93.645 | WI DCF | SPARC 3413, 3561, 3681 | - | 39,495 |
| Foster Care - Title IV-E | 93.658 | WI DCF | SPARC 3413, 3561, 3568, 3681, 3645 | - | 602,725 |
| Adoption Assistance | 93.659 | WI DCF | SPARC 3574 | - | 2,465 |
| Social Services Block Grant | 93.667 | WI DHS | CARS 561 | - | 238,395 |
| COVID-19 Elder Abuse Prevention Interventions Program | 93.747 | WI DHS | CARS 560333 | - | 5,931 |
| State Children's Insurance Program | 93.767 | WI DHS / GRIM | CARS 283, 284 | - | 39,356 |

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, 2022

| <u>Federal Grantor Agency/Program</u> | <u>Federal Assistance Listing #</u> | <u>Pass-Through Entity</u> | <u>Pass-Through Entity Identifying Number</u> | <u>Passed Through to Subrecipients</u> | <u>Federal Expenditures</u> |
|---|-------------------------------------|----------------------------|---|--|-----------------------------|
| <u>Department of Health and Human Services (Continued)</u> | | | | | |
| Medicaid Cluster | 93.778 | | | | |
| Social Services and Community Programs Contract | | WI DHS | CARS 878 | \$ - | \$ 60,292 |
| Children's Long-Term Support (CLTS) Program | | WI DHS / WPS | CARS 831, 834, 840, 846 | - | 429,275 |
| Case Management | | WI DHS | 43070900 MCD | - | 99,002 |
| Comprehensive Community Services | | WI DHS | 100044114 MCD | 2,906,364 | 20,191,677 |
| Crisis Care | | WI DHS | 100049018 MCD | - | 117,384 |
| Wisconsin Medicaid Cost Reporting Program | | WI DHS | Final 2021 | - | 496,323 |
| Aging and Disability Resource Center | | WI DHS | CARS 560152, 560155 | - | 421,455 |
| Public Health Services | | WI DHS | CARS 75, 159322 | - | 22,964 |
| Income Maintenance Contract | | WI DHS / GRIM | CARS 283, 284 | - | 404,358 |
| CLTS Program Paid to Providers Via Third Party Administrator | (A) | | | - | 1,628,638 |
| Total Medicaid Cluster | | | | 2,906,364 | 23,871,368 |
| Assistance Program for Chronic Disease Prevention and Control | 93.945 | WI DHS | CARS 150429 | - | 8,873 |
| Block Grant for Community Mental Health Services | 93.958 | WI DHS | CARS 515, 569, 533287 | - | 88,314 |
| Block Grant - Prevention and Treatment of Substance Abuse | 93.959 | WI DHS | CARS 515, 545, 546, 570, 533288, 533292 | - | 119,795 |
| Preventive Health and Health Service Block Grant | 93.991 | WI DHS | CARS 159220 | - | 7,721 |
| Maternal and Child Health Services Block Grant | 93.994 | WI DHS | CARS 159320, 159332, 159365 | - | 228,242 |
| Total Department of Health and Human Services | | | | 2,906,364 | 27,031,973 |
| <u>Department of Homeland Security</u> | | | | | |
| Emergency Management Performance Grants | 97.042 | WI DMA | 2022-EMPG-01-12567 | - | 61,813 |
| Total Expenditures of Federal Awards | | | | \$ 2,906,364 | \$ 32,210,432 |

(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, 2022

| 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 | \$ 9,600 |
| Soil and Water Resource Management | 115.15 | 221,047 |
| County Staff and Support | | |
| Land and Water Resource Management Projects | 115.40 | <u>405,977</u> |
| Total Department of Agriculture, Trade, and Consumer Protection | | 636,624 |
| <u>Department of Natural Resources</u> | | |
| Venison Processing | 370.549 | 4,313 |
| Boating Enforcement Aids | 370.550 | 27,105 |
| All-Terrain Vehicle Enforcement Aids | 370.551 | 27,478 |
| Snowmobile Enforcement Aids | 370.552 | 13,189 |
| Wildlife Damage Claims and Abatement | 370.553 | 21,160 |
| County Forest Administration | 370.572 | 49,750 |
| Snowmobile Trails Aids | 370.574/370.575 | 147,194 |
| All-Terrain Vehicle Aids | 370.576/370.577 | 20,669 |
| Targeted Runoff Management | 370.602 | 164,368 |
| Nonpoint Source Grant | 370.662 | 187,957 |
| Lakes Management Planning Grant | 370.663 | 13,293 |
| Municipal and County Recycling Grants | 370.670 | <u>219,895</u> |
| Total Department of Natural Resources | | 896,371 |
| <u>Department of Transportation</u> | | |
| Elderly and Handicapped Transportation Aid | 395.101 | (C) 175,787 |
| <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 | 7,293 |
| WH/FP RH 253.07 GPR | 435.159317 | 35,890 |
| Reproductive Health - LPHD | 435.159322 | 3,016 |
| TPCP - Wisconsin WINS | 435.181004 | 5,804 |
| IM Available Allocation | 435.283 | 148,488 |
| IM Available Allocation Federal Share | 435.284 | 5,023 |
| Adult Protective Services | 435.312 | 55,548 |
| Kinship Care Base Benefit | 435.377 | 113,255 |
| Coordinated Services - CTY | 435.515 | 101,495 |
| Certified Mental Health Program | 435.517 | 135,032 |
| Room/Board RSUD McKinsey | 435.548 | 6,355 |
| Birth-to-Three Initiative | 435.550 | 70,129 |
| Aging and Disability Resource Center (ADRC): | | |
| Aging and Disability Resource Center | 435.560100 | 423,115 |
| ADRC Elderly Benefit Specialist GPR | 435.560320 | 28,215 |
| ADRC Elderly Benefit Specialist SPAP | 435.560328 | 6,065 |
| Basic County Allocation - State Funded | 435.561 | 1,361,147 |
| State/County Match | 435.681 | 189,606 |
| CLTS DD Non-Federal | 435.832 | 2,373 |
| CLTS DD Non-Federal Other | 435.838 | 201,810 |
| CLTS MH Non-Federal Other | 435.841 | 16,157 |
| CLTS PD Non-Federal Other | 435.847 | 15 |
| CLTS Other CWA Admin GPR | 435.877 | 60,293 |

(C) The County's matching contribution for the fiscal year was \$35,047.

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, 2022

| <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> | | |
| Passed through Area Agency on Aging | | |
| Congregate Nutrition | 435.560350 | \$ 41,851 |
| Alzheimer's Family Caregiver Support | 435.560381 | 15,300 |
| Special Programs for the Aging - Programs for Prevention | 435.560490 | <u>23,961</u> |
| Total Department of Health Services | | <u>3,066,072</u> |
| <u>Department of Children and Families</u> | | |
| Food Stamp Agency Incentives | 437.0965 | 12,454 |
| AFDC Agency Incentives | 437.0975 | 69 |
| Medicaid Agency Incentives | 437.0980 | 13,321 |
| CW Kinship Care Program - Benefits | 437.3377 | 383,503 |
| CW Kinship Care Program - Assessment | 437.3380 | 36,579 |
| JJ Community Intervention Prog | 437.3410 | 27,345 |
| JJ AODA | 437.3411 | 11,561 |
| JJ Youth Aids | 437.3413 | 528,476 |
| Subsidized Guardianship | 437.3456 | 11,072 |
| Basic Children and Families Allocation | 437.3561 | 622,916 |
| CW Children and Families Allocations | 437.3681 | 49,990 |
| Out-of-Home Care Placement for Sex Trafficked Youth | 437.3720 | 11,625 |
| Child Support - State Share | 437.7502 | 110,870 |
| Child Support - Medical Support GPR | 437.7606 | <u>2,678</u> |
| Total Department of Children and Families | | <u>1,822,459</u> |
| <u>Department of Justice</u> | | |
| Treatment Alternatives and Diversion | 455.271 | 115,327 |
| Victim and Witness Assistance Program | 455.532 | <u>92,604</u> |
| Total Department of Justice | | <u>207,931</u> |
| <u>Department of Military Affairs</u> | | |
| Computer and Hazmat Equipment | 465.308 | 8,641 |
| Emergency Planning & Community Right-to-Know Act (EPCRA) | 465.337 | <u>14,640</u> |
| Total Department of Military Affairs | | <u>23,281</u> |
| <u>Department of Administration</u> | | |
| Land Information Board Grants | 505.173 | <u>61,000</u> |
| Subtotal State Financial Assistance | | <u>6,889,525</u> |
| <u>Claims Paid to Providers Via Third Party Administrator</u> | | |
| Children's Long Term Support | (B) | <u>836,008</u> |
| Total State Financial Assistance Expenditures | | <u>\$ 7,725,533</u> |

(B) See Note 4

CHIPPEWA COUNTY, WISCONSIN
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL
AWARDS AND STATE FINANCIAL ASSISTANCE
DECEMBER 31, 2022

NOTE 1 REPORTING ENTITY

Chippewa County (the 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 ended December 31, 2022 are summarized as follows:

| | |
|-------------------------------|--------------------------|
| Balance January 1, 2022 | \$ 189,756 |
| Grant Revenue | 703,338 |
| Loan Repayments | 520,692 |
| Interest Accrued to Fund | 7,412 |
| Loans Made from Fund | (1,000,615) |
| Administration Paid from Fund | (214,024) |
| Balance December 31, 2022 | <u><u>\$ 206,559</u></u> |

CHIPPEWA COUNTY, WISCONSIN
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL
AWARDS AND STATE FINANCIAL ASSISTANCE
DECEMBER 31, 2022

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 (the County) as of and for the year ended December 31, 2022, 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 19, 2023.

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 first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

The County Board
Chippewa County, Wisconsin

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*.

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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Eau Claire, Wisconsin
July 19, 2023



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 (the 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, 2022. 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, 2022.

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, 2022, and the related notes to the financial statements, which collectively comprise County's basic financial statements. We issued our report thereon dated July 19, 2023, 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

CliftonLarsonAllen LLP

Eau Claire, Wisconsin
August 28, 2023

CHIPPEWA COUNTY, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2022

PART I: SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unmodified
Internal control over financial reporting:
• Material weakness(es) identified? _____ yes no
• Significant deficiency(ies) identified? _____ yes none reported
Noncompliance material to financial statements noted? _____ yes no

Federal Awards

Internal control over major programs:
• Material weakness(es) identified? _____ yes no
• Significant deficiency(ies) identified? _____ yes 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 no

Identification of Major Federal Programs:

| <u>Assistance Listing Number(s)</u> | <u>Name of Federal Program or Cluster</u> |
|--|--|
| 21.027 | COVID-19 Coronavirus State and Local Fiscal Recovery Funds |
| 93.778 | Medicaid Cluster |

Dollar threshold used to distinguish between type A and type B programs: \$966,313

Auditee qualified as low-risk auditee? yes _____ no

CHIPPEWA COUNTY, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2022

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, | Basic County Allocation-State Funded and State/County Match |
| 435.681, 437.3681 | Elderly and Handicapped Transportation Aid |
| 395.101 | |
| 435.560100, 435.560320, | Aging and Disability Resource Center (ADRC) |
| 435.560328 | |

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

Auditee qualified as low-risk auditee? yes no

**CHIPPEWA COUNTY, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2022**

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

None.

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 <i>State Single Audit Guidelines</i> : | |
| 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 L. Anderson, CPA |
| 5. Date of Report | August 28, 2023 |

**CHIPPEWA COUNTY, WISCONSIN
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2022**

FINDING: 2021-001 Limited Segregation of Duties

Condition: This finding was a significant deficiency stating that there was a lack of segregation of duties in the internal control structure of the organization.

Status: Corrected. Duties are being separated as much as possible and alternative controls are being implemented to compensate for lack of separation.



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