

LA CROSSE COUNTY, WISCONSIN
La Crosse, Wisconsin

SINGLE AUDIT REPORT
December 31, 2012

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**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**

Members of the County Board
La Crosse County, Wisconsin
La Crosse, 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of La Crosse County, Wisconsin, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise La Crosse County, Wisconsin's basic financial statements, and have issued our report thereon dated June 26, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered La Crosse County, Wisconsin'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 La Crosse County, Wisconsin's internal control. Accordingly, we do not express an opinion on the effectiveness of La Crosse County, Wisconsin's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as Finding 2012-01 that we consider to be a significant deficiency.

Compliance and Other Matters

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

La Crosse County, Wisconsin's Response to Findings

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

Purpose of this Report

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

A handwritten signature in black ink that reads "Clifton Larson Allen LLP". The signature is written in a cursive, flowing style.

Milwaukee, Wisconsin
June 26, 2013

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR FEDERAL PROGRAM, ON INTERNAL CONTROL OVER COMPLIANCE, AND ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS IN ACCORDANCE WITH OMB CIRCULAR A-133

Members of the County Board
La Crosse County, Wisconsin
La Crosse, Wisconsin

Report on Compliance for Each Major Federal Program

We have audited La Crosse County, Wisconsin's 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 La Crosse County, Wisconsin's major federal programs for the year ended December 31, 2012. La Crosse County, Wisconsin's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of La Crosse County, Wisconsin's major federal 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; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 program occurred. An audit includes examining, on a test basis, evidence about La Crosse County, Wisconsin'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 program. However, our audit does not provide a legal determination of La Crosse County, Wisconsin's compliance.

Opinion on Each Major Federal Program

In our opinion, La Crosse County, Wisconsin 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 programs for the year ended December 31, 2012.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as Finding 2012-03. Our opinion on each major federal program is not modified with respect to these matters.

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

Report on Internal Control Over Compliance

Management of La Crosse County, Wisconsin 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 La Crosse County, Wisconsin's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 La Crosse County, Wisconsin'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 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 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as Finding 2012-02, which we consider to be a significant deficiency.

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

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. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of La Crosse County, Wisconsin as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise, Wisconsin's basic financial statements. We issued our report thereon dated June 26, 2013, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

CliftonLarsonAllen LLP

Milwaukee, Wisconsin

September 27, 2013,

Except for the Schedule of Expenditures of
Federal Awards, as to which the date is June 26, 2013

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH
REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL
EFFECT ON EACH MAJOR STATE PROGRAM, ON INTERNAL CONTROL
OVER COMPLIANCE, AND ON THE SCHEDULE OF EXPENDITURES OF
STATE AWARDS IN ACCORDANCE WITH THE *STATE SINGLE AUDIT GUIDELINES***

Members of the County Board
La Crosse County, Wisconsin
La Crosse, Wisconsin

Report on Compliance for Each Major State Program

We have audited La Crosse County, Wisconsin's compliance with the types of compliance requirements described in the *State Single Audit Guidelines* that could have a direct and material effect on each of La Crosse County, Wisconsin's major state programs for the year ended December 31, 2012. La Crosse County, Wisconsin's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of La Crosse County, Wisconsin's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and *the State Single Audit Guidelines* issued by the Wisconsin Department of Administration. Those standards and the *State Single Audit Guidelines* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about La Crosse County, Wisconsin'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 state program. However, our audit does not provide a legal determination of La Crosse County, Wisconsin's compliance.

Opinion on Each Major State Program

In our opinion, La Crosse County, Wisconsin 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 state programs for the year ended December 31, 2012.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the *State Single Audit Guidelines* which are described in the accompanying schedule of findings and questioned costs as Findings 2012-03 and 2012-04. Our opinion on each major state program is not modified with respect to these matters.

La Crosse County, Wisconsin's responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. La Crosse County, Wisconsin's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control Over Compliance

Management of La Crosse County, Wisconsin 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 La Crosse County, Wisconsin's internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the *State Single Audit Guidelines*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of La Crosse County, Wisconsin'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 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 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 state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as Finding 2012-04, which we consider to be a significant deficiency.

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

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 *State Single Audit Guidelines*. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of State Awards Required by the *State Single Audit Guidelines*

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of La Crosse County, Wisconsin as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise La Crosse County, Wisconsin's basic financial statements. We issued our report thereon dated June 26, 2013, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of state awards is presented for purposes of additional analysis as required by the *State Single Audit Guidelines* and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of state awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

CliftonLarsonAllen LLP

Milwaukee, Wisconsin

September 27, 2013,

Except for the Schedule of Expenditures of
State Awards, as to which the date is June 26, 2013

LA CROSSE COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2012

Federal Awards	CFDA Number	Expenditures
U. S. Department of Agriculture		
Passed through the Wisconsin Department of Public Instruction:		
National School Breakfast Program	10.553	
2011-12		\$ 2,394
2012-13		1,410
National School Lunch Program	10.555	
2011-12		4,202
2012-13		2,363
USDA Child and Adult Care Food Program		
2012	10.579	14,060
Passed through the Wisconsin Department of Health Services:		
Women, Infant and Children	10.557	
2012		468,635
Training Bilingual Professionals	10.561	
2011		4,697
State Admin Matching Grants for the Supp Nutritional Assistance Prog	10.561	
2012		519,631
WIC Farmer's Market Nutrition Program	10.572	
2012		361
U. S. Department of Housing and Urban Development		
Passed through the Wisconsin Department of Commerce:		
Community Development Block Grant (Emergency Assistance Program)	14.228	
2007-12		544,991
U. S. Department of Justice		
State Criminal Alien Assistance Program	16.606	
2008-12		4,349
Passed through Wisconsin DOA-Office of Justice Assistance:		
Safe Havens: Supervised Visitation	16.527	
2012		93,307
Edward Bryne Memorial Justice Assistance Program	16.738	
2012		34,462
2010 Recovery Act JAG Program - ARRA	16.803	
2010-13		157,035
Equitable Sharing Program	16.922	
2012		44,906
U. S. Department of Transportation		
Passed through the Wisconsin Department of Transportation:		
Safe Routes to School Program	20.205	
2012		26,567
Transportation Planning Grant	20.205	
2012		189,587
Supplemental Transportation Rural Assistance Program	20.514	
2012		140,800
Alcohol Enforcement Project 2012	20.601	
2012		29,935
Child Passenger Safety Car Seat	20.613	
2012		3,953
Passed through the Minnesota Department of Transportation:		
Highway Planning and Construction Grant	20.205	
2012		28,588

LA CROSSE COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2012

Federal Awards	CFDA Number	Expenditures
U. S. Department of Transportation (Continued)		
Transportation Planning Grant with La Crescent - ARRA 2012	20.205	\$ 9,458
Passed through the Wisconsin Department of Emergency Management: Hazardous Materials Emergency Preparedness Planning Subgrant 2012	20.703	5,716
U. S. Environmental Protection Agency		
Passed through the Wisconsin Department of Health Services: Radon Contract Services 2012	66.032	6,572
Passed through the Wisconsin Department of Natural Resources: Transient Non-Community System Sampling/Inspection Services 2012	66.432	11,335
U. S. Department of Energy		
Passed through the Wisconsin Department of Commerce: Energy Efficiency and Conservation Grant Program - ARRA 2010-12	81.128	4,062
U. S. Department of Education		
Passed through the Wisconsin Department of Health Services: Special Education - Grants for Infants and Families 2012	84.181	90,948
U. S. Department of Health and Human Services		
Passed thru Greater Wisconsin Agency on Aging Resources, Special programs for the aging:		
Title III-D - Preventive Health 2012	93.043	6,558
COA Title III-B - Grant for Supportive Services 2012	93.044	93,232
Special programs for the Aging Title III Part C 2012	93.045	121,526
Title III-E - National Family Caregiver Support 2012	93.052	44,446
Nutrition Services Incentive Program 2011-12	93.053	72,303
Social Services Block Grant 2012	93.667	3,432
State Health Insurance Program 2012	93.779	8,000
CMS Research, Demonstrations and Evaluations 2012	93.779	50,864
Passed through Wisconsin Department of Health Services:		
Public Health Emergency Preparedness 2011-12	93.069	74,265
2012-13		8,346
Medical Reserve Corps Small Grant Program 2012-13	93.069	91
Passed through the Wisconsin Department of Children and Families:		
Meth Grant Cooperative 2012	93.087	24,000

LA CROSSE COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2012

Federal Awards	CFDA Number	Expenditures
U. S. Department of Health and Human Services (Continued)		
Passed through Wisconsin Department of Health Services:		
Project Grants and Coop Agreements for Tuberculosis Programs	93.116	
2011-12		\$ 330
2012-13		479
Passed through the Medical College of Wisconsin:		
Substance Abuse and Mental Health Projects	93.243	
2011-12		13,904
Child Immunization Grant	93.268	
2011		17,030
2012		21,282
Passed through Wisconsin Department of Health Services:		
Strengthening Public Health Infrastructure for Improved Health Outcomes	93.507	
2012		10,000
PPHF 2012 National Public Health Improvement Initiative	93.507	
2011-12		30,135
2012-13		11,373
Patient Protection and Affordable Care Act	93.531	
2012		192,759
2012-13		23,728
Temporary Assistance for Needy Families	93.558	
2012		14,877
Passed through Monroe County, Wisconsin:		
Strengthening Public Health Infrastructure for Improved Health Outcomes	93.507	
2012		8,800
Patient Protection and Affordable Care Act	93.531	
Passed through Vernon County, Wisconsin:		
Affordable Care Act - Medicare improvements for Patients and Providers	93.518	
2012		9,449
Medicare Enrollment Assistance Program	93.779	
2012		5,868
Passed through the Wisconsin Department of Children and Families:		
Promoting Safe and Stable Families	93.556	
2012		61,800
Temporary Assistance for Needy Families	93.558	
2012		561,826
Child Support Enforcement	93.563	
2012		848,427
Low Income Home Energy Assistance Program	93.568	
2011-12		31,594
2012-13		23,686
Child Care Development Fund	93.596	
2012		295,013
Chafee Education and Training Vouchers Program	93.599	
2012		2,425
Nutrition Consulting Services	93.600	
2011-12		3,958
2012-13		10,620
RCC Administration	93.778	
2012		9,058
Passed through Wisconsin Department of Corrections:		
Community Youth and Family Aids Program	93.645	
2012		12,374
Community Youth and Family Aids Program	93.658	
2012		19,797

LA CROSSE COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2012

Federal Awards	CFDA Number	Expenditures
U. S. Department of Health and Human Services (Continued)		
Passed through the Wisconsin Department of Children and Families:		
Foster Care - Title IV-E 2012	93.658	\$ 43,022
Chafee Foster Care Independence Program 2012	93.674	30,952
Passed through Wisconsin Department of Health Services:		
Social Services Block Grant 2012	93.667	7,956
Prevention and Wellness - ARRA 2010-12	93.724	723,160
State Children's Insurance Program 2012	93.767	86,142
Medical Assistance Program 2011-12	93.778	6,705
2012		4,329,922
2012-2013		8,222
CCS 2012	93.778	991,511
RCC Administration 2012	93.778	15,543
HIV Care Formula Grants 2012	93.917	16,000
Block Grants for Community Mental Health Services 2012	93.958	132,597
Block Grants for the Prevention and Treatment of Substance Abuse 2012	93.959	219,548
Preventative Health and Health Services Block Grant 2011	93.991	9,122
Maternal and Child Health Services 2011	93.994	22,838
2012		35,215
Federal Emergency Management Assistance		
Passed through the Wisconsin Department of Military Affairs:		
Hazard Mitigation Grant Program 2012-13	97.039	12,058
Emergency Management Performance Grant 2011-12	97.042	50,889
2012-13		16,500
U. S. Office for Domestic Preparedness		
Passed through the State of Wisconsin Office of Justice Assistance:		
Homeland Security Program Grant Award 2011-12	97.067	48
Homeland Security Program Grant Award 2012-13	97.067	500
Homeland Security Program Grant Award-IFERN 2012-13	97.067	16,495
Homeland Security Program Grant Award-WISCOM Upgrade 2012	97.067	69,563
TOTAL FEDERAL AWARDS		\$ 12,036,487

See accompanying notes to the schedules of expenditures of federal and state awards.

LA CROSSE COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES OF STATE AWARDS
Year Ended December 31, 2012

State Awards	State ID Number	Expenditures
Department of Agriculture, Trade and Consumer Protection		
Farmland Preservation Planning Grant 2012	N/A	\$ 6,302
Clean Sweep Hazardous Waste Program 2012	115.04	91,220
Soil and Water Resource Management - County Staff 2012	115.15	122,549
Land and Water Resource Management 2012	115.40	<u>64,000</u>
Total Department of Agriculture, Trade and Consumer Protection		<u>284,071</u>
Wisconsin Department of Commerce		
Private Sewage System Replacement Grant Program 2012-13	143.110	<u>21,591</u>
Department of Natural Resources		
Wildlife Damage Claims and Abatement 2012	370.553	10,512
Snowmobile Trail Maintenance 2011-12	370.574	17,113
2012-13		<u>26,642</u>
Total Department of Natural Resources		<u>54,267</u>
Department of Transportation		
Passed thru Age AdvantAge Inc.: Elderly and Handicapped Transportation County Aids 2012	395.101	<u>240,473</u>
Department of Corrections		
Capacity Building 2011-12	410.302	38,376
2012-13		58,210
Community Youth and Family Aids Program 2012	410.313	<u>1,205,182</u>
Total Department of Corrections		<u>1,301,768</u>
Department of Health Services		
Laboratory Sampling 2011-12	435.133	858
2012-13		876
WIC Farmers' Market Nutrition Program 2012	435.154720	1,928
CDC Investigations and Technical Assistance 2011	435.157000	5,946
2012		38,007
Lead Poisoning 2012	435.157720	9,008
T Melvin Community Education 2012	435.158125	124,005

LA CROSSE COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES OF STATE AWARDS
Year Ended December 31, 2012

State Awards	State ID Number	Expenditures
Department of Health Services (Continued)		
WI Wins 2012	435.158127	\$ 14,625
Maternal and Child Health Services Block Grant 2011	435.159320	1,676
2012		2,461
State Admin Matching Grants for Supplemental Nutrition Program 2012	435.233	25,919
IMAA State Share 2012	435.283	1,897,838
Medicaid Subrogation Collection 2012	435.291	2,616
Adult Protective Services 2012	435.312	62,953
Community Options Program 2012	435.367	513,224
Community Services and Mental Health Services 2012	435.381	30,800
CSP Wait List 2012	435.504	57,772
Certified Mental Health Program 2012	435.517	57,621
Block Grants for Community Mental Health Services 2012	435.530	10,095
Grants for Infants and Families 2012	435.550	89,040
Medical Assistance Program 2012	435.559	63,125
Aging & Disability Resource Center 2012	435.560100	1,254,887
Basic County Allocation 2012	435.561	2,802,083
Grant Community Programs 2012	435.571	31,587
Family Support Program 2012	435.577	104,160
CLTS Autism DD GPR 2012	435.802	113,393
CLTS Other DD GPR 2012	435.805	199,665
CLTS Autism MH GPR 2012	435.808	14,284
Coord Service Team Jan 2011 2012	435.81002	6,780
CLTS Other MH GPR 2012	435.811	91,444
CLTS PD GPR 2012	435.817	44,783
CLTS DD AUT CWA Admin GPR 2012	435.832	12,070
CLTS DD Oth CWA Admin GPR 2012	435.835	15,741
CLTS MH AUT CWA Admin GPR 2012	435.838	4,173
CLTS MH Oth CWA Admin GPR 2012	435.841	8,794

LA CROSSE COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES OF STATE AWARDS
Year Ended December 31, 2012

State Awards	State ID Number	Expenditures
Department of Health Services (Continued)		
CLTS PD Oth CWA Admin GPR 2012	435.847	\$ 1,401
Passed thru Children's Health Alliance of Wisconsin: Seal a Smile Dental Sealant Program 2012	N/A	4,500
Passed thru UW School of Medicine and Public Health: Harvest of the Month Partnership 2012	N/A	<u>13,632</u>
Total Department of Health Services		<u>7,733,770</u>
Department of Health Services		
Passed thru Greater Wisconsin Agency on Aging Resources: Elderly Benefit Specialist Program 2012	435.560320	28,215
State Pharmaceutical Program 2011-12	435.560327	7,780
Senior Community Services Program 2012	435.560330	9,944
Title III C-1 2012	435.560350	99,256
Title III C-2 2012	435.560360	6,619
Elder Abuse* 2012	435.560490	<u>38,588</u>
Total thru Greater Wisconsin Agency on Aging Resources		<u>190,402</u>
Department of Children and Families		
General Program Revenue - Various Programs 2012	437.215	114,912
FS Agency Collections 2012	437.267	6,609
CW Permanency Round Tables 2012	437.328	968
CQI Case Review 2012	437.3346	5,459
Basic County Allocation 2012	437.3561	1,754,681
CW County Data Leadership Initiative 2012	437.3611	10,326
Child Support Enforcement -State Share 2012	437.7502	<u>99,153</u>
Total Department of Children and Families		<u>1,992,108</u>
Department of Justice		
Crime Victim and Witness Assistance Surcharge 2012	455.532	<u>93,101</u>

LA CROSSE COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES OF STATE AWARDS
Year Ended December 31, 2012

State Awards	State ID Number	Expenditures
Department of Military Affairs		
Computer and Hazmat Equipment Grant 2012	465.310	\$ 15,225
Emergency Government Planning Grant 2011-12	465.337	19,394
2012-13		6,624
Computer and Hazmat Equipment Grant 2012	465.367	<u>4,540</u>
Total Department of Military Affairs		<u>45,783</u>
Department of Veterans Affairs		
County Veterans Service Officer 2012	485.001	<u>13,000</u>
Wisconsin Department of Administration		
Low Income Home Energy Assistance Program 2011-12	505.371	60,008
2012-13		<u>27,712</u>
Total Wisconsin Department of Administration		<u>87,720</u>
Department of Justice		
Edward Byrne Memorial Justice Assistance Grant 2012	505.631	<u>16,035</u>
TOTAL STATE AWARDS		<u>\$ 12,074,089</u>

See accompanying notes to the schedules of expenditures of federal and state awards.

**LA CROSSE COUNTY, WISCONSIN
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
Year Ended December 31, 2012**

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the grant activity of La Crosse County, Wisconsin, and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. Unless otherwise noted, the County provided matching funds in accordance with the federal requirements. For the year ended December 31, 2012, adequate matching funds were provided for all federal programs presented.

The accompanying schedule of expenditures of state awards includes the grant activity of La Crosse County, Wisconsin, and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the *State Single Audit Guidelines*. Therefore, some amounts in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. Unless otherwise noted, the County provided matching funds in accordance with the state requirements. For the year ended December 31, 2012, adequate matching funds were provided for all state programs presented.

NOTE 2 - DIRECT CLIENT PAYMENTS FROM STATE

The value of the 2012 client payments submitted directly from the State has not been included in the Schedule of Expenditures of Federal Awards or the Schedule of Expenditures of State Awards. These amounts are unaudited.

Food Share	\$ 17,839,876
LIHEAP	1,761,378
W-2 Payments - TANF	231,627
Child Care	2,816,720

NOTE 3 - MEDICAL ASSISTANCE PAYMENTS RECEIVED

Wisconsin medical assistance payments received by the County in 2012 are as follows:

Hillview Health Care Center	\$4,483,074
Health Department Programs	287,857
Human Services Programs	2,695,933

LA CROSSE COUNTY, WISCONSIN
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
Year Ended December 31, 2012

NOTE 4 - CLUSTERS

The following clusters of federal funds are included in the accompanying schedule:

Child Nutrition Cluster - 10.553 and 10.555
JAG Program Cluster - 16.738 and 16.803
Highway Safety Cluster - 20.600, and 20.613
Aging Cluster - 93.044, 93.045, and 93.053

NOTE 5 - SUB-RECIPIENTS

Of the federal expenditures tested and presented in the accompanying Schedule of Expenditures of Federal Awards, the County provided federal awards to sub-recipients as follows:

ARRA - Prevention and Wellness - Communities Putting
Prevention to Work (CFDA 93.724) - \$279,022

This information is an integral part of the accompanying schedules.

**LA CROSSE COUNTY, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2012**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? Yes

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? Yes

Type of auditor's 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

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
-----------------------	---

93.563	Child Support Enforcement
93.724	ARRA-Prevention and Wellness- Communities Putting Prevention to Work
93.778	Medical Assistance Program

Dollar threshold used to distinguish between type A and type B programs \$ 361,095

Auditee qualified as low-risk auditee? Yes

**LA CROSSE COUNTY, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2012**

Section I - Summary of Auditor's Results (Continued)

State Awards

Internal control over major programs:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? Yes

Type of auditor's report issued on compliance for major programs Unmodified

Identification of major programs tested:

<u>State ID Number(s)</u>	<u>Name of State Program</u>
115.15	Soil and Water Resource Management-County Staff
435.283	Income Maintenance
435.367	Community Options Program
435.560100	Aging and Disability Resource Center
435.802, 435.805, 435.808, 435.811 435.817, 435.832, 435.835, 435.838 435.841, 435.847	Children's Long-Term Support Waivers (Cluster)
437.7502	Child Support-IV Program
N/A	Comprehensive Community Services
N/A	Wisconsin Medicaid Cost Reporting
N/A	Community Recovery Services
N/A	Department of Health Services - General Requirements
N/A	Department of Children and Families - General Requirements

Dollar threshold used to distinguish between Type A and Type B programs:

All other departments	\$ 100,000
Department of Health Services	\$ 232,479

Auditee qualified as low-risk auditee? Yes

LA CROSSE COUNTY, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2012

Section II - Financial Statement Findings

FINDING NO. 2012-01 - Audit Adjustments

Requirement

The County must maintain an environment that provides sufficient controls to ensure accurate reporting.

Condition

Journal entries were made as a result of the audit process related to the proper valuation of receivables within an enterprise fund, estimates of claims payable within internal service funds, and restatement of net position related to implementation of new accounting standards.

Cause

The County has an adequate review process in place for journal entries and account reconciliations and analysis. However, additional information related to departmental receivables was obtained during the audit process which resulted in an adjustment. Also, a lag schedule obtained from an outside party was used during the audit to evaluate the claims payable estimates within an internal service fund and an adjustment was proposed.

Effect

Journal entries were proposed to adjust the County's year-end balances.

Recommendation

Appropriate County fiscal staff should perform analytical procedures and inquiries of department heads related to valuation of accounts receivable. In addition, analysis of claim payments in the subsequent year could be expanded to ensure accurate estimates are made of claims payable.

Management's Response

Over the past two years, the incurred but not reported (IBNR) estimated liability for one of the health plans was reported based on the calculation of the third party administrator (TPA). The net audit adjustment over the past two years was \$1,000, which was a decrease in net position for 2011 of \$151,000 and an increase in net position for 2012 of \$150,000. For future years, this calculation prepared by the TPA will not be used, and the lag schedule from the TPA will be used to calculate the IBNR.

A review process of patient accounts receivable is in place at Hillview nursing home. This review involves the department head, business manager, and accounts receivable clerk where any uncollectible balances are deemed to be written off. For 2012, this review was performed, but the journal entry was missed. For future years, the Finance department will meet with the business manager to ensure that this process is completed and posted.

**LA CROSSE COUNTY, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2012**

Section III - Federal and State Award Findings and Questioned Costs

FINDING NO. 2012-02

CFDA Number - 93.563

Program Name - Child Support Enforcement

Pass Through Agency - Wisconsin Department of Children and Family

CFDA Number - 93.724

Program Name - ARRA - Prevention and Wellness - Communities Putting Prevention to Work

Pass Through Agency - Wisconsin Department of Health Services

Funding Agency - U.S. Department of Health and Human Services

Requirement

County vendors that are paid via federal program grants should be reviewed during the contracting phase to ensure that they are not included on the suspended or debarred listing compiled by the federal government.

Condition

The child support and health departments do not presently have a control in place when contracting with vendors to review for suspension and debarment.

Questioned Costs

None, as all vendors tested within these programs for 2012 were found not to be on the suspended or debarred listing.

Cause

Child support and health departments enter into contracts which will be paid for through use of federal grant dollars. Presently only the County's human service and purchasing department have procedures in place that address suspension and debarment issues of potential vendors.

Effect

The County could contract with a suspended or debarred vendor without realizing it. This could potentially lead to federal funds being disallowed for use in payment to these vendors.

Recommendation

We recommend that the County provide training to all department heads on how to comply with the suspension and debarment review required by the federal government related to vendor contracts. The County may also want to consider creation of a checklist that would include the steps that require documentation of such a review.

Management's Response

The finance department will work with corporation counsel to have the proper language added to contracts and agreements regarding the issue of suspension and debarment. Also, training will be provided to department heads on how to comply with the review needed regarding this issue.

**LA CROSSE COUNTY, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2012**

Section III - Federal and State Award Findings and Questioned Costs (Continued)

FINDING NO. 2012-03

CFDA Number - 93.778
State ID Number - Various
Program Name - Children's and Long-Term Support (CLTS) Waivers
Funding Agency - U.S. Department of Health and Human Services
Pass Through Agency - Wisconsin Department of Health Services

Requirement

The County is required to assure the State that providers used comply with all requirements of the Medicaid Waiver Allowable Services listed under service requirements, limitation, exclusions and standards for SPC codes 507.03, 110, 512, 103, and 104.

Condition

Out of ten providers tested, there was one instance where the County was unable to produce the documentation showing that the provider complied with the requirements of the Medicaid Waiver Allowable Services.

Questioned Costs

Payments to this vendor totaled \$1,290.

Cause

The County typically obtains a Wisconsin Medicaid Program Provider Agreement and Acknowledgement of Terms of Participation from each provider. On this form, the provider attests to the holding of appropriate licenses and qualifications required. One provider tested did not provide this form to the County for 2012.

Effect

The County failed to document if the vendor held the appropriate qualifications for the services rendered within their files.

Recommendation

The County should not use providers that fail to comply with the County's policy of receipt of the Wisconsin Medicaid Program Provider Agreement and Acknowledgment of Terms of Participation.

Management's Response

During the latter part of 2012 as part of the 2013 contracting cycle, changes were made to overcome this issue. Once a vendor contract is approved, the contract unit checks to ensure the vendor is registered on the state website and has signed the Wisconsin Provider Agreement and Acknowledgement of Terms of Participation form. This is completed before any services are entered into our accounting system, thereby preventing any authorizations being sent to WPS, the third-party claims administrator.

**LA CROSSE COUNTY, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2012**

Section III - Federal and State Award Findings and Questioned Costs (Continued)

FINDING NO. 2012-04

Program Name - General Requirements - Wisconsin Department of Health Services
Funding Agency - U.S. Department of Health and Human Services
Pass Through Agency - Wisconsin Department of Health Services

Requirement

The County is to provide client rights training to all employees that work with clients.

Condition

Of the twenty-four employees tested, two nonregular crisis employees did not receive the required training.

Questioned Costs

None - this is a procedural issue

Cause

Nonregular employees do not have access to the same computer generated training as regular daytime staff of the County. Nonregular employees are to receive their training via email. During 2012 the email alerting the nonregular staff of the required training was missed.

Effect

Nonregular employees failed to receive the appropriate client rights training during 2012.

Recommendation

The County needs to implement a mechanism that assures that all employees who deal with clients receive the appropriate training on an annual basis.

Management's Response

The administrative staff overseeing training requirements have begun notifying the County's Crisis Program Administrator when agency-wide training is required for Human Service employees. Since the nonregular employees do not have access to the Human Services training software, the Crisis Program Administrator will send the training materials to those staff via email. The staff will then review the training materials and send an email back verifying their completion. This documentation will then be forwarded to administrative staff for recordkeeping purposes.

**LA CROSSE COUNTY, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2012**

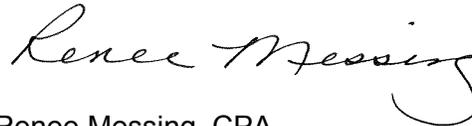
Section IV - Other Matters

1. Does the auditor's report or the notes to the financial statements include disclosure with regard to substantial doubt as to the auditee's ability to continue as a going concern?
No

2. Does the auditor's 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 Commerce	No
Department of Natural Resources	No
Department of Transportation	No
Department of Corrections	No
Department of Health Services	Yes
Department of Public Instruction	No
Department of Children and Families	No
Department of Justice	No
Department of Military Affairs	No
Department of Veterans Affairs	No
Department of Administration	No
Public Service Commission	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 partner: Renee Messing, CPA

5. Date of report: September 27, 2013

**LA CROSSE COUNTY, WISCONSIN
STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2012**

FINDING NO. 2011-02

CFDA Number - 93.778
Program Name - Medical Assistance - Comprehensive Community Service (CCS)
Funding Agency - U.S. Department of Health and Human Services
Pass Through Agency - Wisconsin Department of Health Services

Requirement

The CCS Program requires a signed prescription within each consumer's file prior to services being rendered to a consumer.

Current Status

No errors were noted within our testing for prescriptions within consumer files for 2012. This finding has been resolved.

FINDING NO. 2011-03

CFDA Number - 93.778
Program Name - Medical Assistance - Comprehensive Community Service (CCS)
Funding Agency - U.S. Department of Health and Human Services
Pass Through Agency - Wisconsin Department of Health Services

Requirement

The CCS Program requires that all services received by the consumer must be authorized within the consumer's recovery plan by provider.

Current Status

No errors were observed within our testing during 2012. This finding has been resolved.

FINDING NO. 2011-04

CFDA Number - 93.778
Program Name - Medical Assistance - Comprehensive Community Service (CCS)
Funding Agency - U.S. Department of Health and Human Services
Pass Through Agency - Wisconsin Department of Health Services

Requirement

Consumer recovery plans are to be reviewed every six months and are to show the consumer's or guardian's participation through his or her signature on the plan.

Current Status

No errors were observed within our testing during 2012. This finding has been resolved.

**LA CROSSE COUNTY, WISCONSIN
STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2012**

FINDING NO. 2011-05

State ID Number - None
Program Name - Wisconsin Medicaid Cost Reporting
Oversight Agency - Wisconsin Department of Health Services

Requirement

The County must maintain an environment that provides sufficient controls to ensure accurate reporting.

Current Status

No errors were observed within our testing during 2012. This finding has been resolved.

FINDING NO. 2011-06

State ID - None
Program Name - Children's and Long-Term Support (CLTS) Waivers
Funding Agency - U.S. Department of Health and Human Services
Pass Through Agency - Wisconsin Department of Children and Families

Requirement

The County is required to assure the State that providers used comply with all requirements of the Medicaid Waiver Allowable Services listed under: service requirements/limitation/exclusions and standards for SPC codes 507.03, 110,512,103 and 104.

Current Status

This finding is unresolved and is repeated at Finding No. 2012-03.

FINDING NO. 2011-07

State ID - None
Program Name - Community Recovery Services
Funding Agency - U.S. Department of Health and Human Services
Pass Through Agency - Wisconsin Department of Health Services

Requirement

Medicaid only allows billable units of service to be claimed through a Medicaid billing system. Billable units may start upon the consumer's enrollment in the program.

Current Status

No errors were observed within our testing during 2012. This finding has been resolved