

## **Sauk County**

Report on Federal and State Awards

December 31, 2022

# Sauk County

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**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***

**Independent Auditors' Report**

To the County Board of Supervisors of  
Sauk County

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 Sauk County (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 31, 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 entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2022-001, that we consider to be a material weakness.

**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 tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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## **The County's Response to Finding**

*Government Auditing Standards* requires the auditor to perform limited procedures on the County's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other 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 results 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.

*Baker Tilly US, LLP*

Madison, Wisconsin  
July 31, 2023

**Report on Compliance  
for Each Major Federal and Major State Program;  
Report on Internal Control Over Compliance; and  
Report on the Schedule of Expenditures of  
Federal and State Awards Required by the Uniform Guidance  
and the *State Single Audit Guidelines***

Independent Auditors' Report

To the County Board of Supervisors of  
Sauk County

**Report on Compliance for Each Major Federal and Major State Program**

***Opinion on Each Major Federal and Major State Program***

We have audited Sauk County's (the County) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the *State Single Audit Guidelines* (the *Guidelines*) that could have a direct and material effect on each of the County's major federal and major state programs for the year ended December 31, 2022. The County's major federal and major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and major state programs for the year ended December 31, 2022.

***Basis for Opinion on Each Major Federal and Major 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 (*Government Auditing Standards*); 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 *Guidelines*. Our responsibilities under those standards, the Uniform Guidance, and the *Guidelines* are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the 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 major state program. Our audit does not provide a legal determination of the 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 controls over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the 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 the 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 *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 the County's compliance with the requirements of each major federal and major state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the *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 the 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 the 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 and the *Guidelines*, but not for the purpose of expressing an opinion on the effectiveness of the 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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or 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 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 described 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 results of that testing based on the requirements of the Uniform Guidance and the *Guidelines*. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of Federal and State Awards Required by the Uniform Guidance and the *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 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. We issued our report thereon dated July 31, 2023, 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 and state awards is presented for purposes of additional analysis as required by the Uniform Guidance and the *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 basic 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 and state awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Baker Tilly US, LLP*

Madison, Wisconsin  
October 26, 2023

**Sauk County**

Schedule of Expenditures of Federal and State Awards  
Year Ended December 31, 2022

Grantor Agency / Program Title	Federal AL Number	Pass-Through Agency	Pass-Through Agency or Grant ID	Expenditures	Payments to Subrecipients
<b>Federal Programs</b>					
<b>U. S. Department of Agriculture</b>					
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	DHS	056-130	\$ 335,847	\$ -
<b>SNAP Cluster</b>					
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	DHS	056-130	33,999	-
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	Dane County, WI	83020	171,044	-
Total SNAP Cluster				205,043	-
Total U.S. Department of Agriculture				540,890	-
<b>U.S. Department of Housing and Urban Development</b>					
Community Development Block Grants/State's Program	14.228	DOA	N/A	427,333	-
Total U.S. Department of Housing and Urban Development				427,333	-
<b>U.S. Department of the Interior</b>					
National Geospatial Program: Building the National Map	15.817	DOA	G20Ac00111-020-LI07	20,000	-
Total U.S. Department of the Interior				20,000	-
<b>U.S. Department of Justice</b>					
State Criminal Alien Assistance Program	16.606	DOJ	15PBJA-20-RR-00487-SCAA	20,888	-
Bullet Proof Vest Partnership Program	16.607	DOJ	FY2019	6,560	-
Total U.S. Department of Justice				27,448	-
<b>U.S. Department of Transportation</b>					
Formula Grants for Rural Areas	20.509	DOT	N/A	35,157	-
<b>Highway Safety Cluster</b>					
State and Community Highway Safety	20.600	DOT	05796	49,544	-
State and Community Highway Safety	20.600	DOT	05928	19,973	-
Total Highway Safety Cluster				69,517	-
Total U.S. Department of Transportation				104,674	-
<b>U.S. Department of Treasury</b>					
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	21.027	N/A	20-1982-0-1-806	2,976,255	-
Total U.S. Department of Treasury				2,976,255	-
<b>U.S. Environmental Protection Agency</b>					
State Indoor Radon Grants	66.032	DHS	056-210	6,252	-
Total U.S. Environmental Protection Agency				6,252	-

See notes to schedule of expenditures of federal and state awards



**Sauk County**

Schedule of Expenditures of Federal and State Awards  
Year Ended December 31, 2022

Grantor Agency / Program Title	Federal AL Number	Pass-Through Agency	Pass-Through Agency or Grant ID	Expenditures	Payments to Subrecipients
<b>U.S. Department of Education</b>					
Special Education-Grants for Infants and Families	84.181	DHS	056-210	\$ 67,111	-
Total U.S. Department of Education				67,111	-
<b>U. S. Department of Health and Human Services</b>					
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043	GWAAR	N/A	7,724	-
No Wrong Door System COVID-19 Vaccine Access Supplemental Funding	93.048	DHS	056-210	16,800	-
Subtotal				24,524	-
<b>Aging Cluster</b>					
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	GWAAR	N/A	63,054	-
COVID-19 Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	GWAAR	N/A	37,745	-
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	GWAAR	N/A	120,407	-
COVID-19 Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	GWAAR	N/A	72,632	-
Subtotal				293,838	-
Total Aging Cluster				293,838	-
National Family Caregiver Support, Title III, Part E	93.052	GWAAR	N/A	30,961	-
COVID-19 National Family Caregiver Support, Title III, Part E	93.052	GWAAR	N/A	1,151	-
Subtotal				32,112	-
Public Health Emergency Preparedness	93.069	DHS	056-210	45,838	-
Guardianship Assistance	93.090	DCF	SPARC 2022	21,778	-
Injury Prevention and Control Research and State and Community Based Programs	93.136	DHS	2020-PD-01-15769	176,429	-
Immunization Cooperative Agreements	93.268	DHS	056-210	18,808	-
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	DHS	056-210	221,589	-
Drug-Free Communities Support Program Grants	93.276	DHS	NU17CE010110	130,418	-
COVID-19 Provider Relief Funds	93.498	N/A	N/A	82,811	-
Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program	93.505	Adams County, WI	18-3004	516,360	-
Promoting Safe and Stable Families	93.556	DCF	SPARC 2022	52,951	-
Subtotal				1,266,982	-
Temporary Assistance for Needy Families	93.558	DHS	056-110	127,763	-
Subtotal				127,763	-
Child Support Enforcement	93.563	DCF	SPARC 2022	866,610	-
<b>CCDF Cluster</b>					
Child Care and Development Block Grant	93.575	DCF	SPARC 2022	145,879	-
Total CCDF Cluster				145,879	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	DCF	SPARC 2021	35,013	-
Foster Care - Title IV-E	93.658	DCF	SPARC 2021	553,139	-
Subtotal				588,152	-

See notes to schedule of expenditures of federal and state awards

**Sauk County**

Schedule of Expenditures of Federal and State Awards  
Year Ended December 31, 2022

Grantor Agency / Program Title	Federal AL Number	Pass-Through Agency	Pass-Through Agency or Grant ID	Expenditures	Payments to Subrecipients
Adoption Assistance	93.659	DCF	SPARC 2022	\$ 7,225	-
Social Services Block Grant	93.667	DHS	056-110	199,264	-
Elder Abuse Prevention Interventions Program	93.747	DHS	056-210	5,514	-
Children's Health Insurance Program	93.767	Dane County	83020	25,078	-
Subtotal				237,081	-
Medicaid Cluster					
Medical Assistance Program	93.778	DHS	056-210	181,162	-
Medical Assistance Program-WIMCR	93.778	DHS	056-210	599,336	-
Medical Assistance Program	93.778	DHS	056-210	1,067,422	-
Medical Assistance Program	93.778	Dane County	83020	312,685	-
Total Medicaid Cluster				2,160,605	-
Opioid STR	93.788	DHS	056-210	225,681	-
Block Grants for Community Mental Health Services	93.958	DHS	056-210	25,641	-
Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality Improvement	93.912	DHS	GA142910	139,544	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	DHS	056-210	83,403	-
Subtotal				474,269	-
Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF)	93.991	DHS	056-210	8,284	-
Maternal and Child Health Services Block Grant to the States	93.994	DHS	056-210	25,163	-
Total U.S. Department of Health and Human Services				6,251,262	-
Total federal programs				\$ 10,421,225	\$ -

See notes to schedule of expenditures of federal and state awards

# **Sauk County**

Schedule of Expenditures of Federal and State Awards  
Year Ended December 31, 2022

Grantor Agency / Program Title	State ID Number	Pass- Through Agency	Pass- Through Agency or Grant ID	Expenditures
<b>State Programs</b>				
<b>Wisconsin Department of Agriculture, Trade and Consumer Protection</b>				
Wisconsin Clean Sweep	115.040	N/A	N/A	\$ (1,724)
County Staff and Support	115.150	N/A	9217-21-57-00	172,634
Land and Water Resource Management	115.400	N/A	LW 20-03,04,08,12,15,17,18,19,20,04,01,02,07	67,528
Total Wisconsin Department of Agriculture, Trade, and Consumer Protection				238,438
<b>Wisconsin Department of Natural Resources</b>				
Off-Highway Motorcycle Trail Grant	370.952	N/A	ATV-43258,4327	693
Snowmobiles - Registration	370.574	N/A	NA	3,152
Recreational Aids - Snowmobile Trail and Area	370.485	N/A	NA	48,707
Wildlife Damage Claims	370.553	N/A	20-7255-0044RA	23,552
Conservation Aids	370.563	N/A	NA	1,250
Total Wisconsin Department of Natural Resources				77,354
<b>Wisconsin Department of Transportation</b>				
Elderly and Handicapped County Aids	395.168	N/A	N/A	176,756
Total Wisconsin Department of Transportation				176,756
<b>Wisconsin Department of Health Services</b>				
IMAA STATE SHARE	435.000283	Dane County	83018	491,721
IMAA FEDERAL SHARE	435.000284	Dane County	83020	2,459
APS-ADULT PROTECTIVE SVCS	435.000312	N/A	NA	46,440
CHILDREN'S COP	435.000377	N/A	NA	50,072
ALZHEIMERS FAMILY SUPPORT	435.000381	N/A	NA	25,781
COORDINATED SERVICES-CTY	435.000515	N/A	NA	50,586
COMMUNITY MENTAL HEALTH	435.000516	N/A	NA	197,417
ROOM/BOARD RSUD MCKINSEY	435.000548	N/A	NA	7,856
BIRTH TO THREE INITIATIVE	435.000550	N/A	NA	73,878
BASIC COUNTY ALLOCATION	435.000561	N/A	NA	1,137,723
BASIC COUNTY ALLOCATION	435.000681	N/A	NA	158,483
CLTS WAIVER CWA ADMIN GPR	435.000877	N/A	NA	152,948
WIC FARMERS MARKET	435.154720	N/A	NA	3,889
COMM DISEASE CTRL & PREV	435.155800	N/A	NA	10,600
CONS CONTRACTS CHHD LD	435.157720	N/A	NA	7,330
Senior Community Svs Prog	435.560330	GWAAR	NA	7,587
Title 3C-1 Cong Meal Prog	435.560355	GWAAR	NA	87,234
Title 3C-2 Home Meals	435.560360	GWAAR	NA	1,840
ELDER ABUSE SERVICE	435.560490	N/A	056-110	21,768
CLTS WAIVER - Non-Federal	435.871000	TPA	NA	549,884
CLTS GRANDFATHER ADMN GPR	435.882000	N/A	056-110	(6,679)
Total Wisconsin Department of Health Services				3,078,817

See notes to schedule of expenditures of federal and state awards

**Sauk County**

Schedule of Expenditures of Federal and State Awards  
Year Ended December 31, 2022

Grantor Agency / Program Title	State ID Number	Pass- Through Agency	Pass- Through Agency or Grant ID	Expenditures
<b>Wisconsin Department of Children and Families</b>				
Food Stamp Agency Incentives	437.0965	N/A	N/A	\$ 255
AFDC Agency Incentives	437.0975	N/A	N/A	190
Medicaid Agency Incentives	437.0980	N/A	N/A	16
JJ Community Intervention Program	437.3410	N/A	SPARC 2022	77,128
JJ Youth Aids	437.3413	N/A	SPARC 2022	625,015
DSP Subsidized Guardianship	437.3456	N/A	SPARC 2022	40,446
Basic County Allocation	437.3561	N/A	SPARC 2022	527,218
CW Children & Families Allocations	437.3681	N/A	SPARC 2022	42,310
CS State GPR/PR Funding Allocation	437.7502	N/A	SPARC 2022	120,786
CS Medical Support GPR Earned	437.7606	N/A	SPARC 2022	3,186
CW Kinship Care Program - Benefits	437.3377A	N/A	N/A	35,309
CW Kinship Care Program - Benefits	437.3377B	N/A	N/A	138,686
CW Kinship Care Program - Assessment	437.3380A	N/A	N/A	4,980
CW Kinship Care Program - Assessment	437.3380B	N/A	N/A	9,960
Total Wisconsin Department of Children and Families				<u>1,625,485</u>
<b>Wisconsin Department of Justice</b>				
Purchase of UC Vehicles for Drug Surveillance	455.208	N/A	N/A	34,198
Treatment Alternatives & Diversion Program	455.271	N/A	N/A	39,352
Tribal Law Enforcement	455.277	N/A	N/A	23,308
Victim and Witness Assistance Program	455.532	N/A	N/A	<u>76,724</u>
Total Wisconsin Department of Justice				<u>173,582</u>
<b>Wisconsin Department of Military Affairs</b>				
Emergency Government Response Equipment	465.308	N/A	12412	<u>469</u>
Total Wisconsin Department of Military Affairs				<u>469</u>
<b>Wisconsin Department of Veteran Affairs</b>				
County Veterans Service Officer	485.001	N/A	N/A	12,650
County Veterans Transportation Services	485.002	N/A	N/A	<u>3,151</u>
Total Wisconsin Department of Veteran Affairs				<u>15,801</u>
<b>Wisconsin Department of Administration</b>				
Land Information Board Grants	505.173	N/A	N/A	<u>61,000</u>
Total Wisconsin Department of Administration				<u>61,000</u>
Total state programs				<u>\$ 5,447,702</u>

See notes to schedule of expenditures of federal and state awards

# Sauk County

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## Notes to Schedule of Expenditures of Federal and State Awards Year Ended December 31, 2022

### 1. Basis of Presentation

The accompanying schedule of expenditures of federal and state awards (the Schedule) includes the federal and state award activity of Sauk County, Wisconsin under programs of the federal and state government for the year ended December 31, 2022. The information in this schedule is presented in accordance with the 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*. Because the Schedule presents only a selected portion of the operations of Sauk County, it is not intended to and does not present the financial position, changes in net position or cash flows of County.

### 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual or modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance or other applicable regulations, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

The underlying accounting records for some grant programs are maintained on the modified accrual basis of accounting. Under the modified accrual basis, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the liability is incurred. The accounting records for other grant programs are maintained on the accrual basis, i.e., when the revenue has been earned and the liability is incurred.

### 3. CARS/SPARC Report Dates

The Schedule of Expenditures of Federal and State Awards includes adjustments through the following Community Aids Reporting System (CARS) reports dated February 15, 2023 and System for Payments and Reports of Contracts (SPARC) reports for December 2022.

## **Sauk County**

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Notes to Schedule of Expenditures of Federal and State Awards  
Year Ended December 31, 2022

### **4. Indirect Cost Rate**

Sauk County has not elected to use the 10 percent de minimis indirect cost rate of the Uniform Guidance.

### **5. Pass-Through Agencies**

Sauk County received federal awards from the following pass-through agencies:

<b>DHS</b>	Wisconsin Department of Health Services
<b>DOT</b>	Wisconsin Department of Transportation
<b>DCF</b>	Wisconsin Department of Children and Families
<b>DOA</b>	Wisconsin Department of Administration
<b>DOJ</b>	Wisconsin Department of Justice
<b>Dane County, WI</b>	Dane County, Wisconsin
<b>Adams County, WI</b>	Adams County, Wisconsin
<b>GWAAR</b>	Greater Wisconsin Agency on Aging Resources

# Sauk County

## Schedule of Findings and Questioned Costs Year Ended December 31, 2022

### Section I – Summary of Auditors' Results

#### Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:  
Material weakness(es) identified? X yes    no  
Significant deficiency(ies) identified?    yes X no

Noncompliance material to financial statements noted?    yes X no

#### Federal and State Awards

Internal control over major programs:

	<u>Federal Programs</u>	<u>State Programs</u>
Material weakness(es) identified?	<u>  </u> yes <u>X</u> no	<u>  </u> yes <u>X</u> no
Significant deficiencies identified that are not considered to be material weakness(es)?	<u>  </u> yes <u>X</u> none reported	<u>  </u> yes <u>X</u> none reported

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 2 CFR 200.516(a) of the Uniform Guidance or the *State Single Audit Guidelines*?    yes X no    yes X no

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

Dollar threshold used to distinguish between type A and type B programs: \$750,000 \$250,000

Identification of major federal programs:

<u>AL Numbers</u>	<u>Name of Federal Program or Cluster</u>
21.027 93.778	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds Medicaid Cluster – Medical Assistance Program

Identification of major state programs:

<u>State Numbers</u>	<u>Name of State Program</u>
93.778 435.561/681 and 437.3561 437.3413	Medical Assistance Program-WIMCR Basic County Allocation JJ Youth Aids

# Sauk County

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## Schedule of Findings and Questioned Costs Year Ended December 31, 2022

### Section II – Financial Statement Findings Required to be Reported in Accordance With Government Auditing Standards

#### Finding 2022-001 – Material Weakness – Financial Statement Close Process

*Criteria:* Auditing Standards AU-C 265 requires auditors to communicate circumstances that were evaluated to be significant deficiencies or material weaknesses in the County's structure of internal control.

*Condition:* Material journal entries were identified during the course of the audit and material adjustments were made to the financial statements prepared by the County.

*Cause:* The County does not currently have processes and controls in place to identify and correct all misstatements in the financial records, or the annual financial statements, or the schedule of expenditures of federal and state awards.

*Effect:* The County's interim financial records and annual financial statements may contain material misstatements prior to the audit.

*Recommendation:* The County should consider implementing additional internal control procedures to ensure the accuracy of its financial records and the annual financial statements.

*Views of Responsible Officials:* The County acknowledges material adjustments were made during the audit due to an error in posting accounts payable cash disbursements to the incorrect year and new programs (Opioid funding and GASB 87) requiring specific entries. Additional reviews, approvals and a year-end check list has been implemented to decrease the risk of material misstatements prior to the audit.

### Section III – Federal and State Awards Findings and Questioned Costs

No findings were reported.



## Sauk County

### Schedule of Findings and Questioned Costs Year Ended December 31, 2022

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#### Section IV – Other Issues

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? \_\_\_\_\_ yes        X   no

Does the audit report show audit issues (i.e., material non-compliance, non-material non-compliance, questioned costs, material weakness, significant deficiency, management letter comment, excess revenue or excess reserve) related to grants/contracts with funding agencies that require audits to be in accordance with the *State Single Audit Guidelines*:

Department of Agriculture, Trade and Consumer Protection	_____ yes	<u>  X  </u> no
Department of Administration	_____ yes	<u>  X  </u> no
Department of Military Affairs	_____ yes	<u>  X  </u> no
Department of Transportation	_____ yes	<u>  X  </u> no
Department of Health Services	_____ yes	<u>  X  </u> no
Department of Children and Families	_____ yes	<u>  X  </u> no
Department of Justice	_____ yes	<u>  X  </u> no
Department of Veteran Affairs	_____ yes	<u>  X  </u> no
Department of Natural Resources	_____ yes	<u>  X  </u> no

Was a Management Letter or other document conveying audit comments issued as a result of this audit?   X   yes      \_\_\_\_\_ no

Name and signature of partner

Amanda Blomberg

Amanda Blomberg, CPA, Managing Director

Date of report

October 26, 2023