

**TAZEWELL COUNTY, ILLINOIS**  
**SINGLE AUDIT REPORT**  
**YEAR ENDED NOVEMBER 30, 2020**



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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***

Chairman and Members of the County Board  
Tazewell County, Illinois

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 discretely presented component unit, each major fund, and the aggregate remaining fund information of Tazewell County, Illinois (the County) as of and for the year ended November 30, 2020, 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 28, 2021.

**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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2020-001 and 2020-002 that we consider to be material weaknesses.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

### **Tazewell County, Illinois' Response to Findings**

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

### **Purpose of this Report**

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



**CliftonLarsonAllen LLP**

Peoria, Illinois  
July 28, 2021



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE,  
AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
REQUIRED BY THE UNIFORM GUIDANCE**

Chairman and Members of the County Board  
Tazewell County, Illinois

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

We have audited Tazewell County, Illinois' (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 November 30, 2020. The County'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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of the County'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 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). Those standards and Uniform Guidance 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 the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

**Opinion on Each Major Federal Program**

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended November 30, 2020.

**Other Matters**

The results of or auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2020-004. Our opinion on each major federal program is not modified with respect to this matter.

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

**Report on Internal Control Over Compliance**

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal 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 the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph 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 have not been identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

*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 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 program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2020-003 to be a material weakness.

Chairman and Members of the County Board  
Tazewell County, Illinois

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2020-004 to be a significant deficiency.

The County's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of 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 Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

#### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County as of and for the year ended November 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated July 28, 2021, 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 the Uniform Guidance 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 federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



**CliftonLarsonAllen LLP**

Peoria, Illinois  
July 28, 2021

**TAZEWELL COUNTY, ILLINOIS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED NOVEMBER 30, 2020**

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Pass-through Grantor's Number	Expenditures	Passed through to Subrecipients
<b>U.S. Department of Agriculture</b>				
Passed through Illinois Department of Human Services:				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	FCSYQ01102	\$ 155,727	\$ -
	10.557	FCSZQ01102	84,741	-
			<u>240,468</u>	<u>-</u>
Peer Counseling	10.557	FCSYQ01178	23,129	-
	10.557	FCSZQ01178	16,097	-
			<u>39,226</u>	<u>-</u>
Total CFDA No. 10.557			279,694	-
WIC Farmer's Market Nutrition Program	10.572	FCSZQ00696	1,000	-
Total U.S. Department of Agriculture Passed Through Illinois Department of Human Services			280,694	-
Passed through Illinois State Board of Education:				
Summer Food Service Program	10.559	65108906551	25,919	-
Total U.S. Department of Agriculture			306,613	-
<b>U.S. Department of Health and Human Services</b>				
Passed through Illinois Department of Public Health:				
Cities Readiness Initiative	93.074	07580023H	26,220	-
	93.069	17580024I	16,740	-
			<u>42,960</u>	<u>-</u>
Public Health Information Network	93.069	07180085H	51,535	-
	93.069	07180085I	34,906	-
			<u>86,441</u>	<u>-</u>
Total CFDA No. 93.069			103,181	-
Immunization Grants - Commodities	93.268	NA	81,155	-
Drug Free Communities	93.276	5H79SP018724-08	108,131	-
	93.276	1NH28CE002601-01-00	14,863	-
			<u>122,994</u>	<u>-</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**TAZEWELL COUNTY, ILLINOIS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**  
**YEAR ENDED NOVEMBER 30, 2020**

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Pass-through Grantor's Number	Expenditures	Passed through to Subrecipients
<b>U.S. Department of Health and Human Services</b>				
<b>(Continued)</b>				
Passed through Illinois Department of Public Health:				
(Continued)				
Breast and Cervical Cancer Screening	93.898	0006180026H	\$ 214,173	\$ -
Illinois Wisewoman	93.436	06180040H	28,864	-
Overdose Surveillance	93.354	95080307G	48,152	-
COVID Crisis	93.354	07680087H	<u>81,727</u>	<u>-</u>
Total CFDA No. 93.354			129,879	-
Total U.S. Department of Health and Human Services Passed through Illinois Department of Public Health			706,466	-
Passed through Illinois Department of Human Services:				
Social Services Block Grant				
	93.667	FCSYU03049	56,946	-
	93.667	FCSZU03049	<u>56,294</u>	<u>-</u>
			113,240	-
High Risk Health Works	93.667	FCSZU05087	<u>33,845</u>	<u>-</u>
Total CFDA No. 93.667			147,085	-
Substance Abuse Program	93.959	43CZ03227	28,240	-
	93.959	43CZ03227	<u>23,660</u>	<u>-</u>
			51,900	-
Teen Reach (Temporary Assistance for Needy Families)	93.558	FCSYR04880	152,388	-
	93.558	FCSZR04880	<u>69,027</u>	<u>-</u>
			221,415	-
Teen Pregnancy Prevention	93.092	FCSYP05353	49,619	-
	93.092	FCSZP05353	<u>28,348</u>	<u>-</u>
			<u>77,967</u>	<u>-</u>
Total U.S. Department of Health and Human Services Passed through Illinois Department of Human Services			498,367	-

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**TAZEWELL COUNTY, ILLINOIS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED NOVEMBER 30, 2020**

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Pass-through Grantor's Number	Expenditures	Passed through to Subrecipients
<b>U.S. Department of Health and Human Services (Continued)</b>				
Passed through National Association of County and City Health Officials				
Medical Reserve Corps Small Grant Program	93.008	MRC120964	\$ 1,063	\$ -
Total U.S. Department of Health and Human Services			1,205,896	-
<b>U.S. Environmental Protection Agency</b>				
Passed through Illinois Emergency Services and Disaster Agency:				
State Indoor Radon Grants	66.032	20 TAZ Radon	1,414	-
	66.032	21 TAZ Radon	339	-
			1,753	-
Passed through Illinois Environmental Protection Agency:				
Capitalization Grants for Drinking Water State Revolving Funds				
	66.468	CWA-19203	179	-
Local Health Protection - Safe Drinking Water Grant				
	66.605	05080088H	2,750	-
Total U.S. Environmental Protection Agency			4,682	-

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**TAZEWELL COUNTY, ILLINOIS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED NOVEMBER 30, 2020**

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Pass-through Grantor's Number	Expenditures	Passed through to Subrecipients
<b>U.S. Department of Transportation</b>				
Passed through Illinois Department of Transportation:				
Public Transportation for				
Nonurbanized Areas	20.509	OP-20-39-FED-#4825	\$ 127,110	\$ 127,110
	20.509	OP-21-39-FED-#4825	106,447	106,447
			<u>233,557</u>	<u>233,557</u>
STEP and Holiday Enforcement Impaired Driving	20.600	AP-20-0039	47,605	-
	20.600	HS-21-0150	2,834	-
			<u>50,439</u>	<u>-</u>
Injury Prevention	20.616	OP-20-0264, 19-05	9,535	-
LAP Court Services	20.616	AP-20-0057	11,513	-
Total CFDA No. 20.616			<u>21,048</u>	<u>-</u>
Total Highway Safety Cluster			<u>71,487</u>	<u>-</u>
Total U.S. Department of Transportation Passed through Illinois Department of Transportation			305,044	233,557
Passed through Illinois Emergency Management Agency:				
Hazardous Materials Emergency Preparedness	20.703	19TAZEWHME	8,999	-
Total U.S. Department of Transportation			314,043	233,557
<b>U.S. Department of Homeland Security</b>				
Passed through Illinois Emergency Services & Disaster Agency:				
Emergency Management Performance Grants	97.042	19EMATAZEW	81,259	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	4489DR-IL	176,880	-
Total U.S. Department of Homeland Security			258,139	-

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**TAZEWELL COUNTY, ILLINOIS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED NOVEMBER 30, 2020**

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Pass-through Grantor's Number	Expenditures	Passed through to Subrecipients
<b>U.S. Department of the Treasury</b>				
Passed through Illinois Department of Public Health:				
COVID Contact Tracing (Major)	21.019	05180187H	\$ 454,933	\$ -
Passed through Illinois Department of Commerce and Economic Opportunity:				
Local CURE Program (Major)	21.019	20-492079	269,299	-
	21.019	20-491086	<u>1,055,459</u>	-
			1,324,758	-
			<u>1,779,691</u>	-
Total CFDA No. 21.019			<u>1,779,691</u>	-
Total U.S. Department of the Treasury			1,779,691	-
<b>U.S. Department of Housing and Urban Development</b>				
Passed through Illinois Department of Commerce and Economic Opportunity				
Downstate Small Business Stabilization (Major)	14.228	Round 1	465,000	465,000
	14.228	Round 2	115,000	115,000
			<u>580,000</u>	<u>580,000</u>
Total Department of Housing and Urban Development			580,000	580,000

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**TAZEWELL COUNTY, ILLINOIS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED NOVEMBER 30, 2020**

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Pass-through Grantor's Number	Expenditures	Passed through to Subrecipients
<b>U.S. Department of Justice</b>				
Passed through Illinois Criminal Justice Information Authority:				
Crime Victim Assistance	16.575	217003	\$ 28,540	\$ -
	16.575	218003	<u>21,924</u>	<u>-</u>
			50,464	-
Passed through the Children's Advocacy Centers of Illinois:				
Crime Victim Assistance	16.575	820002	<u>3,360</u>	<u>-</u>
Total CFDA No. 16.575			53,824	-
Passed through Election Assistance Commission:				
Help America Vote Grant - CARES	90.404	N/A	188,448	-
Help America Vote Grant - Cybersecurity	90.404	N/A	22,445	-
	90.404	N/A	<u>13,535</u>	<u>-</u>
			<u>35,980</u>	<u>-</u>
Total CFDA No. 90.404			224,428	-
Total U.S. Department of Justice Passed through the Election Assistance Commission:			<u>224,428</u>	<u>-</u>
Total U.S. Department of Justice			<u>278,252</u>	<u>-</u>
<b>Total</b>			<u>\$ 4,727,316</u>	<u>\$ 813,557</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**TAZEWELL COUNTY, ILLINOIS  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
NOVEMBER 30, 2020**

**NOTE 1 GENERAL**

The accompanying schedule of expenditures of federal awards includes the activity of all federal grants of Tazewell County, Illinois (the County). The Tazewell County reporting entity is defined in Note 1 to the County's basic financial statements. Federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included on the schedule. The County has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**NOTE 2 RELATIONSHIP TO BASIC FINANCIAL STATEMENTS**

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*. Therefore, some amounts presented in this schedule may differ from amounts presented in the County's basic financial statements.

**NOTE 3 BASIS OF ACCOUNTING**

The accompanying schedule of expenditures of federal awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the County's basic financial statements.

**NOTE 4 NONCASH COMMODITIES - VACCINES**

The County receives vaccines at no charge from the Illinois Department of Public Health through federally-assisted programs. The value of vaccines activity during fiscal year 2020 was as follows:

<u>Beginning Inventory</u> <u>November 30, 2019</u>	<u>Acquisitions</u>	<u>Usage</u>	<u>Ending Inventory</u> <u>November 30, 2020</u>
<u>\$ 20,314</u>	<u>\$ 81,155</u>	<u>\$ 81,273</u>	<u>\$ 20,196</u>

**NOTE 5 OTHER NONCASH ASSISTANCE**

The County did not receive any federal awards in the form of noncash assistance for insurance in effect during the year, loans, or loan guarantees.

**NOTE 6 RELATIONSHIP TO FEDERAL FINANCIAL REPORTS**

Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports unless there are timing differences.

**TAZEWELL COUNTY, ILLINOIS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED NOVEMBER 30, 2020**

**Section I – Summary of Auditors’ Results**

**Financial Statements**

Type of auditors’ report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?  X  yes   no

Significant deficiencies identified that are not considered to be material weaknesses?   yes  X  none reported

Noncompliance material to financial statements noted?   yes  X  no

**Federal Awards**

Internal control over major programs:

Material weakness(es) identified?  X  yes   no

Significant deficiencies identified that are not considered to be material weaknesses?  X  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)  X  yes   no

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
14.228	Downstate Small Business Stabilization Grants
21.019	Coronavirus Relief Fund

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

Auditee qualified as low-risk auditee?   yes  X  no

**TAZEWELL COUNTY, ILLINOIS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED NOVEMBER 30, 2020**

**Section II – Financial Statement Findings**

Finding No. 2020-001 - Significant Audit Adjustments

*Type of Finding:* Material Weakness in Internal Control over Financial Reporting

*Criteria or specific requirement:*

A control deficiency 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 misstatements on a timely basis.

*Condition:*

During the course of our audit, we proposed a variety of adjustments that had a material effect on the County's financial statements. A significant number of the adjustments related to adjusting to the modified accrual basis or accrual basis of accounting from the cash basis and recording capital assets and long-term liabilities for the government-wide financial statements.

*Context:*

While performing our audit procedures, we proposed a variety of adjustments to ensure the financial statements are prepared in accordance with accounting principles generally accepted in the United States of America.

*Effect:*

The County's lack of effective internal control over its accounting system results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the County's internal controls.

*Cause:*

Significant audit adjustments were a result of some accounting records and reports being prepared on the cash basis of accounting as well as County officials not maintaining accounting records for the government-wide financial statements. Examples include recording receivables related to tax and grant revenues, recording payables, and adjusting interfund balances. The County's financial statements have been converted to the modified accrual basis or accrual basis of accounting, as required by accounting principles generally accepted in the United States of America.

*Recommendation:*

To establish proper internal control over its accounting system, the County should continue establishing procedures to record these modified accrual and accrual balances, which include identifying factors that may affect the balances and accumulating sufficient reliable data on which to base the balances. Such procedures should be performed by an individual possessing a thorough understanding of applicable accounting principles generally accepted in the United States of America and knowledge of the County's activities and operations.

**TAZEWELL COUNTY, ILLINOIS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED NOVEMBER 30, 2020**

**Section II – Financial Statement Findings (Continued)**

Finding No. 2020-001 - Significant Audit Adjustments (Continued)

*Views of responsible officials and planned corrective actions:*

The County Treasurer and Finance Director have been preparing more of the material entries required to convert the financial statements to the modified accrual basis and will continue to work with the auditors to assure that all material entries are prepared and booked at year end. All parties will continue to review internal controls to assure that the entries are timely made and accurate. A new accounting system was installed in fiscal year 2021 that will allow the County to prepare more aspects of the government-wide financial statements going forward.

Finding No. 2020-002 – Financial Statement Preparation

*Type of Finding:* Material Weakness in Internal Control over Financial Reporting

*Criteria or specific requirement:*

Management is responsible for establishing and maintaining internal controls and for the fair presentation of the annual financial statements, including related footnote disclosures, in conformity with accounting principles generally accepted in the United States of America.

*Condition:*

The County does not have an internal control policy in place over annual financial reporting that would enable management to prepare and ensure the annual financial statements, including related footnote disclosures, are complete and presented in accordance with accounting principles generally accepted in the United States of America.

*Context:*

While performing our audit procedures, it was noted the County does not have an internal control policy in place over annual financial reporting that would enable management to provide reasonable assurance that the annual financial statements are prepared in accordance with accounting principles generally accepted in the United States of America.

*Effect:*

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

*Cause:*

Management has informed us that they do not have an internal control policy in place over annual financial reporting and that they do not have the necessary staff capacity to prepare the annual financial statements, including related footnote disclosures.

The County relies on its external auditors to prepare the annual financial statements, including related footnote disclosures. However, the County has reviewed and approved the financial statements and related footnote disclosures.

**TAZEWELL COUNTY, ILLINOIS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED NOVEMBER 30, 2020**

**Section II – Financial Statement Findings (Continued)**

Finding No. 2020-002 – Financial Statement Preparation (Continued)

*Recommendation:*

Management should continue to evaluate their internal staff capacity to determine if an internal control policy over the annual financial reporting is beneficial.

*Views of responsible officials and planned corrective actions:*

The County Treasurer and Finance Director have been preparing more of the material entries required to convert the financial statements to the modified accrual basis and will continue to work with the auditors to assure that all material entries are prepared and booked at year end. All parties will continue to review internal controls to assure that the entries are timely made and accurate. A new accounting system was installed in fiscal year 2021 that will allow the County to prepare more aspects of the government-wide financial statements going forward.

**Section III – Federal Awards Findings and Questioned Costs**

Finding No. 2020-003 – General Accounting for Federal Awards

Federal Agency:	U.S. Department of Housing and Urban Development U.S. Department of Treasury
Federal Program Title:	Downstate Small Business Stabilization Grants Coronavirus Relief Fund
CFDA Number:	14.228 21.019
Pass-Through Agency:	Illinois Department of Commerce and Economic Opportunity Illinois Department of Public Health
Award Period:	All grant periods within the audit year
Type of Finding:	Material Weakness in Internal Control over Compliance

*Criteria or specific requirement:*

The Uniform Guidance requires reports to include all activity of the reporting period, be supported by applicable accounting records, and be fairly presented in accordance with program requirements. All reports should agree with the accounting records. Reports should also include accounting of all noncash assistance received.

**TAZEWELL COUNTY, ILLINOIS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED NOVEMBER 30, 2020**

**Section III – Federal Awards Findings and Questioned Costs (Continued)**

Finding No. 2020-003 – General Accounting for Federal Awards (Continued)

*Condition:*

The County receives a significant amount of funding through state and federal grants. Grants are currently handled by the individual departments requesting the funding. During the period under audit, there was no central office or individual who is responsible for tracking grant applications and reports. Individual departments are responsible for monitoring compliance with their grants as well as completing both financial and program reports for their grants.

The current method of monitoring grants makes it very difficult to identify all of the federal funds received by the County for proper reporting under the federal Uniform Guidance. During the course of our audit, we noted the following related to accounting for grants that should be addressed:

- Information used in the preparation of reports requesting reimbursement of federal funds is frequently maintained on ledgers separate from the general ledger of the County. It is common for there to be timing differences between the general ledger and these separate accounting of federal awards. Nonreimbursable costs are also sometimes recorded to the same general ledger accounts as reimbursable costs. Consequently, the general ledger of the County does not easily trace to reports requesting reimbursement of federal funds. Not all reconciliations that reconcile general ledger financial information to that reported on the requests for reimbursement of federal funds is readily available.
  
- Grant revenues and expenditures related to the Downstate Small Business Stabilization Grants program were not recorded in the County's general ledger.

*Questioned Costs:*

None

*Context:*

While performing our audit procedures, it was noted the County has no central office or individual who is responsible for tracking grant applications and reports. Individual departments are responsible for monitoring compliance with their grants as well as completing both financial and program reports for their grants.

*Effect:*

There is an increased risk that reports could be prepared inaccurately since they are prepared using financial information that is extracted from the County's general ledger and not reconciled to the County's general ledger.

*Cause:*

The County did not effectively monitor all federal programs and reconcile financial reports with the County's general ledger.

**TAZEWELL COUNTY, ILLINOIS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED NOVEMBER 30, 2020**

**Section III – Federal Awards Findings and Questioned Costs (Continued)**

Finding No. 2020-003 – General Accounting for Federal Awards (Continued)

*Repeat Finding:*

Finding was reported in the previous fiscal year as finding 2019-003.

*Recommendation:*

Reconciliations should be prepared which reconcile general ledger financial information to that reported on the requests for reimbursement of federal funds.

*Views of responsible officials and planned corrective action:*

A new accounting system was installed in fiscal year 2021 that will allow the County to better reconcile financial reports for each grant to the general ledger going forward.

Finding No. 2020-004 – Grant Reporting

Federal Agency:	U.S. Department of Treasury
Federal Program Title:	Coronavirus Relief Fund
CFDA Number:	21.019
Pass-Through Agency:	Illinois Department of Public Health
Award Period:	June 1, 2020 through May 31, 2021
Type of Finding:	Significant Deficiency in Internal Control over Compliance

*Criteria or specific requirement:*

The grantor requires that the grantee submit quarterly financial reports within 30 calendar days following the end of the quarter.

*Condition:*

We noted an instance in which one quarterly financial report was submitted 64 days late.

*Questioned Costs:*

None

**TAZEWELL COUNTY, ILLINOIS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED NOVEMBER 30, 2020**

**Section III – Federal Awards Findings and Questioned Costs (Continued)**

Finding No. 2020-004 – Grant Reporting (Continued)

*Context:*

We noted this condition in 1 of 2 financial reports tested.

*Effect:*

The County was not compliant with the requirements for timely reporting set forth in the grant agreement.

*Cause:*

Late reporting is due to limited staffing during a demanding time in which the COVID-19 pandemic has continued to evolve over the course of the year.

*Repeat Finding:*

Finding was not reported in the previous fiscal year.

*Recommendation:*

We recommend that the County review its internal controls over grant reporting to ensure that submission of required reports is timely in the future.

*Views of responsible officials and planned corrective action:*

The County will review its processes to ensure timely grant reporting.