

**TAZEWELL COUNTY, ILLINOIS**  
**SINGLE AUDIT REPORT**  
**YEAR ENDED NOVEMBER 30, 2021**



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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  
Pekin, 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, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated September 22, 2022.

**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 2021-001, 2021-002, and 2021-003 that we consider to be material weaknesses.

Chairman and Members of the County Board  
Tazewell County, Illinois

### **Compliance and Other Matters**

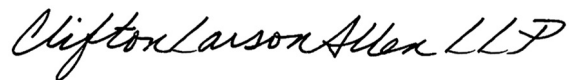
As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material 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 response to the 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 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 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  
September 22, 2022



**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  
Pekin, 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, 2021. 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, 2021.

**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.

*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. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

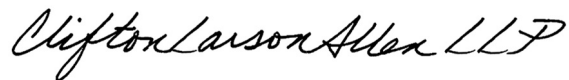
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the result of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Chairman and Members of the County Board  
Tazewell County, Illinois

**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, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated September 22, 2022, 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  
September 22, 2022

**TAZEWELL COUNTY, ILLINOIS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED NOVEMBER 30, 2021**

Federal Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing 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	FCSZQ01102	\$ 111,425	\$ -
	10.557	FCSAQ01102	91,507	-
			<u>202,932</u>	<u>-</u>
Peer Counseling	10.557	FCSZQ01178	23,019	-
	10.557	FCSAQ01178	16,766	-
			<u>39,785</u>	<u>-</u>
Total Federal Assistance Listing No. 10.557			242,717	-
WIC Farmer's Market Nutrition Program	10.572	FCSAQ00696	<u>1,000</u>	<u>-</u>
Total U.S. Department of Agriculture			243,717	-
<b>U.S. Department of Health and Human Services</b>				
Passed through Illinois Department of Public Health:				
Cities Readiness Initiative	93.069	17580024I	29,696	-
	93.069	27580024J	15,544	-
			<u>45,240</u>	<u>-</u>
Public Health Information Network	93.069	07180085I	54,717	-
	93.069	27180085J	23,027	-
			<u>77,744</u>	<u>-</u>
Total Federal Assistance Listing No. 93.069			122,984	-
COVID-19 - Immunization Grants - Mass Vaccination	93.268	150806871	331,704	-
Drug Free Communities	93.276	1NH28CE002601-01-00	94,289	-
	93.276	6NH28CE002601-10-01	16,477	-
			<u>110,766</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, 2021**

Federal Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing 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	26180026J	\$ 152,691	\$ -
Illinois Wisewoman	93.436	06180040H	6,429	-
	93.436	26180040J	11,777	-
			<u>18,206</u>	<u>-</u>
Overdose Surveillance	93.354	95080307G	43,663	-
Influenza Vaccine Promotion	93.185	1NH231P922637-01-00	8,123	-
			<u>8,123</u>	<u>-</u>
Total U.S. Department of Health and Human Services Passed through Illinois Department of Public Health			788,137	-
Passed through Illinois Department of Human Services:				
Social Services Block Grant	93.667	FCSZU03049	30,506	-
	93.667	FCSAU03049	67,045	-
	93.667	FCSZU03129	12,373	-
			<u>109,924</u>	<u>-</u>
High Risk Health Works	93.667	FCSYU05087	10,867	-
			<u>10,867</u>	<u>-</u>
Total Federal Assistance Listing No. 93.667			120,791	-
Substance Abuse Program	93.959	43CZZ03227	57,522	-
	93.959	43CAZ03227	57,424	-
			<u>114,946</u>	<u>-</u>
Teen Reach (Temporary Assistance for Needy Families)	93.558	FCSZR04880	88,072	-
	93.558	FCSAR04880	57,424	-
			<u>145,496</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, 2021**

Federal Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing 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 Human Services (Continued):				
Teen Pregnancy Prevention	93.092	FCSZP05353	\$ 45,432	\$ -
	93.092	FCSAP05353	28,130	-
			<u>73,562</u>	<u>-</u>
Total U.S. Department of Health and Human Services Passed through Illinois Department of Human Services			<u>454,795</u>	<u>-</u>
Total U.S. Department of Health and Human Services			1,242,932	-
<b>U.S. Department of Education</b>				
Passed through Illinois State Board of Education:				
21st Century Community Learning Centers	84.287	21-4421-A1-65-108-9065	210,423	-
<b>U.S. Environmental Protection Agency</b>				
Passed through Illinois Emergency Management Agency:				
State Indoor Radon Grants	66.032	21TAZ Radon	6,526	-
	66.032	22RDNTAZ	55	-
			<u>6,581</u>	<u>-</u>
Passed through Illinois Environmental Protection Agency:				
Capitalization Grants for Drinking Water State Revolving Funds	66.468	CWA-19203	516	-
Local Health Protection - Safe Drinking Water Grant	66.605	25080088J	<u>2,750</u>	<u>-</u>
Total U.S. Environmental Protection Agency Passed through Illinois Environmental Protection Agency			<u>3,266</u>	<u>-</u>
Total U.S. Environmental Protection Agency			9,847	-

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**TAZEWELL COUNTY, ILLINOIS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**  
**YEAR ENDED NOVEMBER 30, 2021**

Federal Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing Number	Pass-through Grantor's Number	Expenditures	Passed through to Subrecipients
<b>U.S. Department of Transportation</b>				
Passed through Illinois Department of Transportation:				
Formula Grants for Rural Areas	20.509	OP-21-39-FED	\$ 151,515	\$ 151,515
	20.509	OP-22-39-FED	137,743	137,743
			<u>289,258</u>	<u>289,258</u>
STEP and Holiday Enforcement Impaired Driving	20.600	HS-21-0150	69,821	-
	20.600	HS-22-0027	22,102	-
			<u>91,923</u>	<u>-</u>
Total U.S. Department of Transportation Passed through Illinois Department of Transportation			381,181	289,258
Passed through Illinois Emergency Management Agency:				
Hazardous Materials Emergency Preparedness	20.703	19TAZEWHME	14,976	-
Total U.S. Department of Transportation			396,157	289,258
<b>U.S. Department of Homeland Security</b>				
Passed through Illinois Emergency Management Agency:				
Emergency Management Performance Grants	97.042	19EMATAZEW	69,386	-
<b>U.S. Department of the Treasury</b>				
Passed through Illinois Department of Public Health:				
COVID-19 - Coronavirus Relief Fund - Contact Tracing (Major)	21.019	05180187H	1,469,769	-
Direct - COVID-19 - State and Local Fiscal Recovery Funds (Major)	21.027	N/A	1,288,097	-
Total U.S. Department of the Treasury			2,757,866	-

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**TAZEWELL COUNTY, ILLINOIS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED NOVEMBER 30, 2021**

Federal Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing Number	Pass-through Grantor's Number	Expenditures	Passed through to Subrecipients
<b>U.S. Department of Housing and Urban Development</b>				
Passed through Illinois Department of Commerce and Economic Opportunity:				
Downstate Small Business Stabilization	14.228	Round 3	\$ 114,070	\$ 114,070
Community Development Block Grant	14.228	18-248591	<u>31,758</u>	<u>-</u>
Total Federal Assistance Listing No. 14.228			145,828	114,070
Total Department of Housing and Urban Development			145,828	114,070
<b>U.S. Department of Justice</b>				
Passed through Illinois Criminal Justice Information Authority:				
Crime Victim Assistance	16.575	218003	44,311	-
	16.575	219003	<u>22,877</u>	<u>-</u>
			67,188	-
Passed through the Children's Advocacy Centers of Illinois:				
Crime Victim Assistance	16.575	820002	<u>9,640</u>	<u>-</u>
Total Federal Assistance Listing No. 16.575			76,828	-
Passed through Election Assistance Commission:				
Help America Vote Grant	90.404	N/A	<u>18,426</u>	<u>-</u>
Total U.S. Department of Justice			<u>95,254</u>	<u>-</u>
<b>Total</b>			<u><u>\$ 5,171,410</u></u>	<u><u>\$ 403,328</u></u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**TAZEWELL COUNTY, ILLINOIS**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**NOVEMBER 30, 2021**

**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 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 financial statements. Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance for all awards with the exception of Assistance Listing 21.019, which follows criteria determined by the Department of Treasury for allowability of costs. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement.

**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 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 5 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, 2021**

**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 deficiency(ies) identified   yes  X  none reported

Noncompliance material to financial statements noted?   yes  X  no

**Federal Awards**

Internal control over major programs:

Material weakness(es) identified?   yes  X  no

Significant deficiency(ies) identified   yes  X  none reported

Type of auditors’ report issued on compliance for major programs? Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)  X  yes   no

Identification of major programs:

**Assistance Listing Numbers**

**Name of Federal Program or Cluster**

21.019

COVID-19 - Coronavirus Relief Fund - Contact Tracing

21.027

COVID-19 - State and Local Fiscal Recovery Funds

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, 2021**

**Section II – Financial Statement Findings**

Finding No. 2021-001 – 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, 2021**

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

Finding No. 2021-001 – 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. 2021-002 – 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, 2021**

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

Finding No. 2021-002 – 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.

Finding No. 2021-003 – General Accounting for Federal Awards

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

*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.

*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.

**TAZEWELL COUNTY, ILLINOIS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED NOVEMBER 30, 2021**

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

Finding No. 2021-003 – General Accounting for Federal Awards (Continued)

*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.

*Repeat Finding:*

Finding was reported in the previous fiscal year as finding 2020-003.

*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.

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

None



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