

TAZEWELL COUNTY, ILLINOIS
SINGLE AUDIT REPORT
YEAR ENDED NOVEMBER 30, 2023



CPAs | CONSULTANTS | WEALTH ADVISORS

CLAcconnect.com

**TAZEWELL COUNTY, ILLINOIS
TABLE OF CONTENTS
YEAR ENDED NOVEMBER 30, 2023**

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 <i>GOVERNMENT AUDITING STANDARDS</i>	1
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	3
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	7
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	13



**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, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated November 12, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Chairman and Members of the County Board
Tazewell County, Illinois

We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2023-001 and 2023-002 that we consider to be material weaknesses.

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*.

Tazewell County, Illinois’ Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the County’s response to the findings 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 the response.

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
November 12, 2024



**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

Opinion on Each Major Federal Program

We have audited Tazewell County, Illinois' (the County) compliance with the types of compliance requirements identified as subject to audit 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, 2023. The County's major federal 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 programs for the year ended November 30, 2023.

Basis for Opinion on Each Major Federal 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; 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). Our responsibilities under those standards and the Uniform Guidance 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 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 control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the County's federal 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*, and the Uniform Guidance 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 program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, 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, 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

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, and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

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. We consider the deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2023-003, to be a significant deficiency.

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.

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the internal control over compliance finding identified in our audit 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 compliance, and accordingly, we express no opinion on the response.

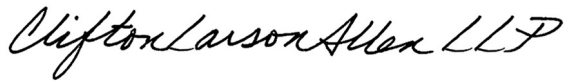
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on the 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, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We have issued our report thereon, dated November 12, 2024, 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

Chairman and Members of the County Board
Tazewell County, Illinois

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 awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



CliftonLarsonAllen LLP

Peoria, Illinois
November 12, 2024

**TAZEWELL COUNTY, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED NOVEMBER 30, 2023**

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Grantor's Number	Total Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Agriculture				
Passed through Illinois Department of Human Services:				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	FCSBQ01102	\$ 148,964	\$ -
	10.557	FCSCQ01102	94,854	-
Total			243,818	-
Peer Counseling	10.557	FCSBQ01178	27,061	-
	10.557	FCSCQ01178	16,162	-
Total			43,223	-
Total Federal Assistance Listing No. 10.557			287,041	-
WIC Farmer's Market Nutrition Program	10.572	FCSCQ00696	881	-
Total U.S. Department of Agriculture Passed through Illinois Department of Human Services			287,922	-
Passed through Illinois State Board of Education:				
Summer Food Program	10.559*	65-108-9065-51	17,165	-
Total U.S. Department of Agriculture			305,087	-
U.S. Department of Health and Human Services				
Passed through Administrative Office of the Illinois Courts:				
State Court Improvement Program	93.586	CIP-G-2205	17,520	-
Passed through Illinois Department of Public Health:				
Cities Readiness Initiative	93.069	37580024K	43,727	-
	93.069	47580024L	26,372	-
Total			70,099	-
Public Health Information Network	93.069	37180085K	61,099	-
	93.069	47180086L	29,769	-
Total			90,868	-
Total Federal Assistance Listing No. 93.069			160,967	-
COVID-19 - Immunization Grants - Mass Vaccination	93.268	150806871	17,893	-

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**TAZEWELL COUNTY, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED NOVEMBER 30, 2023**

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Grantor's Number	Total Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Health and Human Services (Continued)				
Passed through Illinois Department of Public Health (Continued):				
Tuberculosis Elimination and Laboratory Cooperative Agreement	93.116	38180689K	\$ 2,926	\$ -
Breast and Cervical Cancer Screening	93.898	36180026K	57,069	-
	93.898	46180026L	<u>149,929</u>	<u>-</u>
Total			206,998	-
Illinois Wise Woman	93.436	26180040J	10,270	-
	93.436	46180079L	<u>5,778</u>	<u>-</u>
Total			16,048	-
Illinois Well Woman	93.994	26380006J	15,800	-
	93.994	46380076L	<u>23,015</u>	<u>-</u>
Total			38,815	-
Overdose Surveillance	93.354	32180073K	67,523	-
COVID-19 Vaccination	93.268	38180888K	<u>116,887</u>	<u>-</u>
Total Federal Assistance Listing No. 93.268			134,780	-
RFFM Grant Program	93.103	G-BDEV1-202210-02935	7,798	-
COVID-19 Crisis	93.354	27680087J	<u>127,631</u>	<u>-</u>
Total Federal Assistance Listing No. 93.354			195,154	-
COVID-19 Response	93.323	28180587J	35,440	-
Strengthening Illinois Public Health Administration	93.967	48080489L	<u>709</u>	<u>-</u>
Total U.S. Department of Health and Human Services Passed through Illinois Department of Public Health			799,635	-

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**TAZEWELL COUNTY, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED NOVEMBER 30, 2023**

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Grantor's Number	Total Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Health and Human Services (Continued)				
Passed through Illinois Department of Human Services:				
Social Services Block Grant	93.667	FCSBU03049	\$ 18,275	\$ -
	93.667	FCSCU03049	<u>81,462</u>	<u>-</u>
Total			99,737	-
Family Case Management High-Risk Infant	93.667	FCSCU06074	<u>33,651</u>	<u>-</u>
Total Federal Assistance Listing No. 93.667			133,388	-
Substance Abuse Program	93.959	43CBZ03227	65,170	-
	93.959	43CCZ03227	<u>40,418</u>	<u>-</u>
Total			105,588	-
Teen Reach (Temporary Assistance for Needy Families)	93.558	FCSBR04880	92,288	-
Teen Pregnancy Prevention	93.092	FCSBP05353	48,701	-
	93.092	FCSCP05353	<u>31,546</u>	<u>-</u>
Total			80,247	-
Child Care Mandatory and Matching Funds	93.596*	FCSBS04777	10,455	-
	93.596*	FCSCS04777	<u>18,000</u>	<u>-</u>
Total			28,455	-
Total U.S. Department of Health and Human Services Passed through Illinois Department of Human Services			<u>439,966</u>	<u>-</u>
Total U.S. Department of Health and Human Services			1,257,121	-
U.S. Department of Education				
Passed through Illinois State Board of Education:				
21st Century Community Learning Centers	84.287	23-4421-A1-65-108-9065	210,721	-
	84.287	24-4421-A1-65-108-9065	<u>84,443</u>	<u>-</u>
Total			295,164	-

See accompanying Notes to Schedule of Expenditures of Federal Awards.

TAZEWELL COUNTY, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED NOVEMBER 30, 2023

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Grantor's Number	Total Federal Expenditures	Passed Through to Subrecipients
U.S. Environmental Protection Agency				
Passed through Illinois Emergency Management Agency:				
State Indoor Radon Grants	66.032	23RDNTAZ	\$ 9,857	\$ -
Passed through Illinois Environmental Protection Agency:				
Local Health Protection - Safe Drinking Water	66.605	38080088K	1,913	-
	66.605	48080088L	<u>1,262</u>	<u>-</u>
Total			<u>3,175</u>	<u>-</u>
Total U.S. Environmental Protection Agency			13,032	-
U.S. Department of Transportation				
Passed through Illinois Department of Transportation:				
Formula Grants for Rural Areas	20.509	OP-23-39-FED	48,482	48,482
	20.509	OP-24-39-FED	<u>255,710</u>	<u>255,710</u>
Total			304,192	304,192
COVID-19 - Rural Transportation	20.509	OP-21-39-CARE	<u>41,926</u>	<u>41,926</u>
Total Federal Assistance Listing No. 20.509			346,118	346,118
STEP and Holiday Enforcement Impaired Driving				
	20.600*	HS-23-0079	26,074	-
	20.600*	HS-24-0016	<u>5,619</u>	<u>-</u>
Total			<u>31,693</u>	<u>-</u>
Total U.S. Department of Transportation Passed through Illinois Department of Transportation			377,811	346,118
Passed through Illinois Emergency Management Agency:				
Hazardous Materials Emergency Preparedness	20.703	22TAZEWHME	<u>3,659</u>	<u>-</u>
Total U.S. Department of Transportation			381,470	346,118

See accompanying Notes to Schedule of Expenditures of Federal Awards.

TAZEWELL COUNTY, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED NOVEMBER 30, 2023

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Grantor's Number	Total Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Homeland Security				
Passed through Illinois Emergency Management Agency:				
Emergency Management Performance Grants	97.042	22EMATAZEW	\$ 28,358	\$ -
	97.042	23EMATAZEW	<u>5,649</u>	<u>-</u>
Total			<u>34,007</u>	<u>-</u>
U.S. Department of the Treasury				
Passed through Illinois Department of Human Services:				
Teen Reach (Temporary Assistance for Needy Families)	21.027	FCSBR04880	31,435	-
	21.027	FCSCR04880	<u>38,660</u>	<u>-</u>
Total			<u>70,095</u>	<u>-</u>
Direct - COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	<u>9,859,217</u>	<u>-</u>
Total U.S. Department of the Treasury			9,929,312	-
U.S. Department of Housing and Urban Development				
Passed through Illinois Department of Commerce and Economic Opportunity:				
Community Development Block Grant	14.228	18-248591	302,905	-
	14.228	18-248592	<u>470,348</u>	<u>-</u>
Total			<u>773,253</u>	<u>-</u>
U.S. Department of Justice				
Passed through Illinois Criminal Justice Information Authority:				
Crime Victim Assistance	16.575	221003	31,550	-
	16.575	221203	<u>18,913</u>	<u>-</u>
Total			<u>50,463</u>	<u>-</u>
Passed through the Children's Advocacy Centers of Illinois:				
Crime Victim Assistance	16.034	820002	7,080	-
Passed through Election Assistance Commission:				
Help America Vote Grant	90.404	N/A	41,567	-
	90.404	N/A	<u>2,766</u>	<u>-</u>
Total			<u>44,333</u>	<u>-</u>
Total U.S. Department of Justice			<u>101,876</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 13,090,322</u>	<u>\$ 346,118</u>

*Total federal expenditures for clusters include \$17,165 for the Child Nutrition Cluster, \$28,455 for the Child Care Development Fund Cluster, and \$31,693 for the Highway Safety Cluster.

See accompanying Notes to Schedule of Expenditures of Federal Awards.

TAZEWELL COUNTY, ILLINOIS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
NOVEMBER 30, 2023

NOTE 1 GENERAL

The accompanying schedule of expenditures of federal awards (the Schedule) 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% 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.

NOTE 3 BASIS OF ACCOUNTING

The accompanying Schedule 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, 2023**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? x yes no
 - Significant deficiency(ies) identified? yes x none reported
3. Noncompliance material to financial statements noted? yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? yes x no
 - Significant deficiency(ies) identified? x yes none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? yes x no

Identification of Major Federal Programs

Assistance Listing Numbers

Name of Federal Program or Cluster

21.027

COVID-19 – Coronavirus State and Local Fiscal Recovery Funds

14.228

Community Development Block Grant

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, 2023

Section II – Financial Statement Findings

Finding No. 2023-001 – 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 and schedule of expenditures of federal awards. A significant number of the adjustments, which included prior period adjustments, related to adjusting to the modified accrual basis or accrual basis of accounting from the cash basis of accounting 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 and schedule of expenditures of federal awards 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 and schedule of expenditures of federal awards 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.

Repeat Finding: Finding was reported in the previous fiscal year as finding 2022-001.

TAZEWELL COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED NOVEMBER 30, 2023

Section II – Financial Statement Findings (Continued)

Finding No. 2023-001 – Significant Audit Adjustments (Continued)

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.

Views of responsible officials and planned corrective actions:

The Treasurer and Finance Offices are working to improve practices in place to accurately record and account for all transactions of the County. Areas of focus include those that require special treatment at year-end such as accruals, prepaids, and interfund transactions. Additionally, the departments are working on efficiencies within the offices to allow for more staff time to analyze and reconcile account balances and activities, which includes more attention to on-going grant analysis and treatment of capital assets, along with other areas.

Finding No. 2023-002 – 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 and schedule of expenditures of federal awards, 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 and schedule of expenditures of federal awards, including related footnote disclosures, are complete and presented in accordance with accounting principles generally accepted in the United States of America.

TAZEWELL COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED NOVEMBER 30, 2023

Section II – Financial Statement Findings (Continued)

Finding No. 2023-002 – Financial Statement Preparation (Continued)

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 and schedule of expenditures of federal awards, including related footnote disclosures, 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 and schedule of expenditures of federal awards, including related footnote disclosures, 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 and schedule of expenditures of federal awards, including related footnote disclosures, in conformity with accounting principles generally accepted in the United States of America.

The County relies on its external auditors to prepare the annual financial statements, including related footnote disclosures. Although management prepares a draft of the schedule of expenditures of federal awards, its external auditors propose material adjustments and revisions to the federal grants and expenditures included therein. However, the County has reviewed and approved the issued financial statements, schedule of expenditures of federal awards, and related footnote disclosures.

Repeat Finding: Finding was reported in the previous fiscal year as finding 2022-002.

Recommendation:

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

**TAZEWELL COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED NOVEMBER 30, 2023**

Section II – Financial Statement Findings (Continued)

Finding No. 2023-002 – Financial Statement Preparation (Continued)

Views of responsible officials and planned corrective actions:

The Treasurer, Finance Director of the County, and Grants Manager of the County's Health Department are working cooperatively to improve the financial tracking and reporting processes in place at the County. Approval has been given to move forward with the purchase of grant management software to be used by the County for grant tracking and reporting. Management has identified several processes and policies affecting financial reporting to be reviewed and updated in the coming months.

Section III – Federal Awards Findings and Questioned Costs

Finding No. 2023-003 – Reporting and Special Provisions

Federal Agency: U.S. Department of Housing and Urban Development

Federal Program: Community Development Block Grant

Assistance Listing Number: 14.228

Award Period: February 1, 2021 – January 31, 2024

Type of Finding: Significant Deficiency in Internal Control over Compliance

Criteria:

Non-federal entities are required by Uniform Guidance to establish and maintain effective internal control over compliance with federal statutes, regulations, and the terms and conditions of the federal award.

Condition:

During our audit, we identified that the County did not establish adequate internal control over compliance with federal reporting requirements and special wage provisions as mandated by Uniform Guidance.

TAZEWELL COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED NOVEMBER 30, 2023

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

Finding No. 2023-003 – Reporting and Special Provisions (Continued)

Context:

The County engages an external consultant to assist with administration of the federal grant. The County relies entirely on the consultant to submit required reporting to the grantor and to review required certified payrolls provided by contractors. No one from the County is currently involved in the review and approval of grant reports or certified payrolls.

Effect:

Lack of internal control over compliance could result in noncompliance with federal reporting requirements and special wage provisions, potentially leading to penalties or loss of federal funding.

Cause:

Management informed us that no County employees review the required reporting prior to submission to the grantor nor do they review the required certified payrolls provided by contractors.

Repeat Finding: Finding was not reported in the previous fiscal year.

Recommendation:

We recommend that the County establish and maintain effective internal control over compliance with federal reporting requirements and special wage provisions as mandated by Uniform Guidance. County employees involved with internal control over compliance should have a thorough understanding of Uniform Guidance and the applicable compliance requirements of the federal grant, as well as knowledge of the County's activities and operations.

Views of responsible officials and planned corrective action:

Management will ensure that all grant reports submitted to federal agencies are reviewed and approved by the Tazewell County manager overseeing the grant prior to submission. The County will review and approve all necessary supporting documents including certified payrolls to verify compliance with federal reporting requirements and guidelines. When outside consultants are engaged to aid in grant administration, the appropriate Tazewell County manager will be responsible for reviewing and approving all required reporting and supporting documentation prepared on the County's behalf.



CLA (CliftonLarsonAllen LLP) is a network member of CLA Global. See CLAGlobal.com/disclaimer. Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.