

TAZEWELL COUNTY, ILLINOIS
SINGLE AUDIT REPORT
YEAR ENDED NOVEMBER 30, 2024



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**TAZEWELL COUNTY, ILLINOIS
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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, 2024, 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 25, 2025.

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 2024-001 and 2024-002 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
July 25, 2025



**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, 2024. 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, 2024.

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 2024-003, 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, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We have issued our report thereon, dated July 25, 2025, 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 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.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Peoria, Illinois
July 25, 2025

TAZEWELL COUNTY, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED NOVEMBER 30, 2024

Federal Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing Number	Pass-through Grantor's Number	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	FCSCQ01102	\$ 184,508	\$ -
	10.557	FCSDQ01102	128,735	-
Total			313,243	-
Peer Counseling	10.557	FCSCQ01178	29,024	-
	10.557	FCSDQ01178	19,233	-
Total			48,257	-
Total Federal Assistance Listing No. 10.557			361,500	-
WIC Farmer's Market Nutrition Program	10.572	FCSDQ00696	990	-
Total U.S. Department of Agriculture Passed through Illinois Department of Human Services			362,490	-
Passed through Illinois State Board of Education: Summer Food Program	10.559*	65-108-9065-51	20,387	-
Total U.S. Department of Agriculture			382,877	-
U.S. Department of Health and Human Services				
Passed through Administrative Office of the Illinois Courts:				
State Court Improvement Program	93.586	CIP-G-2303	14,322	-
	93.586	CIP-G-2403	2,881	-
Total			17,203	-
Passed through Illinois Department of Public Health:				
Cities Readiness Initiative	93.069	47580024L	42,096	-
	93.069	57580022M	29,528	-
Total			71,624	-
Public Health Information Network	93.069	47180086L	55,144	-
	93.069	57180086L	42,451	-
Total			97,595	-
Total Federal Assistance Listing No. 93.069			169,219	-
Breast and Cervical Cancer Screening	93.898	46180026L	197,911	-
Illinois Wise Woman	93.436	46180079L	25,460	-
Illinois Well Woman	93.994	46380076L	43,923	-
COVID-19 Vaccination	93.268	38180888K	23,299	-
RFFM Grant Program	93.103	G-BDEV2-202310-04870	18,399	-
COVID-19 Crisis	93.354	27680087J	15,012	-
Respiratory Surveillance	93.323	8181089	77,605	-
Strengthening Illinois Public Health Administration	93.967	48080489L	56,199	-
Total U.S. Department of Health and Human Services Passed through Illinois Department of Public Health			627,027	-

See accompanying Notes to Schedule of Expenditures of Federal Awards.

TAZEWELL COUNTY, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED NOVEMBER 30, 2024

Federal Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing Number	Pass-through Grantor's Number	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	FCSCU03049	\$ 20,118	\$ -
	93.667	FCSDU03049	47,288	-
Total			67,406	-
Family Case Management High-Risk Infant	93.667	FCSCU06074	11,217	-
	93.667	FCSDU06074	66,367	-
Total			77,584	-
Total Federal Assistance Listing No. 93.667			144,990	-
Substance Abuse Program	93.959	43CCZ03227	58,201	-
	93.959	43CDZ03227	33,066	-
Total			91,267	-
Teen Pregnancy Prevention	93.092	FCSCP05353	48,454	-
	93.092	FCSDP05353	31,945	-
Total			80,399	-
Child Care Mandatory and Matching Funds	93.596*	FCSCS04777	38,141	-
Total U.S. Department of Health and Human Services Passed through Illinois Department of Human Services			354,797	-
Total U.S. Department of Health and Human Services			999,027	-
U.S. Department of Education				
Passed through Illinois State Board of Education:				
21st Century Community Learning Centers	84.287	24-4421-A1-65-108-9065	219,878	-
	84.287	25-4421-A1-65-108-9065	104,601	-
Total			324,479	-
U.S. Environmental Protection Agency				
Passed through Illinois Emergency Management Agency:				
State Indoor Radon Grants	66.032	24RDNTAZ	14,583	-
	66.032	25RDNTAZ	5,348	-
Total			19,931	-
Passed through Illinois Environmental Protection Agency:				
Local Health Protection - Safe Drinking Water	66.605	48080088L	1,237	-
		58080088M	1,225	-
Total			2,462	-
Total U.S. Environmental Protection Agency			22,393	-

See accompanying Notes to Schedule of Expenditures of Federal Awards.

TAZEWELL COUNTY, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED NOVEMBER 30, 2024

Federal Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing Number	Pass-through Grantor's Number	Expenditures	Passed through to Subrecipients
U.S. Department of Transportation				
Passed through Illinois Department of Transportation:				
Formula Grants for Rural Areas	20.509	OP-24-39-FED	\$ 53,505	\$ 53,505
	20.509	OP-25-39-FED	217,523	217,523
Total			<u>271,028</u>	<u>271,028</u>
STEP and Holiday Enforcement Impaired Driving	20.600*	HS-24-0016	75,636	-
	20.600*	HS-25-0010	4,994	-
Total			<u>80,630</u>	<u>-</u>
Total U.S. Department of Transportation Passed through Illinois Department of Transportation			351,658	271,028
Passed through Illinois Emergency Management Agency:				
Hazardous Materials Emergency Preparedness	20.703	19TAZEWHME	1,537	-
	20.703	22TAZEWHME	17,912	-
Total			<u>19,449</u>	<u>-</u>
Total U.S. Department of Transportation			371,107	271,028
U.S. Department of Homeland Security				
Passed through Illinois Emergency Management Agency:				
Emergency Management Performance Grants	97.042	23EMATAZEW	33,878	-
U.S. Department of the Treasury				
Direct - Local Assistance and Tribal Consistency Fund	21.032	N/A	22,222	-
Direct - COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	1,575,692	-
Total U.S. Department of the Treasury			1,597,914	-
U.S. Department of Housing and Urban Development				
Passed through Illinois Department of Commerce and Economic Opportunity:				
Community Development Block Grant	14.228	18-248592	81,173	-
U.S. Department of Justice				
Passed through Illinois Criminal Justice Information Authority:				
Crime Victim Assistance	16.575	221003	26,479	-
	16.575	222003	18,913	-
Total			<u>45,392</u>	<u>-</u>
Passed through Election Assistance Commission:				
Help America Vote Grant	90.404	N/A	151,114	-
Total U.S. Department of Justice			<u>196,506</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 4,009,354</u>	<u>\$ 271,028</u>

* Total federal expenditures for clusters include \$20,387 for the Child Nutrition Cluster, \$38,141 for the Child Care Development Fund Cluster, and \$80,630 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, 2024

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, 2024**

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

10.557

21.027

Name of Federal Program or Cluster

Special Supplemental Nutrition Program for Women, Infants, and Children | Peer Counseling

COVID-19 – Coronavirus 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, 2024**

Section II - Financial Statement Findings

Finding No. 2024-001 – 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 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 financial reporting 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 2023-001.

**TAZEWELL COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED NOVEMBER 30, 2024**

Section II - Financial Statement Findings (Continued)

Finding No. 2024-001 – Significant Audit Adjustments (Continued)

Recommendation:

To establish proper internal control over its financial reporting, 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. 2024-002 – 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, 2024**

Section II– Financial Statement Findings (Continued)

Finding No. 2024-002 – 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 2023-002.

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, 2024**

Section II - Financial Statement Findings (Continued)

Finding No. 2024-002 – 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. 2024-003 – Suspension and Debarment

Federal Agency: U.S. Department of Treasury

Federal Program: COVID-19 – Coronavirus State and Local Fiscal Recovery Funds

Assistance Listing Number: 21.027

Award Period: March 1, 2021 – December 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 suspension and debarment requirements as mandated by Uniform Guidance.

**TAZEWELL COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED NOVEMBER 30, 2024**

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

Finding No. 2024-003 – Suspension and Debarment (Continued)

Context:

We noted that the County did not perform suspension and debarment verification procedures for 1 of 5 vendors tested before engaging in a contract.

Effect:

Lack of internal control over compliance could result in noncompliance with federal suspension and debarment requirements, potentially leading to penalties or loss of federal funding.

Cause:

Management informed us that they did not follow County policy to verify the vendor was not suspended or debarred before engaging in a contract.

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 suspension and debarment requirements 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 has changed the process in place for grant expenditures where the expenditure does not go through the formal bidding process. This will ensure the County obtains attestation regarding federal suspension and debarment from all vendors working on projects funded by federal grant dollars.

