

LAKE COUNTY, ILLINOIS

REPORT ON FEDERAL AWARDS

For the Year Ended November 30, 2016

LAKE COUNTY, ILLINOIS

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

INDEPENDENT AUDITORS' REPORT

To the Honorable Chairman
and Members of the County Board
Lake County, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Lake County, Illinois (County) as of and for the year ended November 30, 2016, and the related notes to the financial statements, which collectively comprise Lake County's basic financial statements, and have issued our report thereon dated May 31, 2017. Our report includes a reference to other auditors who audited the financial statements of the Lake County Forest Preserve District, as described in our report on Lake County's financial statements. The financial statements of the Lake County Forest Preserve District were not audited in accordance with *Government Auditing Standards*.

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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

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

To the Honorable Chairman
and Members of the County Board

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 determination of financial statement amounts. 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*.

Purpose of this Report

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

Baker Tilly Virchow Krause, LLP

Chicago, Illinois
May 31, 2017

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

INDEPENDENT AUDITORS' REPORT

To the Honorable Chairman
and Members of the County Board
Lake County, Illinois

Report on Compliance for Each Major Federal Program

We have audited Lake County, Illinois' (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, 2016. 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 the 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.

To the Honorable Chairman
and Members of the County Board

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, 2016.

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 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.

Purpose of this Report

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.

To the Honorable Chairman
and Members of the County Board

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

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Lake County, Illinois as of and for the year ended November 30, 2016, and the related notes to the financial statements, which collectively comprise Lake County's basic financial statements. We issued our report thereon dated May 31, 2017, 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. Our report includes a reference to other auditors who audited the financial statements of the Lake County Forest Preserve District, as described in our report on Lake County's 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.

Baker Tilly Veitchau Krause, LLP

Chicago, Illinois
May 31, 2017

LAKE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended November 30, 2016

Grantor Agency / Program Title	Federal CFDA Number	Pass Through Agency	Grant Number	Expenditures	Subrecipient Expenditures
U.S. Department of Agriculture					
Child Nutrition Cluster					
School Breakfast Program	10.553	SBE	34-049-012P	\$ 29,007	\$ -
National School Lunch Program	10.555	SBE	34-049-012P	52,959	-
National School Lunch Program	10.555	SBE	34-049-12P-00A7	3,700	-
Summer Food Service Program for Children	10.559	DPH	063 55280024C	2,200	-
Total Child Nutrition Cluster				<u>87,867</u>	<u>-</u>
Special Supplemental Nutrition Program					
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	DHS	FCSVQ00915	652,720	-
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	DHS	FCSUQ00915	1,277,355	-
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	DHS	FCSVQ01153	38,392	-
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	DHS	FCSUQ01153	47,952	-
Special Supplemental Nutrition Program for Women, Infants and Children - noncash	10.557	DHS		5,854,190	-
Total Special Supplemental Nutrition Program				<u>7,870,609</u>	<u>-</u>
WIC Farmers' Market Nutrition Program (FMNP)	10.572	DHS	FCSVQ01242	1,000	-
State Administrative Expenses for Child Nutrition	10.560	HHS	063 55280067C	960	-
Total U.S. Department of Agriculture				<u>7,960,436</u>	<u>-</u>
U.S. Department of Housing and Urban Development					
CDBG - Entitlement Grants Cluster					
Community Development Block Grants/Entitlement Grants	14.218		B-08-UN-17-0004	541,297	277,942
Community Development Block Grants/Entitlement Grants	14.218		B-11-UN-17-0004	258,629	310,230
Community Development Block Grants/Entitlement Grants	14.218		B14-UC-17-0003	1,262,581	1,128,265
Community Development Block Grants/Entitlement Grants	14.218		B15-UC-17-0003	1,773,088	1,307,810
Community Development Block Grants/Entitlement Grants	14.218		B16-UC-17-0003	652,818	591,897
Total CDBG - Entitlement Grants Cluster				<u>4,488,414</u>	<u>3,616,143</u>
Emergency Solutions Grant Program					
Emergency Solutions Grant Program	14.231		E14-UC-17-0003	13,612	3,826
Emergency Solutions Grant Program	14.231	DHS	E15-DC-16-0001	39,589	-
Emergency Solutions Grant Program	14.231		E15-UC-17-0003	94,801	61,015
Emergency Solutions Grant Program	14.231		E16-UC-17-0003	104,598	80,621
Total Emergency Solutions Grant Program				<u>252,599</u>	<u>145,462</u>
Home Investment Partnerships Program					
Home Investment Partnerships Program	14.239	*	M09-DC-17-0205	68,192	66,322
Home Investment Partnerships Program	14.239	*	M11-DC-17-0205	131,541	107,346
Home Investment Partnerships Program	14.239	*	M12-DC-17-0205	172,912	168,407
Home Investment Partnerships Program	14.239	*	M13-DC-17-0205	232,111	235,471
Home Investment Partnerships Program	14.239	*	M14-DC-17-0205	113,017	91,659
Home Investment Partnerships Program	14.239	*	M15-DC-17-0205	617,525	588,247
Home Investment Partnerships Program	14.239	*	M16-DC-17-0205	139,763	64,393
Total Home Investment Partnerships Program				<u>1,475,060</u>	<u>1,321,844</u>
Continuum of Care Program					
Continuum of Care Program 2014 HMIS	14.267		IL0020L5T021406	97,561	-
Continuum of Care Program 2015 HMIS	14.267		IL0020L5T021507	21,146	-
Continuum of Care Program 2014 COOL Transitional Housing	14.267		IL0021L5T021407	26,844	19,360
Continuum of Care Program 2014 Independence Center	14.267		IL0025L5T021407	56,698	56,506

See accompanying notes to schedule of expenditures of federal awards.

* Indicates major program

LAKE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended November 30, 2016

Grantor Agency / Program Title	Federal CFDA Number	Pass Through Agency	Grant Number	Expenditures	Subrecipient Expenditures
U.S. Department of Housing and Urban Development (cont.)					
Continuum of Care Program (cont.)					
Continuum of Care Program 2015 Independence Center	14.267		IL0025L5T021508	\$ 1,385	\$ -
Continuum of Care Program 2014 LCRDC Safe Housing	14.267		IL0027L5T021407	34,162	32,192
Continuum of Care Program 2015 LCRDC Safe Housing	14.267		IL0027L5T021508	35,872	34,202
Continuum of Care Program	14.267		IL0031L5T021407	86,982	-
Continuum of Care Program	14.267		IL0031L5T021508	94,570	-
Continuum of Care Program 2014 Alexian Brothers Harbor	14.267		IL0033L5T021407	78,204	78,205
Continuum of Care Program 2015 Alexian Brothers Harbor	14.267		IL0033L5T021508	26,358	23,739
Continuum of Care Program 2014 Lake County Haven	14.267		IL0035L5T021407	47,197	-
Continuum of Care Program 2015 Lake County Haven	14.267		IL0035L5T021508	16,433	16,433
Continuum of Care Program 2013 Waukegan Township	14.267		IL0036L5T021306	64,163	64,163
Continuum of Care Program 2015 Waukegan Township Staben House	14.267		IL0036L5T021407	184,940	184,940
Continuum of Care Program	14.267		IL0439L5T021405	5,412	-
Continuum of Care Program	14.267		IL0439L5T021506	23,856	-
Continuum of Care Program	14.267		IL0537L5T021401	1,995	-
Continuum of Care Program	14.267		IL0537L5T021502	4,016	-
Continuum of Care Program 2014 Planning	14.267		IL0586L5T021400	27,178	-
Continuum of Care Program 2015 Planning	14.267		IL0616L5T021500	10,204	-
Total Continuum of Care Program				<u>945,178</u>	<u>509,740</u>
Total U.S. Department of Housing and Urban Development				<u>7,161,252</u>	<u>5,593,189</u>
U.S. Department of Justice					
Juvenile Accountability Block Grants					
Juvenile Accountability Block Grants	16.523	DHS	FCSUR03269	23,709	-
Juvenile Accountability Block Grants	16.523	DHS	FCSUR03292	7,921	-
Juvenile Accountability Block Grants	16.523	DHS	FCSVR03502	14,418	-
Total Juvenile Accountability Block Grants				46,047	-
Juvenile Justice and Delinquency Prevention					
Juvenile Justice and Delinquency Prevention	16.540	DHS	FCSUR03502	25,718	-
Juvenile Justice and Delinquency Prevention	16.540	DHS	FCSVR03502	15,617	-
Total Juvenile Justice and Delinquency Prevention Grants				41,335	-
Crime Victim Assistance					
Crime Victim Assistance	16.575	CJIA	215059	74,984	-
Crime Victim Assistance	16.575	CJIA	215077	51,897	-
Crime Victim Assistance	16.575	CJIA	215259	18,746	-
Crime Victim Assistance	16.575	CJIA	215277	11,775	-
Crime Victim Assistance	16.575	CJIA	215836	51,953	-
Crime Victim Assistance	16.575	CJIA	215936	11,697	-
Total Crime Victim Assistance				<u>221,052</u>	-
Crime Victim Assistance/Discretionary Grants01/18/16-06/30/16	16.582	NAVAA	16-188	5,000	-
Drug Court Discretionary Grant Program	16.585		2012-DC-BX-0007	47,538	-
Edward Byrne Memorial Justice Assistance Grant (JAG) Program					
Edward Byrne Memorial Justice Assistance Grant Program	16.738	CJIA	410953	42,964	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	CJIA	414023	138,579	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	CJIA	414223	25,176	-

See accompanying notes to schedule of expenditures of federal awards.

* Indicates major program

LAKE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended November 30, 2016

Grantor Agency / Program Title	Federal CFDA Number	Pass Through Agency	Grant Number	Expenditures	Subrecipient Expenditures
U.S. Department of Justice (cont.)					
Edward Byrne Memorial Justice Assistance Grant (JAG) Program (cont.)					
Edward Byrne Memorial Justice Assistance Grant Program	16.738	CJIA	414953	\$ 8,847	\$ -
Edward Byrne Memorial Justice Assistance Grant Program	16.738	Wauk	2015-DJ-BX-0107	3,872	-
Total Edward Byrne Memorial Justice Assistance Grant (JAG) Program				<u>219,439</u>	<u>-</u>
Total U.S. Department of Justice				<u>580,411</u>	<u>-</u>
U.S. Department of Labor					
Employment Service Cluster					
Employment Service/Wagner-Peyser Funded Activities	17.207	DCEO	13-111001	181,479	-
Total Employment Service Cluster				<u>181,479</u>	<u>-</u>
Trade Adjustment Assistance					
Trade Adjustment Assistance	17.245	DCEO	14-661001	455,701	-
Trade Adjustment Assistance	17.245	DCEO	15-661001	263,300	-
Total Trade Adjustment Assistance				<u>719,001</u>	<u>-</u>
WIA/WIOA Cluster					
WIA/WIOA Adult Program	17.258	* DCEO	13-632001	14,803	-
WIA/WIOA Dislocated Worker Formula Grants	17.278	* DCEO	13-653001	56,171	-
WIA/WIOA Dislocated Worker Formula Grants	17.278	* DCEO	14-651001	260,796	-
WIA/WIOA Dislocated Worker Formula Grants	17.278	* DCEO	14-653001	116,412	-
WIA/WIOA Adult Program	17.258	* DCEO	14-681001	194,586	-
WIA/WIOA Youth Activities	17.259	* DCEO	14-681001	89,358	-
WIA/WIOA Dislocated Worker Formula Grants	17.278	* DCEO	14-681001	187,582	-
WIA/WIOA Dislocated Worker Formula Grants	17.278	* DCEO	15-653001	12,566	-
WIA/WIOA Adult Program	17.258	* DCEO	15-681001	1,057,993	-
WIA/WIOA Youth Activities	17.259	* DCEO	15-681001	1,065,425	471,082
WIA/WIOA Adult Program	17.258	* DCEO	15-681001	1,084,201	-
WIA/WIOA Adult Program	17.258	* DCEO	16-681001	326,113	-
WIA/WIOA Youth Activities	17.259	* DCEO	16-681001	386,136	253,336
WIA/WIOA Dislocated Worker Formula Grants	17.278	* DCEO	16-681001	415,619	-
Total WIA/WIOA Cluster				<u>5,267,761</u>	<u>724,419</u>
WIOA National Dislocated Worker Grants / WIA National Emergency Grants	17.277	DCEO	13-671001	1,955	-
Total U.S. Department of Labor				<u>6,170,196</u>	<u>724,419</u>
U.S. Department of Transportation					
Highway Planning and Construction Cluster					
Highway Planning and Construction	20.205	DOT	03-00033-12-CH III	46,461	-
Highway Planning and Construction	20.205	DOT	03-00033-12-CH III	36,247	-
Highway Planning and Construction	20.205	DOT	08-00073-08-CH I	218,388	-
Highway Planning and Construction	20.205	DOT	09-00135-11-BT III	7,068	-
Highway Planning and Construction	20.205	DOT	09-00174-05-CH II	169,204	-
Highway Planning and Construction	20.205	DOT	11-00088-19-TL	22,637	-
Highway Planning and Construction	20.205	DOT	11-00121-11-BR III	39,779	-
Highway Planning and Construction	20.205	DOT	12-00999-17-TL III	1,842	-
Highway Planning and Construction	20.205	DOT	12-00999-25-TL	3,051	-
Highway Planning and Construction	20.205	DOT	12-00999-29-TL	8,985	-

See accompanying notes to schedule of expenditures of federal awards.

* Indicates major program

LAKE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended November 30, 2016

Grantor Agency / Program Title	Federal CFDA Number	Pass Through Agency	Grant Number	Expenditures	Subrecipient Expenditures
U.S. Department of Transportation (cont.)					
Highway Planning and Construction Cluster (cont.)					
Highway Planning and Construction	20.205	DOT	14-00000-08-ES DES	\$ 77,585	\$ -
Highway Planning and Construction	20.205	DOT	14-00144-18-CH	82,770	-
Total Highway Planning and Construction Cluster				<u>714,015</u>	<u>-</u>
Metropolitan Transportation Planning					
Metropolitan Transportation Planning	20.505		Planning Liaison	72,759	-
Total Metropolitan Transportation Planning				<u>72,759</u>	<u>-</u>
Transit Services Programs Cluster					
Job Access And Reverse Commute Program	20.516	RTA	09-00280-01-ES (JARC)	26,152	-
New Freedom Program	20.521	RTA	09-00280-01-ES	14,241	-
Total Transit Services Program Cluster				40,393	-
Highway Safety Cluster					
State and Community Highway Safety	20.600	DOT	AP-17-0084	9,346	-
State and Community Highway Safety	20.600	DOT	AP-16-0104	62,062	-
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	DOT	AP-15-0126	58,186	58,186
Total Highway Safety Cluster				129,595	58,186
Total U.S. Department of Transportation				<u>956,762</u>	<u>58,186</u>
U.S. Environmental Protection Agency					
Nonpoint Source Implementation Grants					
Nonpoint Source Implementation Grants	66.460	EPA	3191302	9,519	-
Nonpoint Source Implementation Grants	66.460	EPA	3191506	27,087	-
Nonpoint Source Implementation Grants	66.460	EPA	3191304	308,193	-
Total - Nonpoint Source Implementation Grants				344,799	-
Performance Partnership Grants					
Performance Partnership Grants	66.605	DPH	063 65380166D	33,263	-
Total Performance Partnership Grants				<u>33,263</u>	<u>-</u>
Great Lakes Program	66.469	EMA	GL-00E01926	224,400	-
Beach Monitoring and Notification Program Implementation Grants	66.472	DPH	063 65380087D	27,000	-
Total U.S. Environmental Protection Agency				<u>629,462</u>	<u>-</u>
U.S. Department of Education					
Special Education-Grants for Infants and Families	84.181	DHS	FCSUO00895	375,218	-
Total U.S. Department of Education				<u>375,218</u>	<u>-</u>
U.S. Department of Health and Human Services					
HPP and PHEP Aligned Cooperative Agreements					
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	DPH	063 67180047D	390,684	-
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	DPH	063 67180108D	74,556	-
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	DPH	063 67180158D	69,428	-

See accompanying notes to schedule of expenditures of federal awards.

* Indicates major program

LAKE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended November 30, 2016

Grantor Agency / Program Title	Federal CFDA Number	Pass Through Agency	Grant Number	Expenditures	Subrecipient Expenditures
U.S. Department of Health and Human Services (cont.)					
HPP and PHEP Aligned Cooperative Agreements (cont.)					
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	DPH	063 77180047E	\$ 64,085	\$ -
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	DPH	063 77180108E	5,290	-
Total HPP and PHEP Aligned Cooperative Agreements				<u>604,043</u>	<u>-</u>
Affordable Care Act (ACA) Personal Responsibility Education Program					
Affordable Care Act (ACA) Personal Responsibility Education Program	93.092	DHS	FCSUP01837	87,224	-
Affordable Care Act (ACA) Personal Responsibility Education Program	93.092	DHS	FCSVP01837	39,963	-
Total Affordable Care Act (ACA) Personal Responsibility Education Program				<u>127,187</u>	<u>-</u>
Project Grants and Cooperative Agreements for Tuberculosis Control Programs					
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	DPH	063 55180255C	13,674	-
Total Project Grants and Cooperative Agreements for Tuberculosis Control Programs				<u>13,674</u>	<u>-</u>
Injury Prevention and Control Research and State and Community Based Programs					
Family Planning Services	93.217	DPH	063 66180062D	275,260	-
Bureau of Primary Health Care					
Health Center Program Cluster					
Health Centers (Community Health Centers, Migrant Health Centers, Healthcare for the Homeless, and Public Housing Primary Care)	93.224	HHO	6 H80CS00119-14-14	806,842	-
Health Centers (Community Health Centers, Migrant Health Centers, Healthcare for the Homeless, and Public Housing Primary Care)	93.224	HHO	3 H80CS00119-15-15	3,633,817	-
Health Centers (Community Health Centers, Migrant Health Centers, Healthcare for the Homeless, and Public Housing Primary Care)	93.224		H80CS00111	30,787	-
Health Centers (Community Health Centers, Migrant Health Centers, Healthcare for the Homeless, and Public Housing Primary Care)	93.224		H80CS00111	8,518	-
Total Health Center Program Cluster				<u>4,479,964</u>	<u>-</u>
Substance Abuse and Mental Health Services Projects of Regional and National Significance					
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243		5H79SM061684-03	56,226	-
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243		5H79SM061684-02	269,679	-
Substance Abuse and Mental Health Services-Projects of Regional and National Significance	93.243		5U79SM060954-04	347,996	-
Total Substance Abuse and Mental Health Services Projects of Regional and National Significance				<u>673,902</u>	<u>-</u>
Immunization Cooperative Agreements					
Immunization Cooperative Agreements	93.268	* DPH	063 55180239C	30,698	-
Immunization Cooperative Agreements	93.268	* DPH	063 65180013D	37,987	-
Immunization Cooperative Agreements - noncash	93.268	* DPH	1330	2,169,876	-
Total Immunization Cooperative Agreements				<u>2,238,561</u>	<u>-</u>

See accompanying notes to schedule of expenditures of federal awards.

* Indicates major program

LAKE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended November 30, 2016

Grantor Agency / Program Title	Federal CFDA Number	Pass Through Agency	Grant Number	Expenditures	Subrecipient Expenditures
U.S. Department of Health and Human Services (cont.)					
The Office of Public Health and Science					
Drug-Free Communities Support Program Grants					
Drug-Free Communities Support Program Grants	93.276		5H79SP018788-03	\$ 4,350	\$ -
Drug-Free Communities Support Program Grants	93.276		5H79SP018788-04	101,097	-
Drug-Free Communities Support Program Grants	93.276		5H79SP018788-05	10,507	-
Total Drug-Free Communities Support Program Grants				<u>115,954</u>	<u>-</u>
Centers for Disease Control and Prevention Investigations and Technical Assistance	93.283	DPH	063 66180015D	225,109	
State Planning and Establishment Grants for the Affordable Care Act (ACA)'s Exchanges Program					
State Planning and Establishment Grants for the Affordable Care Act (ACA)'s Exchanges (Footnote)	93.525	DPH	063 60180022D	129,283	25,682
Total State Planning and Establishment Grants for the Affordable Care Act (ACA)'s Exchanges				<u>129,283</u>	<u>25,682</u>
Child Support Enforcement					
Child Support Enforcement	93.563	HFS	2014-55-013-K3D	245,441	-
Child Support Enforcement	93.563	HFS	2017-55-013-K	221,451	-
Child Support Enforcement	93.563	HFS	2015-55-007-KC	40,650	-
Child Support Enforcement	93.563	HFS	2015-55-024-K1D	22,409	-
Child Support Enforcement	93.563	HFS	2015-55-024-K5D	14,473	-
Total Child Support Enforcement				<u>544,424</u>	<u>-</u>
CCDF Cluster					
Child Care and Development Block Grant	93.575	DHS	FCSUI01761	33,162	-
Total CCDF Cluster				<u>33,162</u>	<u>-</u>
Child Welfare Research Training or Demonstration					
Child Welfare Research Training or Demonstration	93.648	CFS	1859243045	6,764	-
Total Child Welfare Research Training or Demonstration				6,764	-
Social Services Block Grant					
Social Services Block Grant	93.667	DPH	063 66180062D	102,380	-
Total Social Services Block Grant				<u>102,380</u>	<u>-</u>
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations financed in part by Prevention and Public Health Funds					
State and Local Public Health Actions to Prevent Obesity, Diabetes, Heart Disease and Stroke (PPHF)	93.752	DPH	063 76180013E	30,391	
State and Local Public Health Actions to Prevent Obesity, Diabetes, Heart Disease and Stroke (PPHF)					
State and Local Public Health Actions to Prevent Obesity, Diabetes, Heart Disease and Stroke (PPHF)	93.757	DPH	063 63287011D	96,777	-
State and Local Public Health Actions to Prevent Obesity, Diabetes, Heart Disease and Stroke (PPHF)	93.757	DPH	063 73286011E	18,750	-
Total - State and Local Public Health Actions to Prevent Obesity, Diabetes, Heart Disease and Stroke (PPHF)				<u>115,527</u>	<u>-</u>
Medicaid Cluster					
Medical Assistance Program	93.778	HFS		512,598	-
Total Medicaid Cluster				<u>512,598</u>	<u>-</u>
HIV Emergency Relief Project Grants					
HIV Emergency Relief Project Grants	93.914	CDPH	33736	254,180	-

See accompanying notes to schedule of expenditures of federal awards.

* Indicates major program

LAKE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended November 30, 2016

Grantor Agency / Program Title	Federal CFDA Number	Pass Through Agency	Grant Number	Expenditures	Subrecipient Expenditures
U.S. Department of Health and Human Services (cont.)					
HIV Emergency Relief Project Grants (cont.)					
HIV Emergency Relief Project Grants	93.914	CDPH	30963	\$ 129,380	\$ -
Total HIV Emergency Relief Projects Grants				<u>383,560</u>	<u>-</u>
Aids Foundation of Chicago					
HIV Care Formula Grants	93.917	AFC		77,859	-
HIV Care Formula Grants	93.917	AFC		29,963	-
Total Aids Foundation of Chicago				<u>107,822</u>	<u>-</u>
HIV Prevention Activities Health Department Based Program					
HIV Prevention Activities Health Department Based	93.940	DPH	063 55780063C	1,750	-
HIV Prevention Activities Health Department Based	93.940	PHA	16-142-02	22,160	-
Total HIV Prevention Activities Health Department Based Program				<u>23,910</u>	<u>-</u>
Community Mental Health Services					
Block Grants for Community Mental Health Services	93.958	DHS	45CUB00775	75,538	-
Block Grants for Community Mental Health Services	93.958	DHS	45CUB00776	70,584	-
Block Grants for Community Mental Health Services	93.958	DHS	45CUB00778	103,658	-
Block Grants for Community Mental Health Services	93.958	DHS	45CVB00775	92,867	-
Block Grants for Community Mental Health Services	93.958	DHS	45CVB00776	44,842	-
Block Grants for Community Mental Health Services	93.958	DHS	45CVB00778	106,704	-
Total Community Mental Health Services				<u>494,193</u>	<u>-</u>
Substance Abuse Treatment Program					
Block Grants for Prevention and Treatment of Substance Abuse	93.959	DHS	43CUC00177	79,384	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	DHS	43CUC00180	102,806	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	DHS	43CUC00183	313,702	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	DHS	43CUC00184	7,379	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	DHS	43CVC00177	30,033	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	DHS	43CVC00180	94,080	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	DHS	43CVC03069	1,807	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	DHS	43CVC03076	96,215	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	DHS	FCSUP01424	200,411	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	DHS	FCSVP01424	82,306	-
Total Substance Abuse Treatment Program				<u>1,008,123</u>	<u>-</u>
Maternal and Child Health Services Block Grant to the States	93.994	DHS	872 66180062D	21,625	-
Total U.S. Department of Health and Human Services				<u>12,277,213</u>	<u>25,682</u>
U.S. Department of Homeland Security					
Flood Mitigation Assistance					
Flood Mitigation Assistance	97.029	EMA	FY14-FMA IEMA	585,975	-
Hazard Mitigation Grant					
Hazard Mitigation Grant	97.039	*	EMA HMGP 4116 Grant	1,419,952	-
Hazard Mitigation Grant	97.039	*	EMA FEMA-DR-1935-IL	55,760	-
Total Hazard Mitigation Grant				<u>1,475,712</u>	<u>-</u>
Emergency Management Performance Grants	97.042	EMA	16EMALAKE	323,307	-
Total U.S. Department of Homeland Security				<u>2,384,994</u>	<u>-</u>
TOTAL FEDERAL AWARDS				<u>\$ 38,495,943</u>	<u>\$ 6,401,476</u>

See accompanying notes to schedule of expenditures of federal awards.

* Indicates major program

LAKE COUNTY, ILLINOIS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For the Year Ended November 30, 2016

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the “schedule”) includes the federal award activity of Lake County under programs of the federal government for the year ended November 30, 2016. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of Lake County, it is not intended to and does not present the financial position, changes in net position or cash flows of Lake County.

The reporting entity for Lake County is based upon criteria established by the Governmental Accounting Standards Board. Lake County is the primary government according to GASB criteria, while the Lake County Forest Preserve District is a component unit.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

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

NOTE 3 – INDIRECT COST RATE

Lake County has not elected to use the 10% de minimis indirect cost rate.

LAKE COUNTY, ILLINOIS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For the Year Ended November 30, 2016

NOTE 4 – PASS-THROUGH AGENCIES

The following identifies the pass-through agency acronyms used on the schedule of expenditures of federal awards:

SBE	State Board of Education
DPH	Illinois Department of Public Health
DHS	Illinois Department of Human Services
CJIA	Illinois Criminal Justice Information Authority
Wauk	City of Waukegan
NAVAA	National Association of VOCA Assistance Administrators
DCEO	Illinois Department of Commerce and Economic Opportunity
DOT	Illinois Department of Transportation
RTA	Regional Transportation Authority
EPA	Illinois Environmental Protection Agency
EMA	Illinois Emergency Management Agency
HHO	Heartland Health Outreach
HFS	Illinois Department of Healthcare and Family Services
CFS	Illinois Department of Child and Family Services
CDPH	Chicago Department of Public Health
AFC	Aids Foundation of Chicago
PHA	Illinois Public Health Association

NOTE 5 – NONCASH PAYMENTS

Lake County receives vaccines at no charge from the Illinois Department of Public Health through federally assisted programs – Immunization Grants (CFDA No. 93.268). The value of vaccines received during the year ended November 30, 2016 was \$2,169,876 and is presented on the schedule.

Lake County receives non-cash assistance from the Illinois Department of Human Services under the Special Supplemental Food Program for Women, Infants and Children (CFDA No. 10.557), in the form of food instruments, which are distributed to qualifying WIC participants. Total distributions during the year ended November 30, 2016 were \$5,854,190 and are presented on the schedule.

Lake County does not receive any non-cash insurance benefits, or receive any loans or guarantees relating to federal awards.

LAKE COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended November 30, 2016

SECTION I – SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of report the auditor issued: Unmodified

Internal control over financial reporting:

- > Material weakness(es) identified? yes X 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 auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 516(a) of the Uniform Guidance?

 yes X no

Auditee qualified as low-risk auditee?

 X yes no

Identification of major federal programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
14.239	Home Investment Partnerships Program
	WIA Cluster:
17.258	WIA/WIOA Adult Program
17.259	WIA/WIOA Youth Activities
17.278	WIA/WIOA Dislocated Worker Formula Grants
93.268	Immunization Cooperative Agreements
97.039	Hazard Mitigation Grant

Dollar threshold used to distinguish between type A and type B programs:

\$ 1,154,878

LAKE COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended November 30, 2016

**SECTION II – FINANCIAL STATEMENT FINDINGS REQUIRED TO BE REPORTED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

None noted.

SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None noted.