

# Lake County, Illinois

Reports required by the Uniform Guidance and  
*Government Auditing Standards*

Year Ended November 30, 2021

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RSM US LLP

**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 Auditor's 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 (the County), as of and for the year ended November 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated September 15, 2022. Our report includes an emphasis of matter paragraph relative to restatements of the beginning net position for Governmental Activities and Fiduciary Activities, and restated beginning fund balance for the General Fund and Nonmajor Governmental Funds due to the implementation of Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. Additionally, our report includes a reference to other auditors who audited the financial statements of the Lake County Forest Preserve District and Lake County Office of the Circuit Court Clerk, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**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 the 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 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.

### **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*.

### **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 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.

*RSM US LLP*

Chicago, Illinois  
September 15, 2022



RSM US LLP

**Report on Compliance for Each Major Federal Program; Report on Internal Control  
Over Compliance; and Report on Schedule of Expenditures of Federal Awards  
Required by the Uniform Guidance**

**Independent Auditor's 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' (the County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended November 30, 2021. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

The County's basic financial statements include the operations of the Lake County Forest Preserve District (District) for the year ended December 31, 2020, a discretely presented component unit, which expended \$977,975 in federal awards which is not included in the County's schedule of expenditures of federal awards during the year ended November 30, 2021. Our audit did not include the operations of the District because the District engaged other auditors to perform an audit of compliance.

**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.

**Auditor's 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.

### **Opinion on Each Major Federal Program**

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended November 30, 2021.

### **Other Matters**

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2021-001. Our opinion on each major federal program is not modified with respect to this matter.

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

### **Report on Internal Control Over Compliance**

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

*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.

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 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 the County as of and for the year ended November 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated September 15, 2022, which contained unmodified opinions on those financial statements. Our report includes an emphasis of matter paragraph relative to restatements of the beginning net position for Governmental Activities and Fiduciary Activities, and restated beginning fund balance for the General Fund and Nonmajor Governmental Funds due to the implementation of Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. Additionally, our report includes reference to other auditors who audited the financial statements of the Lake County Forest Preserve District and Lake County Office of the Circuit Court Clerk, as described in our report on the County's financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*RSM US LLP*

Chicago, Illinois  
September 15, 2022

Lake County, Illinois

Schedule of Expenditures of Federal Awards  
For the Year Ended November 30, 2021

| Federal Grantor / Program or Cluster Title                                  | Federal Assistance Listing Number | Pass-Through Agency | Pass-Through Entity Identifying Number | Total Federal Expenditures | Provided Through to Subrecipients |
|-----------------------------------------------------------------------------|-----------------------------------|---------------------|----------------------------------------|----------------------------|-----------------------------------|
| <b>U.S. Department of Agriculture</b>                                       |                                   |                     |                                        |                            |                                   |
| Child Nutrition Cluster                                                     |                                   |                     |                                        |                            |                                   |
| School Breakfast Program                                                    | 10.553                            | SBE                 | 34-049-012P                            | \$ 13,301                  | \$ -                              |
| National School Lunch Program                                               | 10.555                            | SBE                 | 34-049-12P-00A7                        | 4,503                      | -                                 |
| National School Lunch Program                                               | 10.555                            | SBE                 | 34-049-012P                            | 41,161                     | -                                 |
| Total Child Nutrition Cluster                                               |                                   |                     |                                        | <u>58,965</u>              | <u>-</u>                          |
| WIC Special Supplemental Nutrition Program for Women, Infants, and Children |                                   |                     |                                        |                            |                                   |
| WIC Special Supplemental Nutrition Program for Women, Infants, and Children | 10.557                            | IDHS                | FCSAQ00915                             | 700,920                    | -                                 |
| WIC Special Supplemental Nutrition Program for Women, Infants, and Children | 10.557                            | IDHS                | FCSZQ00915                             | 1,187,603                  | -                                 |
| WIC Special Supplemental Nutrition Program for Women, Infants, and Children | 10.557                            | IDHS                | FCSAQ01153                             | 52,699                     | -                                 |
| WIC Special Supplemental Nutrition Program for Women, Infants, and Children | 10.557                            | IDHS                | FCSZQ01153                             | 84,602                     | -                                 |
| Total Special Supplemental Nutrition Program                                |                                   |                     |                                        | <u>2,025,824</u>           | <u>-</u>                          |
| WIC Farmers' Market Nutrition Program (FMNP)                                | 10.572                            | IDHS                | FCSAQ01242                             | 1,000                      | -                                 |
| <b>Total U.S. Department of Agriculture</b>                                 |                                   |                     |                                        | <u>2,085,789</u>           | <u>-</u>                          |
| <b>U.S. Department of Housing and Urban Development</b>                     |                                   |                     |                                        |                            |                                   |
| CDBG Entitlement Grants Cluster                                             |                                   |                     |                                        |                            |                                   |
| Community Development Block Grants/Entitlement Grants                       | 14.218                            |                     |                                        | 4,632,929                  | 3,970,004                         |
| Total CDBG Entitlement Grants Cluster                                       |                                   |                     |                                        | <u>4,632,929</u>           | <u>3,970,004</u>                  |
| Emergency Solutions Grant Program                                           |                                   |                     |                                        |                            |                                   |
| Emergency Solutions Grant Program                                           | 14.231                            | IDHS                | FCSZH03834                             | 20,000                     | -                                 |
| Emergency Solutions Grant Program                                           | 14.231                            | IDHS                | FCSAH03834                             | 23,388                     | -                                 |
| Emergency Solutions Grant Program                                           | 14.231                            |                     |                                        | 1,525,343                  | 1,429,964                         |
| Total Emergency Solutions Grant Program                                     |                                   |                     |                                        | <u>1,568,731</u>           | <u>1,429,964</u>                  |
| Home Investment Partnerships Program                                        | 14.239                            |                     |                                        | 1,455,323                  | 1,326,253                         |
| Continuum of Care Program                                                   | 14.267                            |                     |                                        | 604,031                    | 79,029                            |
| <b>Total U.S. Department of Housing and Urban Development</b>               |                                   |                     |                                        | <u>8,261,014</u>           | <u>6,805,250</u>                  |

(Continued)



Lake County, Illinois

Schedule of Expenditures of Federal Awards (Continued)  
For the Year Ended November 30, 2021

| Federal Grantor / Program or Cluster Title                                   | Federal Assistance Listing Number | Pass-Through Agency | Pass-Through Entity Identifying Number | Total Federal Expenditures | Provided Through to Subrecipients |
|------------------------------------------------------------------------------|-----------------------------------|---------------------|----------------------------------------|----------------------------|-----------------------------------|
| <b>U.S. Department of Justice</b>                                            |                                   |                     |                                        |                            |                                   |
| Juvenile Justice and Delinquency Prevention                                  |                                   |                     |                                        |                            |                                   |
| Juvenile Justice and Delinquency Prevention                                  | 16.540                            | IDHS                | FCSAR05964                             | \$ 4,861                   | \$ -                              |
| Juvenile Justice and Delinquency Prevention                                  | 16.540                            | IDHS                | FCSAR06025                             | 465                        | -                                 |
| Total Juvenile Justice and Delinquency Prevention                            |                                   |                     |                                        | <u>5,326</u>               | <u>-</u>                          |
| Crime Victim Assistance                                                      |                                   |                     |                                        |                            |                                   |
| Crime Victim Assistance                                                      | 16.575                            | CJIA                | 218003                                 | 265,668                    | -                                 |
| Crime Victim Assistance                                                      | 16.575                            | CJIA                | 219003                                 | 35,933                     | -                                 |
| Crime Victim Assistance                                                      | 16.575                            | CJIA                | 820002                                 | 28,151                     | -                                 |
| Crime Victim Assistance                                                      | 16.575                            | CJIA                | 218444                                 | 10,370                     | -                                 |
| Crime Victim Assistance                                                      | 16.575                            | CJIA                | 219444                                 | 120,505                    | -                                 |
| Crime Victim Assistance                                                      | 16.575                            | CJIA                | 219032                                 | 73,291                     | -                                 |
| Total Crime Victim Assistance                                                |                                   |                     |                                        | <u>533,918</u>             | <u>-</u>                          |
| Crime Victim Assistance/Discretionary Grants                                 | 16.582                            | NAVAA               | 20-0010                                | 4,740                      | -                                 |
| State Criminal Alien Assistance Program                                      | 16.606                            |                     |                                        | 30,972                     | -                                 |
| Edward Byrne Memorial Justice Assistance Grant Program                       |                                   |                     |                                        |                            |                                   |
| Edward Byrne Memorial Justice Assistance Grant Program                       | 16.738                            | Wauk                | 2017-DJ-BX-0522                        | 2,085                      | -                                 |
| Edward Byrne Memorial Justice Assistance Grant Program                       | 16.738                            | Wauk                | 2019-DJ-BX-0586                        | 1,510                      | -                                 |
| Total Edward Byrne Memorial Justice Assistance Grant Program                 |                                   |                     |                                        | <u>3,595</u>               | <u>-</u>                          |
| Criminal and Juvenile Justice and Mental Health Collaboration Program        | 16.745                            |                     |                                        | 95,574                     | -                                 |
| Comprehensive Opioid, Stimulant, and Substance Abuse Program                 | 16.838                            |                     |                                        | 277,876                    | -                                 |
| <b>Total U.S. Department of Justice</b>                                      |                                   |                     |                                        | <u>952,001</u>             | <u>-</u>                          |
| <b>U.S. Department of Labor</b>                                              |                                   |                     |                                        |                            |                                   |
| WIOA Cluster                                                                 |                                   |                     |                                        |                            |                                   |
| WIOA Youth Activities                                                        | 17.259                            | DCEO                | 19-681001                              | 488,057                    | -                                 |
| WIOA Youth Activities                                                        | 17.259                            | DCEO                | 20-681001                              | 1,280,897                  | 324,083                           |
| WIOA Youth Activities                                                        | 17.259                            | DCEO                | 21-681001                              | 418,426                    | 78,372                            |
| WIOA Dislocated Worker Formula Grants                                        | 17.278                            | DCEO                | 19-681001                              | 102,022                    | -                                 |
| WIOA Dislocated Worker Formula Grants                                        | 17.278                            | DCEO                | 20-681001                              | 1,536,222                  | -                                 |
| WIOA Dislocated Worker Formula Grants                                        | 17.278                            | DCEO                | 21-681001                              | 563,067                    | -                                 |
| WIOA Adult Program                                                           | 17.258                            | DCEO                | 19-681001                              | 2,761                      | -                                 |
| WIOA Adult Program                                                           | 17.258                            | DCEO                | 20-681001                              | 1,469,722                  | -                                 |
| WIOA Adult Program                                                           | 17.258                            | DCEO                | 21-681001                              | 628,057                    | -                                 |
| WIOA Dislocated Worker Formula Grants                                        | 17.278                            | DCEO                | 20-651001                              | 10,295                     | -                                 |
| WIOA Dislocated Worker Formula Grants                                        | 17.278                            | DCEO                | 19-656001                              | 10,428                     | -                                 |
| WIOA Dislocated Worker Formula Grants                                        | 17.278                            | DCEO                | 19-633001                              | 80,185                     | -                                 |
| Total WIOA Cluster                                                           |                                   |                     |                                        | <u>6,590,139</u>           | <u>402,455</u>                    |
| WIOA National Dislocated Worker Grants / WIA National Emergency Grants       |                                   |                     |                                        |                            |                                   |
| WIOA National Dislocated Worker Grants / WIA National Emergency Grants       | 17.277                            | DCEO                | 18-671001                              | 1,542                      | -                                 |
| WIOA National Dislocated Worker Grants / WIA National Emergency Grants       | 17.277                            | DCEO                | 19-671001                              | 137,574                    | -                                 |
| WIOA National Dislocated Worker Grants / WIA National Emergency Grants       | 17.277                            | DCEO                | 20-671001                              | 772,016                    | -                                 |
| WIOA National Dislocated Worker Grants / WIA National Emergency Grants       | 17.277                            | DCEO                | 20-672001                              | 247,998                    | -                                 |
| Total WIOA National Dislocated Worker Grants / WIA National Emergency Grants |                                   |                     |                                        | <u>1,159,130</u>           | <u>-</u>                          |

(Continued)

Lake County, Illinois

Schedule of Expenditures of Federal Awards (Continued)  
For the Year Ended November 30, 2021

| Federal Grantor / Program or Cluster Title                   | Federal Assistance Listing Number | Pass-Through Agency | Pass-Through Entity Identifying Number | Total Federal Expenditures | Provided Through to Subrecipients |
|--------------------------------------------------------------|-----------------------------------|---------------------|----------------------------------------|----------------------------|-----------------------------------|
| <b>U.S. Department of Labor (Continued)</b>                  |                                   |                     |                                        |                            |                                   |
| Trade Adjustment Assistance                                  |                                   |                     |                                        |                            |                                   |
| Trade Adjustment Assistance                                  | 17.245                            | DCEO                | 19-661001                              | \$ 119,951                 | \$ -                              |
| Trade Adjustment Assistance                                  | 17.245                            | DCEO                | 20-661001                              | 3,950                      | -                                 |
| Total Trade Adjustment Assistance                            |                                   |                     |                                        | <u>123,901</u>             | <u>-</u>                          |
| <b>Total U.S. Department of Labor</b>                        |                                   |                     |                                        | <u>7,873,170</u>           | <u>402,455</u>                    |
| <b>U.S. Department of Transportation</b>                     |                                   |                     |                                        |                            |                                   |
| Highway Planning and Construction Cluster                    |                                   |                     |                                        |                            |                                   |
| Highway Planning & Construction                              | 20.205                            | DOT                 | 18-00158-13-WR                         | 295,837                    | -                                 |
| Highway Planning & Construction                              | 20.205                            | DOT                 | 18-00999-56-ES                         | 171,994                    | -                                 |
| Highway Planning & Construction                              | 20.205                            | DOT                 | 12-00999-30-TL                         | 45,876                     | -                                 |
| Highway Planning & Construction                              | 20.205                            | DOT                 | 14-00158-11-WR III                     | 95,346                     | -                                 |
| Highway Planning & Construction                              | 20.205                            | DOT                 | 15-00038-07-WR                         | 32,947                     | -                                 |
| Highway Planning & Construction                              | 20.205                            | DOT                 | 99-00260-01-WR                         | 159,872                    | -                                 |
| Highway Planning & Construction                              | 20.205                            | CMAP                | c-21-008                               | 81,962                     | -                                 |
| Highway Planning & Construction                              | 20.205                            | CMAP                | c-22-008                               | 76,705                     | -                                 |
| Total Highway Planning and Construction Cluster              |                                   |                     |                                        | <u>960,539</u>             | <u>-</u>                          |
| Transit Services Programs Cluster                            |                                   |                     |                                        |                            |                                   |
| Enhanced Mobility of Seniors & Individuals with Disabilities | 20.513                            | RTA                 | 20-00280-08-ES                         | 54,851                     | -                                 |
| Enhanced Mobility of Seniors & Individuals with Disabilities | 20.513                            | RTA                 | 19-00280-07-ES                         | 34,994                     | -                                 |
| Total Transit Services Programs Cluster                      |                                   |                     |                                        | <u>89,845</u>              | <u>-</u>                          |
| Highway Safety Cluster                                       |                                   |                     |                                        |                            |                                   |
| State and Community Highway Safety                           | 20.600                            | DOT                 | HS-21-0068                             | 105,931                    | -                                 |
| State and Community Highway Safety                           | 20.600                            | DOT                 | HS-22-0045                             | 12,400                     | -                                 |
| National Priority Safety Programs                            | 20.616                            | DOT                 | AP-21-0201                             | 18,811                     | -                                 |
| National Priority Safety Programs                            | 20.616                            | DOT                 | HS-22-0174                             | 522                        | -                                 |
| Total Highway Safety Cluster                                 |                                   |                     |                                        | <u>137,664</u>             | <u>-</u>                          |
| <b>Total U.S. Department of Transportation</b>               |                                   |                     |                                        | <u>1,188,048</u>           | <u>-</u>                          |
| <b>U.S. Department of the Treasury</b>                       |                                   |                     |                                        |                            |                                   |
| COVID-19 Coronavirus Relief Fund                             |                                   |                     |                                        |                            |                                   |
| COVID-19 - Coronavirus Relief Fund                           | 21.019                            |                     |                                        | 13,800,718                 | 2,279,107                         |
| COVID-19 - Coronavirus Relief Fund                           | 21.019                            | HFS                 | 45CZB00780                             | 50,000                     | -                                 |
| COVID-19 - Coronavirus Relief Fund                           | 21.019                            | IDPH                | 45CZB04141                             | 50,000                     | -                                 |
| COVID-19 - Coronavirus Relief Fund                           | 21.019                            | IDPH                | 43CZC00180                             | 1,531                      | -                                 |
| COVID-19 - Coronavirus Relief Fund                           | 21.019                            | IDPH                | 43CZC03076                             | 104,728                    | -                                 |
| COVID-19 - Coronavirus Relief Fund                           | 21.019                            | IDPH                | 43CZZ03217                             | 123,750                    | -                                 |
| COVID-19 - Coronavirus Relief Fund                           | 21.019                            | IDPH                | 05180148HAMD3                          | 416,620                    | -                                 |
| Total COVID-19 Coronavirus Relief Fund                       |                                   |                     |                                        | <u>14,547,347</u>          | <u>2,279,107</u>                  |
| COVID-19 Emergency Rental Assistance Program                 |                                   |                     |                                        |                            |                                   |
| COVID-19 Emergency Rental Assistance Program                 | 21.023                            | IDPH                | ERA 1                                  | 18,075,404                 | 18,075,404                        |
| COVID-19 Emergency Rental Assistance Program                 | 21.023                            | IDPH                | ERA 2                                  | 2,906,500                  | 2,906,500                         |
| Total COVID-19 Emergency Rental Assistance Program           |                                   |                     |                                        | <u>20,981,904</u>          | <u>20,981,904</u>                 |
| COVID-19 Coronavirus State & Local Fiscal Recovery Funds     | 21.027                            | HFS                 | ARPA                                   | 239,882                    | -                                 |
| <b>Total U.S. Department of the Treasury</b>                 |                                   |                     |                                        | <u>35,769,133</u>          | <u>23,261,011</u>                 |

(Continued)

Lake County, Illinois

Schedule of Expenditures of Federal Awards (Continued)  
For the Year Ended November 30, 2021

| Federal Grantor / Program or Cluster Title                                                                                                         | Federal Assistance Listing Number | Pass-Through Agency | Pass-Through Entity Identifying Number | Total Federal Expenditures | Provided Through to Subrecipients |
|----------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|---------------------|----------------------------------------|----------------------------|-----------------------------------|
| <b>U.S. Environmental Protection Agency</b>                                                                                                        |                                   |                     |                                        |                            |                                   |
| Nonpoint Source Implementation Grants                                                                                                              | 66.460                            | IEPA                | 3191915                                | \$ 591,698                 | \$ -                              |
| Beach Monitoring and Notification Program Implementation Grants                                                                                    | 66.472                            | IDPH                | 05380402H                              | 7,856                      | -                                 |
| Performance Partnership Grants                                                                                                                     |                                   |                     |                                        |                            |                                   |
| Performance Partnership Grants                                                                                                                     | 66.605                            | IDPH                | 25080049J                              | 13,221                     | -                                 |
| Performance Partnership Grants                                                                                                                     | 66.605                            | IDPH                | 05080049H-LHPGAMD1                     | 18,450                     | -                                 |
| Total Performance Partnership Grants                                                                                                               |                                   |                     |                                        | <u>31,671</u>              | <u>-</u>                          |
| <b>Total U.S. Environmental Protection Agency</b>                                                                                                  |                                   |                     |                                        | <u>631,225</u>             | <u>-</u>                          |
| <b>U.S. Election Assistance Commission</b>                                                                                                         |                                   |                     |                                        |                            |                                   |
| 2018 HAVA Election Security Grants                                                                                                                 | 90.404                            | SBE                 | SFY2021                                | 206,330                    | -                                 |
| <b>Total U.S. Election Assistance Commission</b>                                                                                                   |                                   |                     |                                        | <u>206,330</u>             | <u>-</u>                          |
| <b>U.S. Department of Health and Human Services</b>                                                                                                |                                   |                     |                                        |                            |                                   |
| Public Health Emergency Preparedness                                                                                                               |                                   |                     |                                        |                            |                                   |
| Public Health Emergency Preparedness                                                                                                               | 93.069                            | IDPH                | 27180047J                              | 110,393                    | -                                 |
| Public Health Emergency Preparedness                                                                                                               | 93.069                            | IDPH                | 17180047I                              | 204,607                    | -                                 |
| Public Health Emergency Preparedness                                                                                                               | 93.069                            | IDPH                | 27580013J                              | 14,122                     | -                                 |
| Public Health Emergency Preparedness                                                                                                               | 93.069                            | IDPH                | 17580013I                              | 45,184                     | -                                 |
| Total Public Health Emergency Preparedness                                                                                                         |                                   |                     |                                        | <u>374,306</u>             | <u>-</u>                          |
| Affordable Care Act (ACA) Personal Responsibility Education Program                                                                                |                                   |                     |                                        |                            |                                   |
| Affordable Care Act (ACA) Personal Responsibility Education Program                                                                                | 93.092                            | IDHS                | FCSAP01837                             | 49,955                     | -                                 |
| Affordable Care Act (ACA) Personal Responsibility Education Program                                                                                | 93.092                            | IDHS                | FCSZP01837                             | 98,530                     | -                                 |
| Total Affordable Care Act (ACA) Personal Responsibility Education Program                                                                          |                                   |                     |                                        | <u>148,485</u>             | <u>-</u>                          |
| Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)                                              | 93.104                            |                     |                                        | 435,725                    | -                                 |
| Injury Prevention and Control Research and State and Community Based Programs                                                                      |                                   |                     |                                        |                            |                                   |
| Injury Prevention and Control Research and State and Community Based Programs                                                                      | 93.136                            | IDPH                | 95080303G-2                            | 34,547                     | -                                 |
| Injury Prevention and Control Research and State and Community Based Programs                                                                      | 93.136                            | IDPH                | 22180216J                              | 12,789                     | -                                 |
| Injury Prevention and Control Research and State and Community Based Programs                                                                      | 93.136                            | IDPH                | 95080202G-1                            | 2,770                      | -                                 |
| Total Injury Prevention and Control Research and State and Community Based Programs                                                                |                                   |                     |                                        | <u>50,106</u>              | <u>-</u>                          |
| Health Center Program Cluster                                                                                                                      |                                   |                     |                                        |                            |                                   |
| Health Center Program (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care)            | 93.224                            |                     |                                        | 5,136,031                  | -                                 |
| COVID-19 - Health Center Program (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care) | 93.224                            |                     |                                        | 1,391,987                  | -                                 |
| Total Health Center Program Cluster                                                                                                                |                                   |                     |                                        | <u>6,528,018</u>           | <u>-</u>                          |

(Continued)

Lake County, Illinois

Schedule of Expenditures of Federal Awards (Continued)  
For the Year Ended November 30, 2021

| Federal Grantor / Program or Cluster Title                                                                                                                             | Federal Assistance Listing Number | Pass-Through Agency | Pass-Through Entity Identifying Number | Total Federal Expenditures | Provided Through to Subrecipients |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|---------------------|----------------------------------------|----------------------------|-----------------------------------|
| <b>U.S. Department of Health and Human Services (Continued)</b>                                                                                                        |                                   |                     |                                        |                            |                                   |
| Mental Health Research Grants                                                                                                                                          | 93.242                            | NWU                 | 60054206 LCHD                          | \$ 22,500                  | \$ -                              |
| 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                            |                     |                                        | 509,090                    | -                                 |
| Substance Abuse and Mental Health Services Projects of Regional and National Significance                                                                              | 93.243                            | IDHS                | 43CAZ03217                             | 66,064                     | -                                 |
| Substance Abuse and Mental Health Services Projects of Regional and National Significance                                                                              | 93.243                            | IDHS                | 43CZZ03217                             | 79,763                     | -                                 |
| Total Substance Abuse and Mental Health Services Projects of Regional and National Significance                                                                        |                                   |                     |                                        | <u>654,917</u>             | <u>-</u>                          |
| Immunization Cooperative Agreements                                                                                                                                    |                                   |                     |                                        |                            |                                   |
| Immunization Cooperative Agreements                                                                                                                                    | 93.268                            | IDPH                | 05080049H-LHPGAMD1                     | 42,478                     | -                                 |
| Immunization Cooperative Agreements                                                                                                                                    | 93.268                            | IDPH                | 25080049J                              | 5,716                      | -                                 |
| Immunization Cooperative Agreements                                                                                                                                    | 93.268                            | IDPH                | 25080049J                              | 2,972                      | -                                 |
| Immunization Cooperative Agreements                                                                                                                                    | 93.268                            | IDPH                | 15080648I-1                            | 1,276,572                  | -                                 |
| Immunization Cooperative Agreements - non-cash                                                                                                                         | 93.268                            | IDPH                | 1330                                   | 1,874,461                  | -                                 |
| Immunization Cooperative Agreements                                                                                                                                    | 93.268                            | IDPH                | 05080049H-LHPGAMD1                     | 2,281                      | -                                 |
| Immunization Cooperative Agreements                                                                                                                                    | 93.268                            | IDPH                | 95180046G-2                            | 8,748                      | -                                 |
| Total Immunization Cooperative Agreements                                                                                                                              |                                   |                     |                                        | <u>3,213,228</u>           | <u>-</u>                          |
| COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)                                                                                          |                                   |                     |                                        |                            |                                   |
| COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)                                                                                          | 93.323                            | IDPH                | 05180148HAMD3                          | 4,079,005                  | -                                 |
| COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)                                                                                          | 93.323                            | IPHCA               | 210016                                 | 1,345,488                  | -                                 |
| Total COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)                                                                                    |                                   |                     |                                        | <u>5,424,493</u>           | <u>-</u>                          |
| Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response                                                          |                                   |                     |                                        |                            |                                   |
| Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response                                                          | 93.354                            | IDPH                | 95080303G-2                            | 44,248                     | -                                 |
| Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response                                                          | 93.354                            | IDPH                | 95080202G-1                            | 17,181                     | -                                 |
| Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response                                                          | 93.354                            | IDPH                | 28080202J                              | 3,967                      | -                                 |
| Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response                                                          | 93.354                            | IDPH                | 07680048H                              | 34,137                     | -                                 |
| Total Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response                                                    |                                   |                     |                                        | <u>99,533</u>              | <u>-</u>                          |
| Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health                                              | 93.421                            | IDPH                | 2020-100309                            | 47,000                     | -                                 |
| COVID-19 - Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution                                                                                      | 93.498                            |                     |                                        | 255,413                    | -                                 |
| PPHF Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance financed in part by Prevention and Public Health Funds       |                                   |                     |                                        |                            |                                   |
| PPHF Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance financed in part by Prevention and Public Health Funds       | 93.539                            | IDPH                | 95180046G-2                            | 13,003                     | -                                 |
| PPHF Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance financed in part by Prevention and Public Health Funds       | 93.539                            | IDPH                | 95180046G-1                            | 13,237                     | -                                 |
| Total PPHF Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance financed in part by Prevention and Public Health Funds |                                   |                     |                                        | <u>26,240</u>              | <u>-</u>                          |
| Child Support Enforcement                                                                                                                                              |                                   |                     |                                        |                            |                                   |
| Child Support Enforcement                                                                                                                                              | 93.563                            | HFS                 | 2021-55-013-IGA                        | 231,470                    | -                                 |
| Child Support Enforcement                                                                                                                                              | 93.563                            | HFS                 | 2020-55-013-K                          | 217,149                    | -                                 |
| Total Child Support Enforcement                                                                                                                                        |                                   |                     |                                        | <u>448,619</u>             | <u>-</u>                          |
| Grants to States for Access & Visitation Programs                                                                                                                      |                                   |                     |                                        |                            |                                   |
| Grants to States for Access & Visitation Programs                                                                                                                      | 93.597                            | HFS                 | 2018-55-024-IGA D                      | 25,253                     | -                                 |
| Grants to States for Access & Visitation Programs                                                                                                                      | 93.597                            | HFS                 | 2021-55-024-002-D                      | 17,220                     | -                                 |
| Total Grants to States for Access & Visitation Programs                                                                                                                |                                   |                     |                                        | <u>42,473</u>              | <u>-</u>                          |
| Social Services Block Grant                                                                                                                                            | 93.667                            | IDHS                | FCSZU05067                             | 113,809                    | -                                 |

(Continued)

Lake County, Illinois

Schedule of Expenditures of Federal Awards (Continued)  
For the Year Ended November 30, 2021

| Federal Grantor / Program or Cluster Title                                                   | Federal Assistance Listing Number | Pass-Through Agency | Pass-Through Entity Identifying Number | Total Federal Expenditures | Provided Through to Subrecipients |
|----------------------------------------------------------------------------------------------|-----------------------------------|---------------------|----------------------------------------|----------------------------|-----------------------------------|
| <b>U.S. Department of Health and Human Services (Continued)</b>                              |                                   |                     |                                        |                            |                                   |
| Medicaid Cluster                                                                             |                                   |                     |                                        |                            |                                   |
| Medical Assistance Program                                                                   | 93.778                            | IDHS                | N/A                                    | \$ 75,192                  | \$ -                              |
| Total Medicaid Cluster & Medical Assistance Program                                          |                                   |                     |                                        | <u>75,192</u>              | <u>-</u>                          |
| Opioid STR                                                                                   |                                   |                     |                                        |                            |                                   |
| Opioid STR                                                                                   | 93.788                            | IDHS                | 43CAZ03217                             | 361                        | -                                 |
| Opioid STR                                                                                   | 93.788                            | IDHS                | 43CZZ03217                             | 139,708                    | -                                 |
| Opioid STR                                                                                   | 93.788                            | IDHS                | 43CZZ03222                             | 6,507                      | -                                 |
| Total Opioid STR                                                                             |                                   |                     |                                        | <u>146,576</u>             | <u>-</u>                          |
| Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations       |                                   |                     |                                        |                            |                                   |
| Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations       | 93.898                            | IDPH                | 26180012J-A1                           | 395,759                    | -                                 |
| Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations       | 93.898                            | IDPH                | 06180012H A-2                          | 169,749                    | -                                 |
| Total Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations |                                   |                     |                                        | <u>565,508</u>             | <u>-</u>                          |
| HIV Emergency Relief Project Grants                                                          |                                   |                     |                                        |                            |                                   |
| HIV Emergency Relief Project Grants                                                          | 93.914                            | CDPH                | 110215 FY22                            | 140,402                    | -                                 |
| HIV Emergency Relief Project Grants                                                          | 93.914                            | CDPH                | 110215 FY21                            | 81,348                     | -                                 |
| HIV Emergency Relief Project Grants                                                          | 93.914                            | CDPH                | 110215                                 | 5,100                      | -                                 |
| Total HIV Emergency Relief Projects Grants                                                   |                                   |                     |                                        | <u>226,850</u>             | <u>-</u>                          |
| HIV Care Formula Grants                                                                      |                                   |                     |                                        |                            |                                   |
| HIV Care Formula Grants                                                                      | 93.917                            | AFC                 | X07HA00013-31-00                       | 181,282                    | -                                 |
| HIV Care Formula Grants                                                                      | 93.917                            | AFC                 | X07HA00013-27-00                       | 125,984                    | -                                 |
| HIV Care Formula Grants                                                                      | 93.917                            | AFC                 | N/A                                    | 4,000                      | -                                 |
| Total HIV Care Formula Grants                                                                |                                   |                     |                                        | <u>311,266</u>             | <u>-</u>                          |
| Block Grants for Community Mental Health Services                                            |                                   |                     |                                        |                            |                                   |
| Block Grants for Community Mental Health Services                                            | 93.958                            | IDHS                | 45CAB00776                             | 93,421                     | -                                 |
| Block Grants for Community Mental Health Services                                            | 93.958                            | IDHS                | 45CZB00776                             | 21,241                     | -                                 |
| Block Grants for Community Mental Health Services                                            | 93.958                            | IDHS                | 45CAB00775                             | 102,483                    | -                                 |
| Block Grants for Community Mental Health Services                                            | 93.958                            | IDHS                | 45CZB00775                             | 72,664                     | -                                 |
| Block Grants for Community Mental Health Services                                            | 93.958                            | IDHS                | 45CAB00778                             | 109,115                    | -                                 |
| Block Grants for Community Mental Health Services                                            | 93.958                            | IDHS                | 45CZB00778                             | 40,169                     | -                                 |
| Block Grants for Community Mental Health Services                                            | 93.958                            | IDHS                | 45CAB04248                             | 74,787                     | -                                 |
| Total Block Grants for Community Mental Health Services                                      |                                   |                     |                                        | <u>513,880</u>             | <u>-</u>                          |
| Block Grants for Prevention and Treatment of Substance Abuse                                 |                                   |                     |                                        |                            |                                   |
| Block Grants for Prevention and Treatment of Substance Abuse                                 | 93.959                            | IDHS                | 43CZZ03400                             | 1,156                      | -                                 |
| Block Grants for Prevention and Treatment of Substance Abuse                                 | 93.959                            | IDHS                | 43CAZ03400                             | 997                        | -                                 |
| Block Grants for Prevention and Treatment of Substance Abuse                                 | 93.959                            | IDHS                | 43CAC00180                             | 15,758                     | -                                 |
| Block Grants for Prevention and Treatment of Substance Abuse                                 | 93.959                            | IDHS                | 43CZC00180                             | 44,863                     | -                                 |
| Block Grants for Prevention and Treatment of Substance Abuse                                 | 93.959                            | IDHS                | 43CAC03076                             | 79,583                     | -                                 |
| Block Grants for Prevention and Treatment of Substance Abuse                                 | 93.959                            | IDHS                | 43CZC03076                             | 119,632                    | -                                 |
| Block Grants for Prevention and Treatment of Substance Abuse                                 | 93.959                            | IDHS                | 43CAZ03222                             | 114,862                    | -                                 |
| Block Grants for Prevention and Treatment of Substance Abuse                                 | 93.959                            | IDHS                | 43CZZ03222                             | 179,495                    | -                                 |
| Total Block Grants for Prevention and Treatment of Substance Abuse                           |                                   |                     |                                        | <u>556,346</u>             | <u>-</u>                          |
| <b>Total U.S. Department of Health and Human Services</b>                                    |                                   |                     |                                        | <u>20,280,483</u>          | <u>-</u>                          |
| <b>U.S. Department of Homeland Security</b>                                                  |                                   |                     |                                        |                            |                                   |
| Emergency Food and Shelter National Board Program                                            | 97.024                            |                     |                                        | 10,313                     |                                   |
| Disaster Grants-Public Assistance (Presidentially Declared Disasters)                        | 97.036                            |                     |                                        | 523,457                    | 63,202                            |
| Hazard Mitigation Grant                                                                      | 97.039                            | IEMA                | 449-26671                              | 69                         | -                                 |
| Emergency Management Performance Grants                                                      | 97.042                            | IEMA                | 21EMALAKE                              | 196,956                    | -                                 |
| BRIC: Building Resilient Infrastructure and Communities                                      | 97.047                            | IEMA                | PDMC-PJ-05-IL-2017-010                 | 606,945                    | -                                 |
| <b>Total U.S. Department of Homeland Security</b>                                            |                                   |                     |                                        | <u>1,337,740</u>           | <u>63,202</u>                     |
| <b>TOTAL FEDERAL AWARDS</b>                                                                  |                                   |                     |                                        | <u>\$ 78,584,933</u>       | <u>\$ 30,531,918</u>              |

See notes to the schedule of expenditures of federal awards.

## Lake County, Illinois

### Notes to Schedule of Expenditures of Federal Awards Year Ended November 30, 2021

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#### Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Lake County, Illinois (the County) under programs of the federal government for the year ended November 30, 2021. 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 the County, it is not intended to and does not present the financial position, change in net position or cash flows of the County.

#### 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 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.

#### Note 3. Indirect Cost Rate

The County has not elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

#### Note 4. Pass-Through Agencies

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

|       |                                                          |
|-------|----------------------------------------------------------|
| SBE   | Illinois State Board of Education                        |
| IDHS  | Illinois Department of Human Services                    |
| CJIA  | Illinois Criminal Justice Information Authority          |
| NAVAA | National Association of VOCA Assistance Administrators   |
| Wauk  | City of Waukegan                                         |
| DCEO  | Illinois Department of Commerce and Economic Opportunity |
| DOT   | Illinois Department of Transportation                    |
| CMAP  | Chicago Metropolitan Agency for Planning                 |
| RTA   | Regional Transportation Authority                        |
| IEPA  | Illinois Environmental Protection Agency                 |
| IEMA  | Illinois Emergency Management Agency                     |
| HFS   | Illinois Department of Healthcare and Family Services    |
| CDPH  | Chicago Department of Public Health                      |
| AFC   | Aids Foundation of Chicago                               |
| IDPH  | Illinois Department of Public Health                     |
| NWU   | Northwestern University                                  |
| IPHCA | Illinois Primary Health Care Association                 |

Lake County, Illinois

Schedule of Findings and Questioned Costs  
Year Ended November 30, 2021

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I. Summary of Auditor's Results

*Financial Statements*

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?  Yes  No  
Significant deficiency(ies) identified?  Yes  None Reported

Noncompliance material to financial statements noted?

Yes  No

*Federal Awards*

Internal control over major programs:

Material weakness(es) identified?  Yes  No  
Significant deficiency(ies) identified?  Yes  None Reported

Type of auditor's report issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?

Yes  No

Identification of major programs:

Assistance  
Listing  
Numbers

Names of Federal Programs

21.019  
21.023  
93.323

COVID-19 - Coronavirus Relief Fund  
Emergency Rental Assistance Program  
Epidemiology and Laboratory Capacity for  
Infectious Diseases

Dollar threshold used to distinguish between type A and type B programs: \$2,357,548

Auditee qualified as low-risk auditee?  Yes  No

Lake County, Illinois

Schedule of Findings and Questioned Costs (Continued)  
Year Ended November 30, 2021

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II. Financial Statement Findings

No matters were reported.

III. Findings and Questioned Costs for Federal Awards

**Finding 2021-001**

**Applicable to all assistance listing numbers and Federal Agencies (and pass-through entities) included on the accompanying schedule of expenditures of federal awards for the year ended November 30, 2021.**

Finding: The County's fiscal year 2021 Single Audit package was not submitted to the Federal Clearinghouse within the required time period.

Criteria: Uniform Guidance 2 CFR 200.512(a) requires that each organization's audit must be completed and the data collection form and reporting package should be submitted within the earlier of 30 days after receipt of the auditor's report or nine months after the end of the audit period.

Condition: The Single Audit package for the County's year ended November 30, 2021 should have been submitted to the Federal Audit Clearinghouse by August 31, 2022.

Cause: The audit was not completed until September 2022 due to challenges related to the adoption of GASB Statement No. 84, *Fiduciary Activities*.

Effect or potential effect: Noncompliance with the requirements of the Uniform Guidance.

Questioned costs: None

Context: The November 30, 2021 Single Audit package.

Identification as a repeat finding, if applicable: This is not a repeat finding.

Recommendation: We recommend the County file the reporting package timely to the Federal Audit Clearinghouse.

Views of responsible officials: Management agrees with this finding.



**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
 YEAR ENDED NOVEMBER 30, 2021**

Identifying Number: 2020-001

Finding: An “Inventory Accrual Account” with a debit balance of \$1,172,865 was grouped with liabilities for financial statement purposes. Upon review, management determined that this account was an accumulation of expenses dating back to 2016 that resulted from a series of systematic processes that should have been initiated by a system user and not been performed. These processes should have zeroed out (credited) the Inventory Accrual Account and debited the appropriate expense accounts that were associated with work order in the Enterprise Asset Management (EAM) module. Net position as of November 30, 2019 was overstated by \$1,172,865 for both the business-type activities and the public works enterprise fund. Beginning net position in the November 30, 2020 financial statements was restated to correct the error.

Lake County Corrective Actions Completed:

Analysis was conducted to ensure that this was an isolated issue associated with the Enterprise Asset Management (EAM) module of Oracle, which is used only by Public Works. Lake County implemented the following corrective actions to ensure that inventory is expensed appropriately.

A new software was implemented and went live on June 13, 2022. It was not possible to automate the integration of Oracle’s iProcurement module to the new software, VUEWorks, so inventory expenses are being allocated to work orders manually in VUEWorks.

| Corrective Action Planned                                                                                                                                                                                                                               | Name of Responsible Person                                             | Completion Date/Status                                                                           |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
| 1. Public Works staff worked with County Information Technology to gain a full understanding of the system processes that needed to be manually initiated on a routine basis to clear the inventory accrual account and record the appropriate expense. | Andrea Norwood,<br>(Then) Finance Operations Manager, Public Works     | Completed December 2021                                                                          |
| 2. Executed the necessary processes to clear inventory accrual for inventory which is applied to work orders and the appropriate expense account.                                                                                                       | Micah Thornton,<br>(Current) Finance Operations, Manager, Public Works | Completed. The appropriate process is being followed for the newly implemented system, VUEWorks. |
| 3. Routinely review and monitor associated account balances for unusual activity or balances.                                                                                                                                                           | Micah Thornton,<br>(Current) Finance Operations Manager, Public Works  | Completed and ongoing                                                                            |

**CORRECTIVE ACTION PLAN  
YEAR ENDED NOVEMBER 30, 2021**

Identifying Number: 2021-001

Finding: The County's fiscal year 2021 Single Audit Package was not submitted to the Federal Clearinghouse within the required time period.

Status: Corrective action in progress.

Corrective Action: Lake County acknowledges that there were challenges in completing the financial close out of Fiscal Year 2021. Several one-time factors, primarily around staffing shortages and new staff performing year end functions for the first time, resulted in the delay. It is not anticipated that this will repeat in future years. As staff have increased familiarity with the process, routine reconciliations of federal expenditures are undertaken to ease the year end burden.

Person Responsible for Implementation: Melissa Gallagher, Deputy Finance Director, Finance Department

Anticipated Completion Date: September 30, 2022