

**IROQUOIS COUNTY, ILLINOIS**  
**SINGLE AUDIT REPORT**  
**YEAR ENDED NOVEMBER 30, 2023**



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

<b>INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i></b>	<b>1</b>
<b>INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE</b>	<b>3</b>
<b>SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS</b>	<b>7</b>
<b>NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS</b>	<b>9</b>
<b>SCHEDULE OF FINDINGS AND QUESTIONED COSTS</b>	<b>10</b>



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

Iroquois County Board  
Iroquois County, Illinois  
Watseka, 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, each major fund, and the aggregate remaining fund information of Iroquois County, Illinois, as of and for the year ended November 30, 2023, and the related notes to the financial statements, which collectively comprise the Iroquois County, Illinois's basic financial statements, and have issued our report thereon dated April 7, 2025.

***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered Iroquois County, Illinois's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Iroquois County, Illinois's internal control. Accordingly, we do not express an opinion on the effectiveness of Iroquois County, Illinois'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified.

We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2023-001, 2023-002, 2023-003, and 2023-004 that we consider to be material weaknesses.

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether Iroquois County, Illinois'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.

***Iroquois County, Illinois's Response to Findings***

Government Auditing Standards requires the auditor to perform limited procedures on the Iroquois County, Illinois's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Iroquois County, Illinois's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

***Purpose of This Report***

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



**CliftonLarsonAllen LLP**

Champaign, Illinois  
April 7, 2025



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND REPORT  
ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
REQUIRED BY THE UNIFORM GUIDANCE**

Iroquois County Board  
Iroquois County, Illinois  
Watseka, Illinois

**Report on Compliance for Each Major Federal Program**

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

We have audited Iroquois County, Illinois's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Iroquois County, Illinois's major federal programs for the year ended November 30, 2023. Iroquois County, Illinois's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Iroquois County, Illinois complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended November 30, 2023.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Iroquois County, Illinois and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Iroquois County, Illinois's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Iroquois County, Illinois's federal programs.

### ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Iroquois County, Illinois's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Iroquois County, Illinois's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Iroquois County, Illinois's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Iroquois County, Illinois's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Iroquois County, Illinois's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### ***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2023-005. Our opinion on the major federal program is not modified with respect to this matter.

*Government Auditing Standards* requires the auditor to perform limited procedures on Iroquois County, Illinois's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Iroquois County, Illinois's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as 2023-005 to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

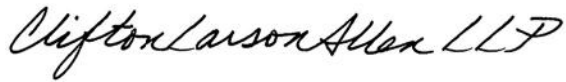
*Government Auditing Standards* requires the auditor to perform limited procedures on Iroquois County, Illinois's response to internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Iroquois County, Illinois's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

### **Report on 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, each major fund, and the aggregate remaining fund information of Iroquois County, Illinois, as of and for the year ended November 30, 2023, and the related notes to the financial statements, which collectively comprise Iroquois County, Illinois's basic financial statements. We have issued our report thereon, dated April 7, 2025, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. The schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

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

**CliftonLarsonAllen LLP**

Champaign, Illinois  
April 7, 2025



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

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass-Through Grantor's Number	Passed Through To Subrecipients	Total Federal Expenditures
<b>U.S. DEPARTMENT OF THE TREASURY</b>				
Direct - COVID-19: Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	\$ -	\$ 1,429,481
Direct - Local Assistance and Tribal Consistency Fund	21.032	N/A	-	41,600
Total U.S. Department of the Treasury			-	1,471,081
<b>U.S. ENVIRONMENTAL PROTECTION AGENCY</b>				
Passed Through Illinois Department of Homeland Security				
State Indoor Radon Grant Program	66.032	24RDNIROQ	-	539
State Indoor Radon Grant Program	66.032	23RDNIROQ	-	2,649
Passed Through Illinois Department of Public Health				
Safe Drinking Water	66.605	38080039K-SDW	-	892
Safe Drinking Water	66.605	48080039L-SDW	-	604
Total U.S. Environmental Protection Agency			-	4,684
<b>U.S. ELECTION ASSISTANCE COMMISSION</b>				
Passed Through Illinois State Board of Elections:				
HAVA Election Security Grant	90.404	Not available	-	26,599
Total U.S. Election Assistance Commission			-	26,599
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
Passed Through Illinois Department of Public Health				
Public Health Preparedness:				
Public Health Emergency Preparedness	93.069	37180123K	-	25,203
Public Health Emergency Preparedness	93.069	47180038L	-	14,557
Total Public Health Preparedness			-	39,760
Public Health Response:				
COVID-19: Public Health Emergency Response	93.354	27680038J	-	16,430
Total Public Health Response			-	16,430
COVID-19: Immunization Cooperative Agreements	93.268	38180839K	-	46,757
COVID-19: Epidemiology and Laboratory Capacity Prevention and Control of ELC	93.323	28180538J	-	40,273
Collaboration with Academia to Strengthen Public Health Workforce Capacity and Assistance	93.967	48080440L	-	3,000
Direct - Drug-Free Communities Support Program	93.276	N/A	-	90,111
Direct - Drug-Free Communities Support Program	93.276	N/A	-	37,685
Total U.S. Department of Health and Human Services			-	274,016

See Notes to Schedule of Expenditures of Federal Awards.

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

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass-Through Grantor's Number	Passed Through To Subrecipients	Total Federal Expenditures
<b>U.S. DEPARTMENT OF JUSTICE</b>				
Passed Through Illinois Criminal Justice Information Authority:				
Edward Bryne Memorial Justice Assistance Grant Program	16.738	419071-LFS	-	3,345
Total U.S. Department of Justice			-	3,345
<b>FEDERAL EMERGENCY MANAGEMENT AGENCY</b>				
Passed Through Illinois Department of Homeland Security				
Emergency Management Performance Grant	97.042	22EMAIROQU	-	19,941
Total Federal Emergency Management Agency			-	19,941
 Total Expenditures of Federal Awards			<u>\$ -</u>	<u>\$ 1,799,666</u>

See Notes to Schedule of Expenditures of Federal Awards.

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

**NOTE 1 BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Iroquois County, Illinois (the County) under programs of the federal government for the year ended November 30, 2023. 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, changes in net position or cash flows of the County.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported using the modified accrual basis of accounting for governmental funds, which are described in Note 1 to the basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance for all awards. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

**NOTE 3 INDIRECT COST RATE**

The County has elected to use the ten-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**NOTE 4 FEDERAL LOANS**

Iroquois County has no federal loans or loan guarantees outstanding at year-end.

**IROQUOIS COUNTY, ILLINOIS  
SCHEDULE OF FINDINGS AND QUESTIONED COST  
YEAR ENDED NOVEMBER 30, 2023**

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**Section I – Summary of Auditors' Results**

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**Financial Statements**

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

**Federal Awards**

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

**Identification of Major Federal Programs**

**Assistance Listing Number(s)**

21.027

**Name of Federal Program or Cluster**

COVID 19 - Coronavirus State and Local Fiscal Recovery Funds

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

\$ 750,000

Auditee qualified as low-risk auditee?

           yes     X     no

**IROQUOIS COUNTY, ILLINOIS  
SCHEDULE OF FINDINGS AND QUESTIONED COST  
YEAR ENDED NOVEMBER 30, 2023**

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**Section II – Financial Statement Findings**

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**2023 – 001 – Annual Financial Reporting Under General Accepted Accounting Principles (GAAP) and Adjustments**

Type of Finding:

- Material Weakness in Internal Control Over Financial Reporting

**Condition:** While it is acceptable to outsource various accounting functions, the responsibility for internal control cannot be outsourced. The County engages CliftonLarsonAllen LLP (CLA) to assist in preparing its financial statements and accompanying disclosures and certain year-end modified accrual (receivables) and full accrual entries. As independent auditors, CLA cannot be considered part of the County's internal control system. Management does review and approve the financial statements, including related footnotes and supplementary information, and approves all adjustments.

**Criteria or specific requirement:** The Iroquois County Board and management are responsible for establishing and maintaining internal controls and for the fair presentation of the financial statements, including the related disclosures and necessary adjustments in conformity with accounting principles generally accepted in the United States of America (GAAP).

**Effect:** The potential exists that a material misstatement of the annual financial statement could occur and not be prevented or detected by the County's internal controls.

**Cause:** The County lacks sufficient resources to prepare the financial statements, related footnote disclosures, and necessary accrual adjustments.

**Repeat finding:** The finding is a repeat of a finding in the prior year. The prior year finding number was 2022-001.

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

**Views of responsible officials and corrective action plans:** There will be continued communication of policies with the department heads and elected officials through email or meetings. Financial statements will be distributed monthly to all department heads, elected officials and County board members. The County continues to review hiring needs and further the development of its employees. The County will also be researching accounting software.

**IROQUOIS COUNTY, ILLINOIS  
SCHEDULE OF FINDINGS AND QUESTIONED COST  
YEAR ENDED NOVEMBER 30, 2023**

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

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**2023 – 002 – Material Adjusting Entries**

Type of Finding:

- Material Weakness in Internal Control over Financial Reporting

**Condition:** Several significant adjustments were required in the audit process to comply with generally accepted accounting principles (GAAP):

- Prior period adjustment for an error in the calculation of prior years depreciation for certain highway infrastructure assets.
- Certain payables and accrued wages from a prior fiscal year were not reversed in the current year.
- Various invoices related to services provided to the County subsequent to November 30 were improperly recorded as accounts payable in the current fiscal year.
- Certain construction and engineering related services provided through November 30, including retainage payable, were not properly recorded as liabilities at year end.
- Certain interfund transfers were improperly recorded in the current fiscal year and resulted in transfers not balancing and bank reconciliation discrepancies.
- Revolving loan fund activity was improperly recorded as revenue and expenditure in the current fiscal year.
- Some property taxes collected in fiscal year 2023 were not distributed timely and were not recognized properly as revenues in the current fiscal year.
- Certain tax revenues were deposited into the wrong fund and were improperly recognized in the current fiscal year.
- Certain revenues were incorrectly classified leading to inaccurate revenue recognition.
- Reinvestment of township motor fuel tax certificates of deposit were incorrectly recorded.

**Criteria or specific requirement:** Internal controls over financial reporting require close review of year-end balances and activity to ensure they are in accordance with generally accepted accounting principles (GAAP), for both modified accrual fund financial statements and full accrual government-wide financial statements.

**Effect:** Lack of controls in place over the financial reporting function increases the risk of errors or irregularities occurring in the financial statements and not being detected and corrected.

**Cause:** Lack of adequate review process.

**Repeat finding:** The finding is a repeat of a finding in the prior year. The prior year finding number was 2022-002.

**Recommendation:** The County should establish procedures to review manual entries to prevent and detect potential errors. In addition, communication with departments should be enhanced, along with review of receipts and payments subsequent to year end. County management should also closely review its financial reports to ensure the proper recording of all activity in accordance with GAAP.

**IROQUOIS COUNTY, ILLINOIS  
SCHEDULE OF FINDINGS AND QUESTIONED COST  
YEAR ENDED NOVEMBER 30, 2023**

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

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**2023 – 002 – Material Adjusting Entries (Continued)**

**Views of responsible officials and corrective action plans:** With the recent hire of a highway engineer, communication pertaining to highway depreciation and retainage payables will become more frequent. Internal controls pertaining to the highway have been designated with the hiring of additional staff.

There will be continued work being done with the deputy clerk and finance manager to review wages accrued, payables and transfers. Wages accrued and payables will be reviewed with the finance chairperson after being pulled and reviewed by the finance office. There will be monthly reviews and tracking of transfers.

The Treasurer's office will complete monthly checks of revenue recording. Upon review, the Treasurer will report on the results to the finance and tax committees. The Treasurer will investigate additional professional development training for the two employees in the office.

**IROQUOIS COUNTY, ILLINOIS  
SCHEDULE OF FINDINGS AND QUESTIONED COST  
YEAR ENDED NOVEMBER 30, 2023**

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

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**2023-003 – Preparation of the Schedule of Expenditures of Federal Awards (SEFA) and the Consolidated Year-End Financial Report (CYEFR)**

Type of Finding:

- Material Weakness in Internal Control Over Financial Reporting

**Condition:** There were errors on the SEFA and CYEFR, as follows, which have been corrected:

- Grant award numbers for federal grants passed through the state were not included.
- Certain grants were reported on the SEFA or CYEFR that were not federal or state grants.
- Certain grants were not reported on the SEFA or CYEFR and should have been.
- Certain grants included expenditures that were recorded to the project accounting codes but which were not reimbursed by the grant or reported to the granting agency.
- Certain grants on the SEFA and CYEFR included expenditures that did not have supporting expenditure detail.

**Criteria or specific requirement:** The Iroquois County Board and management are responsible for establishing and maintaining internal controls and for the fair presentation of the SEFA and CYEFR in accordance with Uniform Grant Guidance and the Grant Accountability and Transparency Act.

**Cause:** The Departments did not provide correct reporting details, did not report certain programs, had clerical errors in amounts reported, and did not use the general ledger account coding for program expenditure accounting properly. In addition, there is not a review process of the SEFA and CYEFR.

**Effect:** Failure to establish an effective internal control can enable material misstatements to occur in the SEFA and CYEFR.

**Repeat finding:** The finding is a repeat of a finding in the prior year. The prior year finding number was 2022-003.

**Recommendation:** We recommend the County strengthen its process for reviewing the SEFA and CYEFR to ensure compliance with Uniform Grant Guidance and the Grant Accountability and Transparency Act, including close communication with the Departments. Project accounting should be maintained for all federal and state reporting and should be used in the preparation and review of the SEFA and CYEFR.

**Views of responsible officials and corrective action plans:** The finance office will work with all departments receiving grants to agree on the reports that are submitted to granting agencies to the county's general ledger. Grant numbers and their statuses are now being reported to the committees for review. The finance manager has also adjusted to grant reporting by adding more information.



**IROQUOIS COUNTY, ILLINOIS  
SCHEDULE OF FINDINGS AND QUESTIONED COST  
YEAR ENDED NOVEMBER 30, 2023**

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

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**2023-004 – Bank Reconciliations**

Type of Finding:

- Material Weakness in Internal Control Over Financial Reporting

**Condition:** Several errors were identified in the bank reconciliations. Additionally, there was a lack of timely review of the bank reconciliations.

- Certain book balances on the bank reconciliations did not agree with the general ledger balance.
- Certain bank balance on the bank reconciliation did not agree with the bank statements.
- Certain cash activity was being shown as reconciling items on the year-end bank reconciliation in place of recording the activity to the general ledger.
- Certain checks dated before year-end that cleared subsequent to year-end were not recorded as an outstanding check on the year-end bank reconciliation.
- Certain interfund transfers of cash were improperly recorded and being shown as an outstanding other cash item at year-end.
- Certain receipts from the State were recorded twice in error and were improperly being shown as deposits in transit at year-end.
- Certain checks that cleared before year-end were improperly shown as outstanding checks on a year-end bank reconciliation.

**Criteria or specific requirement:** Proper internal controls require accurate and timely bank reconciliations to ensure the integrity of financial records.

**Cause:** The errors occurred due to inadequate review processes and delays in performing reconciliations.

**Effect:** Financial statements may be misstated, leading to potential misrepresentation of the entity's financial position.

**Repeat finding:** N/A

**Recommendation:** We recommend the County implement a more rigorous review process for bank reconciliations. This should include ensuring reconciliations are completed and reviewed in a timely manner. We also recommend providing additional training to staff responsible for bank reconciliations to enhance accuracy and efficiency.

**Views of responsible officials and corrective action plans:** Management agrees with the recommendation and will implement procedures to ensure timely and accurate bank reconciliations. This includes providing necessary training to staff.

**IROQUOIS COUNTY, ILLINOIS  
SCHEDULE OF FINDINGS AND QUESTIONED COST  
YEAR ENDED NOVEMBER 30, 2023**

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***Section III – Findings and Questioned Costs – Major Federal Programs***

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**2023 – 005 – Reporting**

**Federal Agency:** U.S. Department of Treasury

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

**Assistance Listing Number:** 21.027

**Federal Award Identification Number and Year:** SLFRP4201; FY23

**Award Period:** March 3, 2021 through December 31, 2024

**Type of Finding:**

- Significant Deficiency in Internal Control over Compliance
- Other Matters

**Criteria or specific requirement:** Uniform Grant Guidance (2 CFR 200.303) requires non-federal entities receiving Federal awards establish and maintain internal controls designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements. Uniform Grant Guidance (2 CFR 200.329) requires non-federal entities submit performance reports required by Federal award and that the data accumulated and summarized is in accordance with the required or stated criteria and methodology. Effective internal controls should include ensuring the reported projects and expenditures accurately reflect what is reported in the expenditure detail and amounts obligated should reflect total procurement amounts awarded.

**Condition:** While the correct expenditures were reported on the schedule of expenditures of federal awards, the performance report filed during the year did not accurately report project details. Current period expenditures and obligations should have reported amounts expended and procurement amounts awarded during the reporting period and cumulative expenditure and obligations should have reported amounts expended and procurement amounts awarded from the start of the grant through the end of the reporting period.

**Questioned costs:** None

**Context:** 1 of 1 tested for reporting documentation.

**Cause:** Total current period expenditures and obligations and total accumulated expenditures and obligations were not reconciled to the expenditure detail and procurement award detail. Prior period performance report overstated current period expenditures and obligations. These errors were corrected through current period performance report tested which causes current period expenditures and obligations to be understated.

**Effect:** Cost could be disallowed as UGG was not followed.

**Repeat Finding:** The finding is a repeat of a finding in the prior year. The prior year finding number was 2022-005.

**IROQUOIS COUNTY, ILLINOIS  
SCHEDULE OF FINDINGS AND QUESTIONED COST  
YEAR ENDED NOVEMBER 30, 2023**

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**Section III – Findings and Questioned Costs – Major Federal Programs (Continued)**

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**Recommendation:** We recommend the County perform a reconciliation of the project details reported to the expenditure detail and procurement amounts awarded detail used to support the SEFA, and these reconciliations be reviewed, to ensure accuracy and completeness of the reporting.

**Views of responsible officials:** There is no disagreement with the audit finding.



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