

# Lee County, Illinois

Dixon, Illinois

Report on Federal Awards

Year Ended November 30, 2023



**WIPFLI**

**Lee County, Illinois**  
Year Ended November 30, 2023

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## **Independent Auditor's 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***

To the County Board  
Lee County, Illinois  
Dixon, Illinois

We have audited, in accordance with 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 aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Lee County, Illinois, as of and for the year ended November 30, 2023 and the related notes to the financial statements, which collectively comprise the Lee County, Illinois' basic financial statements, and have issued our report thereon dated April 4, 2024.

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

In planning and performing our audit of the financial statements, we considered the Lee County, Illinois' internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Lee County, Illinois' internal control. Accordingly, we do not express an opinion on the effectiveness of the Lee County, Illinois' 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 reasonable possibility that a material misstatement of the Lee County, Illinois' financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or 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 or significant deficiencies may exist that were not identified.

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

As part of obtaining reasonable assurance about whether the Lee County, Illinois' 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 Lee County, Illinois' internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Lee County, Illinois' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Wipfli LLP". The signature is written in a cursive, flowing style.

Wipfli LLP

Sterling, Illinois

April 4, 2024

## **Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance**

To the County Board  
Lee County, Illinois  
Dixon, Illinois

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

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

We have audited Lee County, Illinois' 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 its major federal programs for the year ended November 30, 2023. Lee County, Illinois' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Lee County, Illinois complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each major federal program 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 (*Government Auditing Standards*); 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 Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Lee 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 Lee County, Illinois' 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 Lee County, Illinois' federal programs.

### ***Auditor's Responsibility 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 Lee County, Illinois' 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 Lee County, Illinois' 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 Lee County, Illinois' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Lee County, Illinois' 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 Lee County, Illinois' internal control over compliance. Accordingly, no such opinion is expressed.

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

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

*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.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's 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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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.

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 aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Lee County, Illinois for the year ended November 30, 2023, and issued our report thereon dated April 4, 2024 which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. 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 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 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.



Wipfli LLP

Sterling, Illinois  
April 4, 2024

**Lee County, Illinois**  
**Schedule of Expenditures of Federal Awards**  
For the year ended November 30, 2023

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Expenditures	Passed Through to Subrecipients
<b>Department of Agriculture</b>				
Illinois Department of Human Services				
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)				
WIC Administration	10.557	FCSCQ00920	\$48,206	\$0
WIC Administration	10.557	FCSBQ00920	52,555	0
WIC Breast Feeding Peer Counseling	10.557	FCSCQ01155	7,346	0
WIC Breast Feeding Peer Counseling	10.557	FCSBQ01155	10,849	0
Total ALN 10.557			118,956	0
Illinois Department of Human Services				
WIC Farmers Market Nutrition Program	10.572	FCSXQ03876	1,000	0
<b>Total Department of Agriculture</b>			<b>\$119,956</b>	<b>\$0</b>
<b>Department of Justice - Direct Awards</b>				
Drug Court Discretionary Grant				
Program (Veterans Grant)	16.585	15PBJA-23-GG-04293-DGCT	\$7,360	\$0
Improving Criminal Justice Responses				
Grant Program	16.590	15JOVW-21-GG-00811-RURA	111,575	0
<b>Total Department of Justice</b>			<b>\$118,935</b>	<b>\$0</b>
<b>Department of Transportation</b>				
Illinois Department of Transportation				
Formula Grants for Rural Areas				
COVID-19 - Formula Grants for Other Than				
Urbanized Areas	20.509	CARES-2410-22535 (#5260)	\$1,044,565	\$631,181 (M)
Section 5311 Operating Assistance	20.509	OP-23-22-FED (#5155) 5311F	1,314,442	1,314,442 (M)
Section 5311 Operating Assistance	20.509	OP-24-22-FED (#5155) 5311F	1,037,833	852,688 (M)
Total ALN 20.509			3,396,840	2,798,311
Illinois Department of Transportation				
Distracted Driving Highway Safety Project	20.600	HS-24-0087	1,252	0
Distracted Driving Highway Safety Project	20.600	HS-23-0105	10,173	0
Total ALN 20.600			11,425	0
<b>Total Department of Transportation</b>			<b>\$3,408,265</b>	<b>\$2,798,311</b>

**(M) Audited as a major program**

See Notes to Schedule of Expenditures of Federal Awards.

**Lee County, Illinois**  
**Schedule of Expenditures of Federal Awards**  
**(Continued)**

For the year ended November 30, 2023

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Expenditures	Passed Through to Subrecipients
<b>U.S Department of the Treasury</b>				
Direct Award				
Coronavirus Relief Funds				
COVID-19 State and Local Fiscal Recovery Fund	21.027	N/A	\$1,306,829	\$0 (M)
<b>Total U.S. Department of the Treasury</b>			<b>\$1,306,829</b>	<b>\$0</b>
<b>Environmental Protection Agency</b>				
Illinois Emergency Management Agency				
State Indoor Radon Grants	66.032	24RDNLEE	\$16	\$0
State Indoor Radon Grants	66.032	23RDNLEE	6,873	0
Total ALN 66.032			6,889	0
Illinois Department of Public Health				
Performance Partnership Grants				
Potable Water Supply	66.605	38080052K-SDW	913	0
Potable Water Supply	66.605	48080052L-SDW	313	0
Total ALN 66.605			1,226	0
<b>Total Environmental Protection Agency</b>			<b>\$8,115</b>	<b>\$0</b>
<b>Department of Health &amp; Human Services</b>				
Illinois Department of Public Health				
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements				
Bioterrorism Preparedness	93.069	47180051L	\$18,572	\$0
Bioterrorism Preparedness	93.069	37180050K	41,416	0
Total ALN 93.069			59,988	0
Food and Drug Administration Research				
Food and Drug Administration Research	93.103	G-BDEV1-202208-02335	6,485	0
Family Planning Services	93.217	046180052L	73,890	0
Total Food and Drug Administration Research			80,375	0
Immunization Cooperative Agreements				
COVID-19 - Mass Vaccination Funding	93.268	38180852K	143,563	0
Total ALN 93.268			143,563	0

(M) Audited as a major program

See Notes to Schedule of Expenditures of Federal Awards.

**Lee County, Illinois**  
**Schedule of Expenditures of Federal Awards**  
**(Continued)**

For the year ended November 30, 2023

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Expenditures	Passed Through to Subrecipients
<b>Department of Health &amp; Human Services (continued)</b>				
Illinois Department of Public Health				
Coronavirus Relief Funds				
COVID-19 - Response Grant	93.323	28180551J	\$38,747	\$0
Total ALN 93.323			38,747	0
Illinois Department of Public Health				
Public Health Crisis Response				
COVID-19 Public Health Crisis Response	93.354	27680051J	63,685	0
Illinois Department of Human Services				
Social Service Block Grant				
HRIF/HWIL	93.667	FCSCU06050	16,288	0
<b>Total Department of Health &amp; Human Services</b>			<b>\$402,646</b>	<b>\$0</b>
<b>Centers for Disease Control and Prevention</b>				
Illinois Department of Public Health				
Collaboration with Academia to Strengthen Public Health	93.967	48080453L	\$36,708	\$0
<b>Total Centers for Disease Control and Prevention</b>			<b>\$36,708</b>	<b>\$0</b>
<b>Department of Homeland Security</b>				
Illinois Emergency Management Agency				
Emergency Management Performance Grants				
State fiscal year 2022	97.042	22EMALEE	\$25,320	\$0
<b>Total Department of Homeland Security</b>			<b>\$25,320</b>	<b>\$0</b>
<b>Total federal grant expenditures</b>			<b>\$5,426,774</b>	<b>\$2,798,311</b>

(M) Audited as a major program

See Notes to Schedule of Expenditures of Federal Awards.

# Lee County, Illinois

## Notes to Schedule of Expenditures of Federal Awards

Year Ended November 30, 2023

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### **Note 1: Basis of Accounting**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant expenditures of Lee County, Illinois and is presented on the accrual basis of accounting for the year ended November 30, 2023. The information in this schedule is presented in accordance with requirements of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). The County elected to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

### **Note 2: Significant Accounting Policies**

Expenditures of federal awards are recognized in the accounting period when the liabilities are incurred and when goods or services are received.

The value of non-cash assistance is valued at fair market value at the time of receipt, or the assessed value provided by the federal agency.

### **Note 3: Noncash Assistance**

The County did not dispense noncash assistance in the form of food commodities and WIC food instruments during the year ended November 30, 2023.

### **Note 4: Other Federal Award Information**

The County did not receive or administer any insurance, loans or loan guarantees during the fiscal year ended November 30, 2023.

# Lee County, Illinois

## Schedule of Findings and Questioned Costs

Year Ended November 30, 2023

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### Section I - Summary of Auditor's Results

#### Financial Statements

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

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ Yes      X   No
- Significant deficiency(ies) identified? \_\_\_\_\_ Yes      X   None Reported

Noncompliance material to financial statements noted? \_\_\_\_\_ Yes      X   No

#### Federal Awards

Internal control over major programs:

- Material weakness(es) identified? \_\_\_\_\_ Yes      X   No
- Significant deficiency(ies) identified? \_\_\_\_\_ Yes      X   None Reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? \_\_\_\_\_ Yes      X   No

#### Identification of major programs

<u>AL Number(s)</u>	<u>Federal Program or Cluster</u>
20.509	Formula Grants to Rural Areas
21.027	COVID-19 - 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

**Lee County, Illinois**  
Summary Schedule of Prior Audit Findings  
Year Ended November 30, 2023

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None