



**WASHINGTON,
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CERTIFIED PUBLIC ACCOUNTANTS AND MANAGEMENT CONSULTANTS
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Cook County, Illinois
Report on Federal Awards
(In accordance with the Single Audit Act
Amendments of 1996, and Uniform Guidance)
For the Fiscal Year Ended November 30, 2018



COOK COUNTY, ILLINOIS

SINGLE AUDIT REPORT

NOVEMBER 30, 2018

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INDEPENDENT AUDITOR'S REPORT
ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

To the Board of Commissioners of
Cook County, Illinois

Report on the Schedule of Expenditures of Federal Awards

We have audited the accompanying Schedule of Expenditures of Federal Awards (Schedule) of **Cook County, Illinois** (the County) for the year ended November 30, 2018, and the related notes (the financial statement).

Management's Responsibility

Management is responsible for the preparation and fair presentation of this financial statement in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit 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 the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statement referred to above presents fairly, in all material respects, the expenditures of federal awards of the County for the year ended November 30, 2018, in accordance with accounting principles generally accepted in the United States of America.

Washington, Pittman & McKeever, LLC

WASHINGTON, PITTMAN & McKEEVER, LLC

Chicago, Illinois

June 6, 2019

COOK COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended November 30, 2018

<u>Federal Grantor/Pass-Through Grantor/Program Name</u>	<u>CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>County Award Number</u>	<u>County Program Number</u>	<u>Legacy (Old) Business Unit</u>	<u>Responsible County Department</u>	<u>Pass-Through to Subrecipients</u>	<u>Federal Expenditures</u>
<u>U.S. DEPARTMENT OF AGRICULTURE</u>								
Pass-Through Programs From:								
<i>Illinois State Board of Education</i>								
Child Nutrition Cluster:								
School Breakfast Program								
Child Nutrition Program	10.553	15-016-472P-00	10512	53514	N/A	Juvenile Temporary Detention Center	\$ -	\$ 121,021
Child Nutrition Program	10.553	15-016-472P-00	10709	53508	N/A	Juvenile Temporary Detention Center	-	13,784
Total School Breakfast Program							-	134,805
National School Lunch Program								
Child Nutrition Program	10.555	15-016-472P-00	10511	53515	N/A	Juvenile Temporary Detention Center	-	262,234
Child Nutrition Program - Non Cash Award	10.555	N/A	N/A	N/A	N/A	Juvenile Temporary Detention Center	-	13,630
Total National School Lunch Program							-	275,864
Total Child Nutrition Cluster							-	410,669
<i>Illinois Department of Human Services</i>								
WIC Special Supplemental Nutrition Program for Women, Infants and Children								
IDHS Supplemental WIC	10.557	FCSVQ00832	10341	53290	9791601	Public Health	-	553
IDHS Supplemental WIC	10.557	FCSWQ00833	10494	53468	9461708	Public Health	-	112,065
IDHS Supplemental WIC	10.557	FCSEQ00338	10493	53483	9791701	Public Health	-	1,444,542
IDHS Supplemental WIC	10.557	FCSXQ00833	10692	53498	9461808	Public Health	-	508,575
Supplemental Food WIC - Non-cash Award	10.557	N/A	N/A	N/A	N/A	Public Health	-	4,807,727
Total Special Supplemental Nutrition Program for Women, Infants and Children							-	6,873,462
Total Pass-Through Programs							-	7,284,131
Total U.S. Department of Agriculture							-	7,284,131
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>								
Direct Programs:								
CDBG - Entitlement Grants Cluster:								
Community Development Block Grants/Entitlement Grants								
Community Development Block Grant	14.218	N/A	10009	50260	9421301-14	Department of Planning and Development	124,700	254,700
Community Development Block Grant	14.218	N/A	10012	50715	9421401-14	Department of Planning and Development	42,500	42,500
Community Development Block Grant	14.218	N/A	10014	51175	9421501-11	Department of Planning and Development	-	141,485
Community Development Block Grant	14.218	N/A	10403	53445	9421601	Department of Planning and Development	3,576,679	3,663,619
Community Development Block Grant	14.218	N/A	10657	53469	9421701	Department of Planning and Development	2,907,524	3,843,995
Community Development Block Grant	14.218	N/A	10756	53601	9421801	Department of Planning and Development	-	164,571
Total CDBG - Entitlement Grants Cluster							6,651,403	8,110,870
Emergency Solutions Grant Program								
Emergency Solutions	14.231	N/A	10400	53443	9411601	Department of Planning and Development	192,683	193,677
Emergency Solutions	14.231	N/A	10653	53485	9411701	Department of Planning and Development	481,076	591,951
Emergency Solutions	14.231	N/A	10762	53688	N/A	Department of Planning and Development	125,018	125,018
Total Emergency Solutions Grant Program							798,777	910,646
HOME Investment Partnerships Program								
HOME Investment Partnerships Program	14.239	*	N/A	10016	51285	7721501	230,392	280,576
HOME Investment Partnerships Program	14.239	*	N/A	10402	53240	7721601	-	2,010,797
HOME Investment Partnerships Program	14.239	*	N/A	10636	53581	N/A	-	109,573
HOME Investment Partnerships Program	14.239	*	N/A	10646	53493	7721701	1,634,496	3,119,426
HOME Investment Partnerships Program	14.239	*	N/A	10757	53593	N/A	-	111,897
Total HOME Investment Partnerships Program							1,864,888	5,632,269

* Denotes Major Program

COOK COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended November 30, 2018

<u>Federal Grantor/Pass-Through Grantor/Program Name</u>	<u>CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>County Award Number</u>	<u>County Program Number</u>	<u>Legacy (Old) Business Unit</u>	<u>Responsible County Department</u>	<u>Pass-Through to Subrecipients</u>	<u>Federal Expenditures</u>
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (Continued)</u>								
Direct Programs (Continued):								
Community Development Block Grants Section 108 Loan Guarantees								
Section 108 Loan Guarantee Assistance Program	14.248	N/A	N/A	32335	N/A	Department of Planning and Development	-	3,000,000
CDBG - Disaster Recovery Grants - Pub. L. No. 113-2 Cluster:								
Hurricane Sandy Community Development Block Grant								
Disaster Recovery Grants (CDBG-DR)								
CDBG Disaster Relief	14.269 *	N/A	10011	50685	9101401	Department of Planning and Development	13,342,074	15,605,866
CDBG Disaster Relief	14.269 *	N/A	N/A	53446	N/A	Department of Planning and Development	-	(42,339)
Total CDBG Disaster Recovery Grants - Pub. L. No. 113-2 Cluster							<u>13,342,074</u>	<u>15,563,527</u>
Total Direct Programs							<u>22,657,142</u>	<u>33,217,312</u>
Total U.S. Department of Housing and Urban Development							<u>22,657,142</u>	<u>33,217,312</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>								
Direct Programs:								
Justice Systems Response to Families								
Family Court Enhancement Project	16.021	N/A	10378	53432	8381601	Chief Judge	-	4,247
Services for Trafficking Victims								
Human Trafficking Task Force	16.320	N/A	10041	51295	6251501	State's Attorney	34,479	248,355
Community Based Violence Prevention Program								
Community Based Violence Prevention	16.123	N/A	10354	53421	8611601	Judicial Advisory Council	90,806	108,481
Missing Children's Assistance								
Internet Crimes	16.543	N/A	10042	51330	6361501	State's Attorney	-	351,141
Internet Crimes	16.543	N/A	10589	53549	N/A	State's Attorney	-	(12,534)
Total Missing Children's Assistance							<u>-</u>	<u>338,607</u>
Drug Court Discretionary Grant Program								
Treatment Court Enhancement (TCE) Program	16.585	N/A	10046	51470	6501501	State's Attorney	-	9,382
Treatment Court Enhancement (TCE) Program	16.585	N/A	10575	53551	N/A	State's Attorney	7,529	58,701
Total Drug Court Discretionary Grant Program							<u>7,529</u>	<u>68,083</u>
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program								
Violence on Illinois Campuses Elimination Strategies	16.590	N/A	10048	51510	7241501	State's Attorney	227,257	403,669
State Criminal Alien Assistance Program								
State Criminal Assistance Program	16.606	N/A	N/A	51510	N/A	Chief Financial Officer/Sheriff	-	1,462,299
Criminal and Juvenile Justice and Mental Health Collaboration Program								
Mentally Ill Offender Treatment and Crime Reduction	16.745	N/A	10358	53345	7101601	Public Health	-	(283,249)
Economic High-Tech and Cyber Crime Prevention								
Property Crime Enforcement	16.752	N/A	10044	51405	6281501	State's Attorney	-	96,804
Postconviction Testing of DNA Evidence to Exonerate the Innocent								
Post Conviction DNA	16.820	N/A	10043	51395	6161501	State's Attorney	-	35,985
Post Conviction DNA	16.820	N/A	10576	53547	N/A	State's Attorney	-	164,861
Total Post Conviction DNA							<u>-</u>	<u>200,846</u>
Smart Prosecution Initiative								
SMART Prosecution	16.825	N/A	10574	53550	N/A	State's Attorney	-	84,796

* Denotes Major Program

COOK COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended November 30, 2018

Federal Grantor/Pass-Through Grantor/Program Name	CFDA Number	Pass-Through Grantor's Number	County Award Number	County Program Number	Legacy (Old) Business Unit	Responsible County Department	Pass-Through to Subrecipients	Federal Expenditures
U.S. DEPARTMENT OF JUSTICE (Continued)								
Direct Programs:								
Equitable Sharing Program								
Equitable Sharing	16.922	N/A	10603	53583	N/A	State's Attorney	-	141,076
Equitable Sharing	16.922	N/A	10737	53650	N/A	Sheriff	-	33,486
Total Equitable Sharing Program							-	174,562
Total Direct Programs							360,071	2,907,500
Pass-Through Programs From:								
<i>Illinois Criminal Justice Information Authority</i>								
Crime Victim Assistance								
Prosecution Based Victim	16.575	215041	10372	53437	7621701	State's Attorney	-	112,051
Ser. Cook County Victim	16.575	215161	10477	53520	6151701	State's Attorney	-	111,470
Prosecution Based Victim	16.575	216441	10641	53585	N/A	State's Attorney	-	1,697,151
Total Crime Victim Assistance							-	1,920,672
Violence Against Women Formula Grants								
Domestic Violence Multi-disciplinary Team Response	16.588	616031	10388	53440	7291701	State's Attorney	-	24,733
Sexual Assault Multi-disciplinary Team Response	16.588	615021	10389	53441	8011701	State's Attorney	-	27,016
Domestic Violence Multi-disciplinary Team Response	16.588	616131	10638	53481	7291801	State's Attorney	-	304,537
Sexual Assault Multi-disciplinary Team Response	16.588	615121	10639	53521	8011801	State's Attorney	-	322,971
Total Violence Against Women Formula Grants							-	679,257
<i>Center for Court Innovation</i>								
Edward Byrne Memorial Justice Assistance Grant Program								
2016 Community Court Grant Program	16.738	2015-DC-NY-K002	10068	51540	8081601	Chief Judge	-	103,332
<i>City of Chicago</i>								
Edward Byrne Memorial Justice Assistance Grant Program								
Justice Assistance Grant	16.738	2015-H2452-IL-DJ	10064	51335	7671501-16	Emergency Mgt Homeland Security	16,007	16,007
Justice Assistance Grant	16.738	2016-H2837-IL-DJ	10395	53448	7671601	Emergency Mgt Homeland Security	204,567	310,606
<i>Illinois Criminal Justice Information Authority</i>								
Edward Byrne Memorial Justice Assistance Grant Program								
DNA Backlog Reduction	16.738	411863	10100	53423	6311602	Public Defender	-	28
Complex Drug Prosecution	16.738	415089	10096	53410	8301601	State's Attorney	-	550
Community Justice Center	16.738	414835	10560	53434	6121601	State's Attorney	-	1,458
Community Justice Center	16.738	415835	10561	53478	6121701	State's Attorney	-	160,368
Complex Drug Prosecution	16.738	415789	10562	53543	8301701	State's Attorney	-	589,193
Human Trafficking Equipment	16.738	416854	10563	53495	6371701	State's Attorney	-	52,979
Community Justice Center	16.738	416043	10728	53590	N/A	State's Attorney	-	167,257
Human Trafficking Equipment	16.738	416044	10760	53648	N/A	State's Attorney	-	42,568
Complex Drug Prosecution	16.738	416789	10781	53591	8301801	State's Attorney	-	120,471
Mitigator Project	16.738	415860	10473	53513	8301801	Public Defender	-	121,218
DNA and Digital Evidence Litigation	16.738	416863	10604	53519	6311702	Public Defender	-	19,606
Mitigator Project	16.738	414041	10701	53557	6321802	Public Defender	-	80,214
Total Edward Byrne Memorial Justice Assistance Grant Program							220,574	1,785,855
Paul Coverdell Forensic Sciences Improvement Grants Program								
Domestic Software	16.742	716504	10058	51630	7271601	Medical Examiner's Office	-	30,222
Laboratory Information Management System	16.742	717504	10635	53584	N/A	Medical Examiner's Office	-	12,210
							-	42,432
Total Pass-Through Programs							220,574	4,428,216
Total U.S. Department of Justice							580,645	7,335,716

* Denotes Major Program

COOK COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended November 30, 2018

<u>Federal Grantor/Pass-Through Grantor/Program Name</u>	<u>CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>County Award Number</u>	<u>County Program Number</u>	<u>Legacy (Old) Business Unit</u>	<u>Responsible County Department</u>	<u>Pass-Through to Subrecipients</u>	<u>Federal Expenditures</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>								
Pass-Through Programs From:								
<i>Illinois Department of Transportation</i>								
Highway Planning and Construction Cluster:								
Highway Planning and Construction								
Highway Freight and Rail Study	20.205	B-12-UC-17-0001	10085	50785	6521301	Highway	-	224,124
Highway Skokie River	20.205	016-3050 (Structure No.)	10091	51245	7601501	Highway	-	194,317
Highway 134th St. Halsted/Marsden	20.205	M-4003(788)	10362	53427	8111602	Highway	-	67,330
Highway Lincoln Highway	20.205	14-6FRGT-02-ES	10369	50925	6701401	Highway	-	60,142
Total Highway Planning and Construction Cluster							-	545,913
Highway Safety Cluster:								
State and Community Highway Safety								
Holiday Mobilization	20.600	OP-17-0176	10419	53433	6441601	Sheriff	-	52,035
Sustained Traffic Enforcement Program	20.600	OP-18-0069	10784	53524	N/A	Sheriff	-	64,713
Distracted Driving	20.600	DD-18-0482 11-01	10791	53704	N/A	Police Department	-	9,711
Total State and Community Highway Safety							-	126,459
Total Highway Safety Cluster							-	126,459
Total Pass-Through Programs							-	672,372
Total U.S. Department of Transportation							-	672,372
<u>U.S. DEPARTMENT OF TREASURY</u>								
Direct Programs:								
Equitable Sharing								
Equitable Sharing	21.016	N/A	10637	53582	N/A	State's Attorney	-	121,633
Total Direct Programs							-	121,633
Total U.S. Department of the Treasury							-	121,633
<u>U.S. ENVIRONMENTAL PROTECTION AGENCY</u>								
Direct Programs:								
Air Pollution Control Program Support								
Air Pollution	66.001	N/A	10581	53459	N/A	Environmental Control	-	514,344
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act								
Clean Diesel Initiative	66.034	N/A	10029	51535	7481601	Environmental Control	-	135,623
Air Pollution Particulate	66.034	N/A	10684	53460	7481801	Environmental Control	-	146,158
Total Surveys, Studies, Research, Investigations, Demonstrations, and Special							-	281,781
Brownfields Assessment and Cleanup Cooperative Agreements								
Brownfields Investment	66.818	N/A	10025	50675	7661401	Environmental Control	-	86,747
Total Direct Programs							-	882,872

* Denotes Major Program

COOK COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended November 30, 2018

Federal Grantor/Pass-Through Grantor/Program Name	CFDA Number	Pass-Through Grantor's Number	County Award Number	County Program Number	Legacy (Old) Business Unit	Responsible County Department	Pass-Through to Subrecipients	Federal Expenditures
U.S. ENVIRONMENTAL PROTECTION AGENCY (Continued)								
Pass-Through Programs From:								
<i>Illinois Emergency Management Agency</i>								
State Indoor Radon Grants								
Radon Awareness	66.032	18COOK RANODN	10672	53589	N/A	Environmental Control	-	8,902
<i>Illinois Department of Public Health</i>								
State Public Water System Supervision								
Safe Drinking Water	66.432	85380117F	10606	53556	9951701	Public Health	-	14,457
Total Pass-Through Programs								
							-	23,359
Total U.S. Environmental Protection Agency							-	906,231
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES								
Direct Programs:								
Substance Abuse and Mental Health Services								
Projects of Regional and National Significance								
Drug Court Enhancement	93.243	N/A	10556	53538	8541701	Chief Judge	-	207,899
Drug Court Enhancement	93.243	N/A	10557	53540	N/A	Chief Judge	-	148,156
Drug Court Enhancement	93.243	N/A	10740	53539	N/A	Chief Judge	-	26,237
Drug Court Enhancement	93.243	N/A	10741	53541	N/A	Chief Judge	-	24,850
Drug Court Enhancement	93.243	N/A	10761	53683	N/A	Chief Judge	-	133
Total Substance Abuse and Mental Health Services - Projects of Regional and National Significance							-	407,275
Partnerships to Improve Community Health								
Partnerships to Improve Community Health	93.331	N/A	10344	53350	6051602	Public Health	-	73,975
Total Partnerships to Improve Community Health							-	73,975
Assisted Outpatient Treatment								
Assisted Outpatient Treatment	93.997	N/A	10360	53335	8591601	Public Health	-	(25,583)
Assisted Outpatient Treatment	93.997	N/A	10568	53461	8591701-02	Public Health	-	767,247
Assisted Outpatient Treatment	93.997	N/A	10775	53633	N/A	Public Health	-	77,834
Total Assisted Outpatient Treatment Program for Ind. With Serious Mental Illness							-	819,498
Total Direct Programs							-	1,300,748
Pass-Through Programs From:								
<i>Great Lakes Hemophilia Foundation</i>								
Maternal and Child Health Federal Consolidated Programs								
Hemophilia	93.110	H30MC24052	10675	53588	8471702	Public Health	-	14,132
Hemophilia	93.110	ATHN2015001-VW3-554 & 57.	10685	53488	8471703	Public Health	-	11,550
Total Maternal and Child Health Federal Consolidated Programs							-	25,682
<i>Illinois Department of Healthcare and Family Services</i>								
Child Support Enforcement								
Child Support Enforcement	93.563	* 2017-55-027-K2	10483	53474	N/A	Sheriff	-	821,732
Child Support Enforcement	93.563	* 2017-55-027-K3	10714	53475	7811801	Sheriff	-	533,704
Child Support Enforcement	93.563	* 2017-55-025-K	10049	52660	7821601	State's Attorney	-	87,262
Child Support Enforcement	93.563	* 2017-55-025-K2	10478	53472	7821701	State's Attorney	-	3,855,210
Child Support Enforcement	93.563	* 2017-55-025-K3	10688	53473	7821801	State's Attorney	-	2,718,070
Child Support Enforcement	93.563	* 2016-55-007-K3	10491	53471	7791701	Clerk of the Circuit Court	-	582,832
Child Support Enforcement	93.563	* 2019-55-007-K	10687	53470	7791801	Clerk of the Circuit Court	-	380,457
Access and Visitation	93.563	* 2015-55-024-KA	10066	51520	6201601	Chief Judge	-	(278)
Total Child Support Enforcement							-	8,978,989
Child Support Enforcement Research								
Access and Visitation	93.564	2018-55-024-K2A	10671	53456	6201801	Chief Judge	-	42,482
Grants to States for Access and Visitation Programs								
Access and Visitation	93.597	2018-55-024-K1A	10418	53451	6201701	Chief Judge	-	51,688

* Denotes Major Program

COOK COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended November 30, 2018

<u>Federal Grantor/Pass-Through Grantor/Program Name</u>	<u>CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>County Award Number</u>	<u>County Program Number</u>	<u>Legacy (Old) Business Unit</u>	<u>Responsible County Department</u>	<u>Pass-Through to Subrecipients</u>	<u>Federal Expenditures</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)								
Pass-Through Programs From:								
<i>Illinois Department of Human Services</i>								
Social Services Block Grant								
IDHS Case Management	93.667	FCSVU03178	10340	53280	9741606	Public Health	-	(15,803)
IDHS Case Management	93.667	FCSWU03178	10495	53482	N/A	Public Health	-	365,807
IDHS Case Management	93.667	FCSXU05024	10693	53497	N/A	Public Health	-	112,022
Total Social Services Block Grant							-	462,026
State Targeted Response to the Opioid Crisis Grant								
State Targeted Response to the Opioid Crisis	93.788	* 43CW03168	10522	53562	9181701	Public Health	-	1,385,536
State Targeted Response to the Opioid Crisis	93.788	* 43CXC03168	10696	53564	9181801	Public Health	-	1,071,846
Total State Targeted Response to the Opioid Crisis Grant							-	2,457,382
Block Grants for Prevention and Treatment of Substance Abuse								
SAMHSA	93.959	43CVC03159	10374	53438	N/A	Public Health	-	159
Block Grant for Vivitrol	93.959	43CVC03159-2018	10523	53561	N/A	Public Health	-	66,848
Total Block Grant for Prevention and Treatment of Substance Abuse							-	67,007
<i>Illinois Department of Public Health</i>								
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements								
Ebola Supplemental	93.074	67180136D	10348	51210	6771501	Public Health	-	79,130
Bioterrorism Prep/Planning	93.074	77180016E	10332	53355	9031601	Public Health	-	(19,512)
Bioterrorism Prep/Planning	93.074	97180016G	10695	53462	9031801	Public Health	-	396,657
Bioterrorism Prep/Planning	93.074	87180016F	10501	53463	9031701	Public Health	-	796,581
Cities Readiness Initiative	93.074	87180099F	10558	53476	9201701	Public Health	-	60,598
Cities Readiness Initiative	93.074	97580004G	10698	53477	9201801	Public Health	-	100
Total Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements							-	1,313,554
Immunization Cooperative Agreements								
Immunization Initiative	93.268	8518006F	10717	53643	N/A	Public Health	-	35,000
Immunization Initiative - Non-Cash Award	93.268	N/A	N/A	N/A	N/A	Public Health	-	94,519
Total Immunization Cooperative Agreements							-	129,519
NON-ACA/PPHF - Building Capacity of the Public Health System to Improve Population Health through National Nonprofit Organizations								
Containment & Prevention of Extensively Drug Resistant Organisms								
Drug Resistant Organisms	93.424	82600037F	10720	53645	N/A	Public Health	-	150,000
Building State Based Antibiotic Resistance Containment Capacity	93.424	5U38OT000143-05	10736	53350	6051602	Public Health	-	67,892
							-	217,892
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations financed in part by Prevention and Public Health Funds								
Breast and Cervical Cancer	93.752	2017-55-025-K3	10694	53465	9971801	Public Health	-	15,796
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations								
Breast and Cervical Cancer	93.898	86180005F	10499	53464	9971701	Public Health	-	117,501
Maternal and Child Health Services Block Grant to the States								
Adolescent Health	93.994	96380047G	10774	53642	N/A	Public Health	-	8,271
HIV Prevention Activities_Health Department Based								
IPHA HIV/AIDS Prevent. Dir.	93.940	55780057C	10577	53492	9551701	Public Health	-	42,365
Total Pass-Through Programs							-	13,930,154
Total U.S. Department of Health and Human Services							-	15,230,902

* Denotes Major Program

COOK COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended November 30, 2018

<u>Federal Grantor/Pass-Through Grantor/Program Name</u>	<u>CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>County Award Number</u>	<u>County Program Number</u>	<u>Legacy (Old) Business Unit</u>	<u>Responsible County Department</u>	<u>Pass-Through to Subrecipients</u>	<u>Federal Expenditures</u>	
<u>EXECUTIVE OFFICE OF THE PRESIDENT</u>									
Direct Programs:									
High Intensity Drug Trafficking Areas Program									
Chicago HIDTA	95.001	*	N/A	10034	51265	6551501-18	Sheriff	-	11,030
Chicago HIDTA	95.001	*	N/A	10037	52635	6551601-15	Sheriff	-	1,172,419
Chicago HIDTA	95.001	*	N/A	10424	53452	6551701-1713	Sheriff	-	2,973,877
Chicago HIDTA	95.001	*	N/A	10768	53491	N/A	Sheriff	-	93,678
Chicago HIDTA (Non-Cash)	95.001	*	N/A	N/A	N/A	N/A	Sheriff	-	4,694,283
Total Direct Programs								-	8,945,287
Total Executive Office of the President								-	8,945,287
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>									
Pass-Through Programs From:									
<i>Illinois Emergency Management Agency</i>									
Flood Mitigation Assistance									
Flood Mitigation Assistance	97.029		FEMA-FMA-2015	10690	53635	N/A	Emergency Mgt Homeland Security	-	372,390
Emergency Management Performance Grants									
Emergency Management	97.042		17EMACOOK	10650	53494	N/A	Emergency Mgt Homeland Security	-	429,121
Emergency Management	97.042		18EMACOOK	10859	53546	N/A	Emergency Mgt Homeland Security	-	433,689
Total Emergency Management								-	862,810
Homeland Security Grant Program									
Urban Area Security Initiative	97.067		15UASICOOK	10065	51475	7691501-49	Emergency Mgt Homeland Security	1,272,855	8,081,779
Urban Area Security Initiative	97.067		16UASICOOK	10469	53453	N/A	Emergency Mgt Homeland Security	1,044,507	9,162,615
Urban Area Security Initiative	97.067		17UASICOOK	10663	53532	N/A	Emergency Mgt Homeland Security	-	3,614,788
Total Homeland Security Grant Program								2,317,362	20,859,182
Total Pass-Through Programs								2,317,362	22,094,382
Total U.S. Department of Homeland Security								2,317,362	22,094,382
TOTAL EXPENDITURES OF FEDERAL AWARDS								25,555,149	95,807,966

* Denotes Major Program

COOK COUNTY, ILLINOIS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED NOVEMBER 30, 2018

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes all Federal programs attributable to the County's reporting entity except those administered by the Forest Preserve District of Cook County and its component units and Cook County Emergency Telephone System Board.

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 Principle, and Audit Requirements for Federal Awards (Uniform Guidance)*. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Federal awards received directly from Federal agencies, as well as the Federal portion of grants passed through non-Federal agencies, are included in the Schedule.

The County now tracks grant expenditures by the award and program numbers. In prior years, the business unit was used to track expenditures. In the current Schedule, we have included the business unit to assist in identifying older grant award expenditures.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule has been prepared to include expenditures reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, and the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The underlying accounting records for all grant programs are maintained on the modified accrual basis of accounting. Under the modified accrual basis, revenues are recognized when measurable and available for financing current obligations. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are expected to be paid with available expendable resources and are recognized when obligations are incurred.

Accordingly, the accompanying Schedule is not intended to present the financial position and the results of operations in conformity with accounting principles generally accepted in the United States of America.

NOTE 3 – NON-CASH AWARDS

Non-cash awards identified during the current period have been included in the Schedule. The County had no non-cash Federally-funded insurance in effect during fiscal year 2018.

COOK COUNTY, ILLINOIS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(Continued)

FOR THE YEAR ENDED NOVEMBER 30, 2018

NOTE 4 – EXPENDITURE AMOUNTS

The County assigns each new grant an award and program number. Expenditures for new grants are accumulated in the prior year's award/program number until the new award/program number has been authorized/assigned. Once the new award/program has been authorized/assigned, expenditures applicable to the new grant, previously recorded in the prior year award/program number, are transferred to the new award/program number. When the authorization of a new grant occurs in the subsequent fiscal year (after the normal year-end closing), the transfer of the expenditures from the prior year award/program number to the new award/program number can result in a negative expenditure in the prior year award/program number.

During the current fiscal year, the County continued its analysis of grants that remained open but had no activity and anticipated no future activities. This analysis resulted in additional credits to the schedule to correct grant amounts which were determined to be over expended in the prior fiscal year.

NOTE 5 – HUD LOAN GUARANTEE PROGRAM

Cook County received approval from the U.S. Department of Housing and Urban Development (HUD) for a \$30 million loan guarantee program, sourced by HUD, to finance four types of sustainable development. They are: transit-oriented, mixed-use developments within a half-mile of passenger rail; cargo-oriented projects near freight rail lines and terminals; mixed-use hospitality/service sector projects near transit lines and business development loans.

Also known as the Section 108 Loan Pool, BUILT (Broadening Urban Investment to Leverage Transportation) in Cook, will allow the County to borrow money to private businesses at reduced interest rates to promote economic development, stimulate job growth and improve public facilities. Such public investment is often needed to inspire private contributions, to provide seed money, or to simply boost confidence that many private firms and individuals need to invest in distressed areas.

The County's Bureau of Economic Development has 3 contracts with the Secretary of Housing and Urban Development (HUD) under the Section 108 Guaranteed Loan Program as of November 30, 2018. The outstanding note balance at November 30, 2018 is \$8,383,000 due in various annual amounts ranging from \$117,000 to \$2,005,000 through August 1, 2035. The interest rate for the note is reset monthly and is equal to 0.2% above the LIBOR Rate. The proceeds have been loaned to secondary authorized representatives under the guidelines of the County and HUD contract, for capital infrastructure projects, for the acquisition of equipment for the Cermak Fresh Market Grocery Store, and for the acquisition of equipment for the Alsip MiniMill Paper Mill to aid in the creation and retention of new jobs.

COOK COUNTY, ILLINOIS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(Continued)

FOR THE YEAR ENDED NOVEMBER 30, 2018

NOTE 5 – HUD LOAN GUARANTEE PROGRAM (Continued)

A summary of the loan activity is as follows:

Entity	Advance Amount	Principal Payments	Amount Outstanding
Village of Franklin Park	\$3,000,000	\$117,000	\$2,883,000
Cermak Fields LLC	2,500,000	-	2,500,000
Alsip MiniMill	3,000,000	-	3,000,000
Loans Outstanding			<u>\$8,383,000</u>

NOTE 6 – INDIRECT COST RATE

Cook County has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.



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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Commissioners of
Cook County, Illinois

Report on Compliance for Each Major Federal Program

We have audited **Cook 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 County's major federal programs for the year ended November 30, 2018. 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 Forest Preserve District of Cook County and Cook County Emergency Telephone Systems Board (discretely presented component units), which received Federal awards that are not included in the Schedule of Expenditures of Federal Awards for the year ended November 30, 2018. Our audit described below, did not include the operations of the Forest Preserve District of Cook, or the Cook County Emergency Telephone Systems Board because the component units, engaged other auditors, when required, to perform audits in accordance with Uniform Guidance.

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 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; 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, 2018.

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 items 2018-001, 2018-002, and 2018-003. Our opinion on each major federal program is not modified with respect to these matters.

The County's response to the noncompliance findings 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 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, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 2018-001, 2018-002, and 2018-003, that we consider to be significant deficiencies.

The County's response to the internal control over compliance findings 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.

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.

Washington, Pittman & McKeever, LLC

WASHINGTON, PITTMAN & McKEEVER, LLC

Chicago, Illinois
June 6, 2019

COOK COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED NOVEMBER 30, 2018

SECTION I: SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Other auditors issued an unmodified opinion on whether the financial statements were prepared in accordance with GAAP.

Internal control over financial reporting:

- Material weakness (es) identified? yes none reported
- Significant deficiency (ies) identified? yes none reported

Noncompliance material to financial statements noted? yes no

Federal Awards

Internal control over major Federal programs:

- Material weakness (es) identified? yes none reported
- Significant deficiency (ies) identified? yes none reported

The auditor's report on compliance for the major federal award programs for the County expresses an unmodified opinion on all major federal programs.

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a) yes no

The programs tested as major programs were:

<u>Name of Federal Program or Cluster</u>	<u>CFDA #</u>
Home Investment Partnerships Program	14.239
CDBG-Disaster Recovery Grants-Pub. L. No. 113-2 Cluster	14.269
Child Support Enforcement	93.563
State Targeted Response to the Opioid Crisis Grant	93.788
High Intensity Drug Trafficking Areas Program	95.001

The dollar threshold for distinguishing Type A and Type B programs was \$2,874,239.

Auditee qualified as low-risk auditee? No

COOK COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

FOR THE YEAR ENDED NOVEMBER 30, 2018

SECTION II: FINANCIAL STATEMENT FINDINGS

The financial statement findings are included in the Summary of Basic Financial Statement Findings with the Independent Auditor's Report on the Basic Financial Statements presented by other auditors.

COOK COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

(Continued)

FOR THE YEAR ENDED NOVEMBER 30, 2018

SECTION III: FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

Subrecipient Monitoring

Federal Department – U.S. Department of Housing and Urban Development

Federal Award Identification Number/Year –M17-DC170213/2017; M18-DC170213/2018

Home Investment Partnerships Program (HOME), CFDA #14.239

County Department – Department of Planning and Development (DPD)

Finding 2018 – 001

Questioned Costs: None

CRITERIA

2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart D - Post Federal Award Requirements Standards for Financial and Program Management, Section 200.331. Requirements for pass-through entities, requires that “All pass-through entities must: (b) Evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring described in paragraphs (d) and (e) of this section, which may include consideration of such factors as: (1) The subrecipient's prior experience with the same or similar subawards; (2) The results of previous audits including whether or not the subrecipient receives a Single Audit in accordance with Subpart F—Audit Requirements of this part, and the extent to which the same or similar subaward has been audited as a major program; (3) Whether the subrecipient has new personnel or new or substantially changed systems; and (4) The extent and results of Federal awarding agency monitoring (e.g., if the subrecipient also receives Federal awards directly from a Federal awarding agency). (c) Consider imposing specific subaward conditions upon a subrecipient if appropriate as described in §200.207 Specific conditions. (d) Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved. Pass-through entity monitoring of the subrecipient must include: (1) Reviewing financial and performance reports required by the pass-through entity. (2) Following-up and ensuring that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to the subrecipient from the pass-through entity detected through audits, on-site reviews, and other means. (3) Issuing a management decision for audit findings pertaining to the Federal award provided to the subrecipient from the pass-through entity as required by §200.521 Management decision. (e) Depending upon the pass-through entity's assessment of risk posed by the subrecipient (as described in paragraph (b) of this section), the following monitoring tools may be useful for the pass-through entity to ensure proper accountability and compliance with program requirements and achievement of performance goals: (1) Providing subrecipients with training and technical assistance on program-related matters; and (2) Performing on-site reviews of the subrecipient's program operations; (3) Arranging for agreed-upon-procedures engagements as described in §200.425 Audit services. (f) Verify that every subrecipient is audited as required by Subpart F—Audit Requirements of this part when it is expected that the subrecipient's Federal awards expended during the respective fiscal year equaled or exceeded the threshold set forth in §200.501 Audit requirements. (g) Consider whether the results of the subrecipient's audits, on-site reviews, or other monitoring indicate conditions that necessitate adjustments to the pass-through entity's own records. (h) Consider taking enforcement action against noncompliant subrecipients as described in §200.338 Remedies for noncompliance of this part and in program regulations.”

COOK COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

FOR THE YEAR ENDED NOVEMBER 30, 2018

Subrecipient Monitoring

Federal Department – U.S. Department of Housing and Urban Development

Federal Award Identification Number/Year –M17-DC170213/2017; M18-DC170213/2018

Home Investment Partnerships Program (HOME), CFDA #14.239

County Department – Department of Planning and Development (DPD)

Finding 2018 – 001 (Continued)

CRITERIA (Continued)

Per the Cook County Department of Planning and Development Policies and Procedures Manual (effective January 2014), Section 8: Monitoring Policy states the County conducts four type of monitoring, including administrative and financial monitoring. Also, it states the County monitors its funded entities at least once a year, during all phases of the project or program administration.

CONDITION

During the current audit period, the Cook County Department of Planning and Development (DPD) did not provide sufficient evidence to document subrecipients' financial monitoring performed, as required by Federal regulations.

CONTEXT

During the current audit period, we noted a total of thirty-six (36) projects/subrecipients were included on the Program Year 2017 monitoring schedule provided. Based on discussions with management, it was noted that financial monitoring was conducted during the programmatic site visit(s); however the process was not adequately documented.

We reviewed six (6) subrecipient files, noting that: 1) financial monitoring was not adequately documented for all 6 subrecipients; 2) DPD did not request the Single audit information, which includes documentation to verify whether the subrecipient met the audit requirement for completion of a single audit in accordance with Subpart F-Audit Requirements of the Uniform Guidance; and 3) documentation was not maintained to support DPD's evaluation of each subrecipients' risk of noncompliance. However, DPD management stated that they evaluate the risks when initiating the subawards and keep programmatic monitoring of subrecipients over the years.

EFFECT

Failure to adequately monitor the activities and performance of subrecipients could result in Federal awards being used for unauthorized purposes and DPD's inability to adequately perform risk assessments on subrecipients.

CAUSE

Based on discussions with management, DPD staff collected financial monitoring information but did not adequately document the financial monitoring process per our policy and procedures.

COOK COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

FOR THE YEAR ENDED NOVEMBER 30, 2018

Subrecipient Monitoring

Federal Department – U.S. Department of Housing and Urban Development

Federal Award Identification Number/Year –M17-DC170213/2017; M18-DC170213/2018

Home Investment Partnerships Program (HOME), CFDA #14.239

County Department – Department of Planning and Development (DPD)

Finding 2018 – 001 (Continued)

RECOMMENDATION

We recommend DPD ensure adequate staff resources and training are in place to oversee the process of completing the required subrecipient monitoring.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS

The County's corrective action plan is on page 30.

COOK COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

FOR THE YEAR ENDED NOVEMBER 30, 2018

Special Tests and Provisions (Wage Rate Requirements)

Federal Department – U.S. Department of Housing and Urban Development

Federal Award Identification Number/Year – M17-DC170213/2017; M18-DC170213/2018

Home Investment Partnerships Program (HOME), CFDA #14.239

County Department – Department of Planning and Development (DPD)

Finding 2018 – 002

Questioned Costs: None

CRITERIA

In accordance with the requirements of the Davis-Bacon Act and the DOL regulations (29 CFR Part 5, “Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction”), non-federal entities shall include in their construction contracts a requirement that the contractor or subcontractor comply with the Davis-Bacon Act. This includes a requirement for the contractor or subcontractor to submit to the non-federal entity weekly, for each week in which any contract work is performed, a certified copy of the payroll and a statement of compliance (29 CFR sections 5.5 and 5.6 and 2 CFR Part 200, Section 200.326). Furthermore, 29 CFR Section 5.5 (a)(3)(iii) states “the contractor or subcontractor shall make the records required under paragraph (a)(3)(i) of this section available for inspection, copying, or transcription by authorized representatives of the (write the name of the agency) or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job.

2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart D - Post Federal Award Requirements Standards for Financial and Program Management Section 200.303 Internal controls states “The non-Federal entity must: (1) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and terms and conditions of the Federal award.”

Per the Cook County Department of Planning and Development Policies and Procedures Manual (effective January 2014), Section 6: Construction Management Policy, Davis Bacon states that the County must conduct interviews of workers using a representative sampling technique and that interviews are conducted during the times in which each contractor is on the job site to assure that all trades are covered.

CONDITION

During the current audit period, the Department of Planning and Development (DPD) did not adequately document its compliance with federal Wage Rate (Davis Bacon) requirements for the HOME program.

CONTEXT

During the current audit period, we noted that only two (2) projects met the requirement for Davis Bacon compliance, as such, we selected one (1) project for testing. For the project selected, we noted a total of sixteen (16) active contractors worked on the project. We tested three (3) contractor files and we reviewed a total of eighteen (18) weekly certified payrolls. Based on review, we noted the one (1) project file had no evidence of employee interviews being performed.

COOK COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

FOR THE YEAR ENDED NOVEMBER 30, 2018

Special Tests and Provisions (Wage Rate Requirements)

Federal Department – U.S. Department of Housing and Urban Development

Federal Award Identification Number/Year – M17-DC170213/2017; M18-DC170213/2018

Home Investment Partnerships Program (HOME), CFDA #14.239

County Department – Department of Planning and Development (DPD)

Finding 2018 – 002 (Continued)

EFFECT

Failure to document employee interviews were conducted by contractors is a violation of Federal regulations and impairs DPD's ability to adequately monitor the federally funded program.

CAUSE

Based on discussions with management, there was a misunderstanding between DPD staff and Housing Authority of Cook County (HACC), which delayed the collection of some of the documentation required to be reviewed.

RECOMMENDATIONS

We recommend the DPD ensure employee interviews are conducted and reviewed timely and the documentation is appropriately maintained.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS

The County's Corrective Action Plan is on page 31.

COOK COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

FOR THE YEAR ENDED NOVEMBER 30, 2018

Equipment and Real Property Management

Federal Department – U.S. Department of Homeland Security

Passed-through the Illinois Emergency Management Agency

Homeland Security Grant Program, CFDA # 97.067

County Department – Homeland Security and Emergency Management

Finding 2018 – 003

Questioned Costs: None

CRITERIA

2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart D - Post Federal Award Requirements Standards for Financial and Program Management, Section 200.313(d) *Management requirements* requires that “Procedures for managing equipment (including replacement equipment), whether acquired in whole or in part under a Federal award, until disposition takes place will, as a minimum, meet the following requirements: (1) Property records must be maintained that include a description of the property, a serial number or other identification number, the source of funding for the property (including the federal award identification number (FAIN)), who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the project costs for the Federal award under which the property was acquired, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property. (2) A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years. (3) A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft must be investigated. (4) Adequate maintenance procedures must be developed to keep the property in good condition. (5) If the non-Federal entity is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.”

CONDITION

During the current year, the Cook County Department of Homeland Security and Emergency Management (DHSEM) failed to maintain accurate and complete inventory records in accordance with the Federal regulations.

CONTEXT

During our test of equipment inventory procedures, we noted DHSEM maintains both a current master equipment listing, which includes the date equipment items were last inventoried and a physical inventory listing which includes equipment items inventoried by DHSEM in both fiscal years 2017 and 2018. Both of these listings serve as evidence of the physical inventory. We noted that DHSEM did not provide evidence of the reconciliation of its physical inventory to the property records (Comptroller’s records) as required.

COOK COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

FOR THE YEAR ENDED NOVEMBER 30, 2018

Equipment and Real Property Management
Federal Department – U.S. Department of Homeland Security
Passed-through the Illinois Emergency Management Agency
Homeland Security Grant Program, CFDA # 97.067
County Department – Homeland Security and Emergency Management
Finding 2018 – 003 (Continued)

CONTEXT (Continued)

We selected 60 equipment items from the master equipment listing to test the accuracy of the inventory dates and noted the following:

- Forty-two (42) equipment items tested was not included in the physical inventory listing provided. 23 of these 42 items did not include an inventory date on the master equipment listing. Hence, we were unable to determine if and/or when the equipment items were last inventoried.
- For nineteen (19) equipment items, it appears that a physical inventory was not conducted within the two year required period. We noted that the last inventory date ranged from 9/22/2014 to 7/22/2015 for these items, with the majority of these dates in July 2015 (13 items).

As a result, we could not satisfy ourselves that a complete physical inventory was performed in accordance with Federal regulations.

Additionally, we performed a physical observation of the above 60 equipment items and noted the following:

- Thirty-three (33) items, we were unable to observe the equipment.
- Ten (10) items did not have tag numbers on the master listing or the equipment item.
- Four (4) items had asset tag numbers on the equipment which was different than the tag numbers on the master listing. We noted 3 items were radio equipment.
- Three (3) radio equipment items did not have tag numbers on the equipment.
- Eleven (11) items did not include the acquisition cost, acquisition date and/or source of funding for the property on the master listing.

We observed an additional ten (10) items during our inspection visits which we traced to the current master equipment listing and noted five (5) items tag number were not located on the master listing.

IDENTIFICATION OF REPEATED FINDING

Repeated (Prior Finding Nos. 2017-007, 2016-009, 2015-004, 2014-008).

COOK COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

FOR THE YEAR ENDED NOVEMBER 30, 2018

Equipment and Real Property Management
Federal Department – U.S. Department of Homeland Security
Passed-through the Illinois Emergency Management Agency
Homeland Security Grant Program, CFDA # 97.067
County Department – Homeland Security and Emergency Management
Finding 2018 – 003 (Continued)

EFFECT

The failure to maintain equipment records as required, and to document whether or not the required equipment physical inventory and reconciliation to property records was performed as required by Federal regulations could result in the misstatement of perpetual records and inaccurate reporting of federally funded equipment.

CAUSE

Based on our discussions with management, this occurred as a result of the loss of the Fixed Asset Accountant staff. This ongoing process has taken longer than expected due to the number of assets held by the County partners and the challenges presented by equipment located at multiple sites.

RECOMMENDATION

We recommend the DHSEM implement procedures that include providing appropriate resources and training to ensure 1) equipment records include all required information; 2) physical inventories are performed within the required two-year period and the documentation maintained to support to results of the inventory and; 3) the results reconciled to property records as required by Federal regulations. In addition, we recommend DHSEM implement procedures that allow the respective site(s) personnel to perform periodic certification of equipment items held at the multiple sites. This will allow for easier tracking and accountability of equipment items and help to reduce the challenges and administrative burden currently presented by having equipment located at multiple sites.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS

The County's corrective action plan is on pages 32-33.

COOK COUNTY, ILLINOIS

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

AND CORRECTIVE ACTION PLAN

FOR THE YEAR ENDED NOVEMBER 30, 2018

<u>Prior Year Findings</u>	<u>Current Year Status</u>
<u>Federal Award Findings</u>	
<u>Finding 2017 – 001</u>	
During the prior fiscal year, the Department of Planning and Development (DPD) failed to perform financial monitoring of its subrecipients as required by federal regulations for the CDBG program.	Not Repeated – During the current fiscal year, DPD implemented its corrective action plan and properly monitored subrecipients as required.
<u>Finding 2017 - 002</u>	
During the prior fiscal year, DPD did not adequately document its compliance with federal wage rate (Davis Bacon) requirements for the HOME program.	Not Repeated - During the current fiscal year, DPD implemented its corrective action plan and provided adequate documentation to support compliance with the federal wage rate requirements.
<u>Finding 2017 -003</u>	
During the prior fiscal year, DPD failed to perform financial monitoring of its subrecipients as required by federal regulations for the CDBG-DR program.	Not Repeated –During the current fiscal year, DPD implemented its corrective action plan and properly monitored subrecipients as required.
<u>Finding 2017 -004</u>	
During the prior fiscal year, the Cook County Office of the Chief Procurement Officer (OCPO) did not adequately ensure federally funded contracts issued to vendors were in compliance with certain federal guidelines and the provisions of its Grants Management Manual.	Not Repeated - During the current fiscal year, OCPO implemented its corrective action plan and ensured federally funded contracts executed during the year were in compliance with federal regulations and its Grants Management Manual.
<u>Finding 2017 -005</u>	
During the prior fiscal year, the County Clerk failed to maintain equipment records that comply with federal regulations.	Not Repeated – During the current fiscal year, the County Clerk implemented its corrective action plan, and updated its equipment records to comply with federal regulations.

COOK COUNTY, ILLINOIS

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

AND CORRECTIVE ACTION PLAN

FOR THE YEAR ENDED NOVEMBER 30, 2018

<u>Prior Year Findings</u>	<u>Current Year Status</u>
<u>Finding 2017 -006</u> During the prior fiscal year, the Department of Homeland Security and Emergency Management (DHSEM) did not adequately comply with federal guidelines and the provisions of its Grants Management Manual over allowable costs.	Not Repeated – During the current fiscal year, DHSEM implemented its corrective action plan and provided documentation to support allowable costs charged to the program, including personnel activity reports.
<u>Finding 2017 -007</u> During the prior fiscal year, DHSEM failed to maintain accurate and complete inventory records in accordance with federal regulations.	Repeated – (See Finding 2018-003) first reported 11/30/2014.
<u>Finding 2017 -008</u> During the prior fiscal year, the County failed to maintain adequate controls over the reporting expenditures of federal awards.	Not Repeated – During the current fiscal year, the County implemented its corrective action plan and maintained accurate reporting of federal expenditures during the year.



SUSAN M. CAMPBELL

DIRECTOR

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17th District

June 5, 2019

Lawrence Wilson, CPA
Cook County Controller
118 N. Clark Street, Suite 500
Chicago, IL 60602

RE: FY2018 Single Audit Corrective Action Plan

Dear Mr. Wilson:

Washington, Pittman & McKeever Single Audit for Cook County's Fiscal Year 2018 determined that the Cook County's Department of Planning and Development(DPD) did not adequately document its compliance with 2 CFR Part 200, Section 200.331 and 200.326.

FINDINGS

Summary Finding- HOME, CFDA 14.239: During the current audit period, the Cook County Department of Planning and Development failed to perform financial monitoring of its subrecipients as required by federal regulations.

Finding 2018-001 Corrective Action Plan

DPD has developed a monitoring checklist/tool to properly capture and document the financial monitoring processes for our HOME Program. DPD has reorganized staffing resources and is in the process of hiring positions to assist our program and finance departments with compliance activities. Once implemented, the new checklist/tool process will document and ensure that the financial monitoring of the HOME subrecipients are performed and comply with 2 CFR Part 200, Uniform Administrative Requirements for Federal Awards, Subpart D – Post Federal Award Requirements Standards for Financial and Program Management, Section 200.331.

In addition, and in accordance with Uniform Guidance, risk assessments will be performed to evaluate the subrecipient's risk of non-compliance with federal statutes, regulations and the terms and conditions of the subaward for purposes of determining the appropriate level of subrecipient monitoring. Some of the monitoring will be completed remotely via a desk review; whereas others will be conducted on site. In order to maximize resources and conserve related administrative costs, any monitoring that can be conducted via desk review will follow this practice.

*Anticipated timeline for full implementation of Corrective Action Plan is August 31, 2019.

Task oversight and implementation assigned to Michelle Royster, Program Manager.

Summary Finding- HOME, CFDA 14.239: During the current audit period, the Cook County Department of Planning and Development did not adequately document its compliance with federal Wage Rate (Davis Bacon) requirements for HOME program.

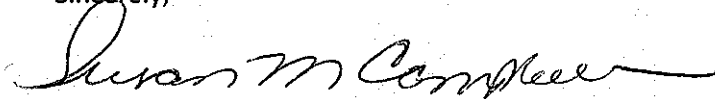
Finding 2018-002 Corrective Action Plan

DPD has policies and procedures in place that require the transference of wage information from the developer or contractor to DPD electronically, minimally on monthly basis, with hard copies forwarded quarterly. Internally, wage reviews are signed off by the Administrative Analyst and evidenced by the Wage Review form. A copy of the Wage Review Form is required to be submitted by the Administrative Analyst along with their reimbursement request for all Housing program developers and contractors. To ensure receipt and verification of all required documentation, DPD Plans to modify its Wage Review Form so that each component of the review process is verified and initialed by the Administrative Analyst.

*Anticipated timeline for full implementation of Corrective Action Plan is July 31, 2019.

Task oversight and implementation assigned to Karl Bradly, Deputy Director & Michelle Royster, Program Manager.

Sincerely,



Susan M. Campbell, Director
Department of Planning and Development

Cc: Monica Martin, Director of Financial Controls



WILLIAM BARNES

EXECUTIVE DIRECTOR

69 W. WASHINGTON, SUITE 2600 • Chicago, Illinois 60602 • (312) 603-8180

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TO: Lawrence Wilson
Comptroller
Office of the Comptroller

FROM: Jeffrey Singer
Deputy Director of Finance
Department of Homeland Security and Emergency Management

RE: FY2018 Single Audit Finding 003

DATE: June 5, 2019

Below please find the Department of Homeland Security and Emergency Management (DHSEM) response to the Finding as outlined by the Single Audit performed by Washington, Pittman & McKeever:

Condition

During the current year, the Cook County Department of Homeland Security and Emergency Management (DHSEM) failed to maintain accurate and complete inventory records in accordance with the Federal regulations.

Recommendation:

We recommend the DHSEM implement procedures that include providing appropriate resources and training to ensure 1) equipment records include all required information; 2) physical inventories are performed within the required two-year period and the documentation maintained to support to results of the inventory and; 3) the results reconciled to property records as required by Federal regulations.

In addition, we recommend DHSEM implement procedures that allow the respective site(s) personnel to perform periodic certification of equipment items held at the multiple sites. This will allow for easier tracking and accountability of equipment items and help to reduce the challenges and administrative burden currently presented by having equipment located at multiple sites.

Corrective Actions:

We concur with the auditor's recommendation and specifically plan to hire a new Grant Analyst whose job description has been modified to include inventory tracking duties. To assist the Grant Analyst in his/her inventory duties, we plan to implement improved inventory procedures that will integrate all Emergency Logistics Operators (field staff tasked with deploying, tracking and ensuring the maintenance of DHSEM resources) into DHSEM's inventory process. DHSEM staff will also be tasked with completing the formal physical inventory required by the grant guidelines. We recognize that the amount of equipment owned by DHSEM made the physical inventory a challenge for our single Fixed Asset Accountant. By adding ten additional staff to the task, we are confident that DHSEM can meet its inventory requirements.

In addition to adding staff to the process, we are actively negotiating Memoranda of Understanding (MOUs) with key partners (notably the Cook County Sheriff's Office) to shift inventory responsibility to the party with whom the equipment resides. Doing so will reduce the amount of inventory on DHSEM's "book" and shift Federal inventory responsibilities to our MOU partners. Finally, we will undertake a concerted effort to remove older items from our Master list which either cannot be located or have been transferred out of the County. For example, a recent audit of the Medical Examiner failed to locate a portable ventilator system that was supposedly purchased using UASI funds in 2007. According to the Medical Examiner's office, the device broke down and was salvaged sometime in the past. As we scrub the Master list, DHSEM will work with our State granting agency to take the appropriate steps to formally remove all the items that have been lost, retired/salvaged or formally transferred.

The lead person responsible for implementing this corrective action plan will be DHSEM's Deputy Director of Finance, Jeffrey Singer. The plan is being implemented immediately and is anticipated to be completed by the end of the first quarter of fiscal year 2020.

CC: William Barnes
Patrick King
Natalino Giacalone