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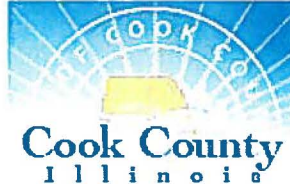
CERTIFIED PUBLIC ACCOUNTANTS AND

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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, 2016



COOK COUNTY, ILLINOIS

SINGLE AUDIT REPORT

NOVEMBER 30, 2016

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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, 2016, 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, 2016, in accordance with accounting principles generally accepted in the United States of America.

Washington, Pittman & McKeever, LLC
WASHINGTON, PITTMAN & McKEEVER, LLC

Chicago, Illinois
June 5, 2017

COOK COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended November 30, 2016

<u>Federal Grantor/Pass-Through Grantor/Program Name</u>	<u>CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>County 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	7731501	Juvenile Temporary Detention Center	\$ -	\$ 213,310
Total School Breakfast Program					-	213,310
National School Lunch Program						
Child Nutrition Program	10.555	15-016-472P-00	7741501	Juvenile Temporary Detention Center	-	398,952
Child Nutrition Program - Non cash Award	10.555	15-016-472P-00	N/A	Juvenile Temporary Detention Center	-	21,285
Total National School Lunch Program					-	420,237
Total Child Nutrition Cluster					-	633,547
<i>Illinois Department of Human Services</i>						
Special Supplemental Nutrition Program for Women, Infants and Children						
IDHS Supplemental WIC	10.557 *	FCSUQ00833	9461508	Stroger Hospital	-	151,545
IDHS Supplemental WIC	10.557 *	FCSVQ00833	9461608	Stroger Hospital	-	78,623
IDHS Supplemental WIC	10.557 *	FCSUQ00832	9791501	Public Health	-	1,815,278
IDHS Supplemental WIC	10.557 *	FCSVQ00832	9791601	Public Health	-	979,782
Supplemental Food WIC - Non-cash Award	10.557 *	N/A	N/A	Public Health	-	6,879,122
Total Special Supplemental Nutrition Program for Women, Infants and Children					-	9,904,350
<i>Illinois Department of Public Health</i>						
Summer Food Service Program for Children						
IDHS Food Inspections	10.559	55280007C	9961401	Public Health	-	1,275
Total U.S. Department of Agriculture					-	10,539,172
<u>U.S. DEPARTMENT OF COMMERCE</u>						
Direct Program:						
Economic Development Technical Assistance						
Chicago Metro Metal Consortium	11.303	N/A	6071401	Department of Planning and Development	-	36,720
Total U.S. Department of Commerce					-	36,720
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>						
Direct Programs:						
CDBG - Entitlement Grants Cluster:						
Community Development Block Grants/Entitlement Grants						
CDBG Demolition Program	14.218	N/A	7960001	State's Attorney	-	6,944
CDBG Disaster Relief	14.218	N/A	9101401	Department of Planning and Development	3,019,628	7,670,934
CDBG Disaster Relief	14.218	N/A	9101402	Department of Planning and Development	-	820,579
CDBG Disaster Relief	14.218	N/A	9101403	Department of Planning and Development	900,000	900,000
Neighborhood Stabilization Program 1 (NSP 1)	14.218	N/A	7530901	Department of Planning and Development	-	(1,323,360)
Neighborhood Stabilization Program 1 (NSP 1)	14.218	N/A	7530902	Department of Planning and Development	49,956	2,314,424

See Accompanying Notes to Schedule of Expenditures of Federal Awards

* Denotes Major Program

COOK COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended November 30, 2016

<u>Federal Grantor/Pass-Through Grantor/Program Name</u>	<u>CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>County Business Unit</u>	<u>Responsible County Department</u>	<u>Pass-Through to Subrecipients</u>	<u>Federal Expenditures</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (Continued)						
Direct Programs (Continued):						
CDBG - Entitlement Grants Cluster (Continued):						
Community Development Block Grants/Entitlement Grants (Continued)						
Community Development Block Grant	14.218	N/A	9421208	Department of Planning and Development	-	(227)
Community Development Block Grant	14.218	N/A	9421301	Department of Planning and Development	-	(8,688)
Community Development Block Grant	14.218	N/A	9421302	Department of Planning and Development	4,000	4,000
Community Development Block Grant	14.218	N/A	9421305	Department of Planning and Development	102,776	102,843
Community Development Block Grant	14.218	N/A	9421306	Department of Planning and Development	26,500	26,573
Community Development Block Grant	14.218	N/A	9421308	Department of Planning and Development	-	100,714
Community Development Block Grant	14.218	N/A	9421311	Department of Planning and Development	-	450,000
Community Development Block Grant	14.218	N/A	9421401	Department of Planning and Development	-	116,551
Community Development Block Grant	14.218	N/A	9421402	Department of Planning and Development	37,865	37,865
Community Development Block Grant	14.218	N/A	9421404	Department of Planning and Development	36,966	36,966
Community Development Block Grant	14.218	N/A	9421406	Department of Planning and Development	2,639,431	2,641,052
Community Development Block Grant	14.218	N/A	9421407	Department of Planning and Development	525,601	525,765
Community Development Block Grant	14.218	N/A	9421408	Department of Planning and Development	144,543	145,952
Community Development Block Grant	14.218	N/A	9421411	Department of Planning and Development	-	16,154
Community Development Block Grant	14.218	N/A	9421501	Department of Planning and Development	17,917	1,179,689
Community Development Block Grant	14.218	N/A	9421502	Department of Planning and Development	143,795	201,730
Community Development Block Grant	14.218	N/A	9421504	Department of Planning and Development	1,369,699	1,369,699
Community Development Block Grant	14.218	N/A	9421506	Department of Planning and Development	1,109,443	1,109,443
Community Development Block Grant	14.218	N/A	9421507	Department of Planning and Development	431,329	431,329
Community Development Block Grant	14.218	N/A	9421508	Department of Planning and Development	334,970	334,970
Community Development Block Grant	14.218	N/A	9421511	Department of Planning and Development	156,906	178,707
Community Development Block Grant	14.218	N/A	9428225	Department of Planning and Development	4,778	11,942
Total CDBG - Entitlement Grants Cluster					11,056,103	19,402,550
Emergency Solutions Grant Program						
Emergency Solutions	14.231	N/A	9411305	Department of Planning and Development	-	8,945
Emergency Solutions	14.231	N/A	9411306	Department of Planning and Development	-	(8,945)
Emergency Solutions	14.231	N/A	9411401	Department of Planning and Development	-	(7,452)
Emergency Solutions	14.231	N/A	9411404	Department of Planning and Development	51,680	51,680
Emergency Solutions	14.231	N/A	9411405	Department of Planning and Development	12,879	12,879
Emergency Solutions	14.231	N/A	9411406	Department of Planning and Development	33,035	33,035
Emergency Solutions	14.231	N/A	9411407	Department of Planning and Development	-	4,467
Emergency Solutions	14.231	N/A	9411501	Department of Planning and Development	-	68,444
Emergency Solutions	14.231	N/A	9411503	Department of Planning and Development	37,715	47,787
Emergency Solutions	14.231	N/A	9411504	Department of Planning and Development	184,701	199,280
Emergency Solutions	14.231	N/A	9411505	Department of Planning and Development	146,406	154,812
Emergency Solutions	14.231	N/A	9411506	Department of Planning and Development	76,470	81,240
Emergency Solutions	14.231	N/A	9411507	Department of Planning and Development	37,000	37,000
Total Emergency Solutions Grant Program					579,886	683,172

See Accompanying Notes to Schedule of Expenditures of Federal Awards

COOK COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended November 30, 2016

<u>Federal Grantor/Pass-Through Grantor/Program Name</u>	<u>CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>County Business Unit</u>	<u>Responsible County Department</u>	<u>Pass-Through to Subrecipients</u>	<u>Federal Expenditures</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (Continued)						
Direct Programs (Continued):						
HOME Investment Partnerships Program						
HOME Investment Partnerships Program	14.239	*	N/A	7721201	Department of Planning and Development	- 2,066,322
HOME Investment Partnerships Program	14.239	*	N/A	7721301	Department of Planning and Development	- 2,776,064
HOME Investment Partnerships Program	14.239	*	N/A	7721401	Department of Planning and Development	5,142 1,730,350
HOME Investment Partnerships Program	14.239	*	N/A	7721501	Department of Planning and Development	- 2,907,170
HOME Investment Partnerships Program	14.239	*	N/A	7728202	Department of Planning and Development	- (556,354)
HOME Investment Partnerships Program	14.239	*	N/A	7728204	Department of Planning and Development	4,118 531,277
Total HOME Investment Partnerships Program						9,260 9,454,829
Community Development Block Grants_Section 108 Loan Guarantees						
Section 108 Loan Guarantee Assistance Program	14.248	*	N/A	5870101	Department of Planning and Development	- 3,000,000
Section 108 Loan Guarantee Assistance Program	14.248	*	N/A	5870201	Department of Planning and Development	- 2,500,000
						- 5,500,000
Total Community Development Block Grants_Section 108 Loan Guarantees						
Total U.S. Department of Housing and Urban Development						11,645,249 35,040,551
U.S. DEPARTMENT OF JUSTICE						
Direct Programs:						
Justice Systems Response to Families						
Family Court Enhancement Project	16.021		N/A	8381401	Chief Judge	72,125 281,816
Services for Trafficking Victims						
Human Trafficking Task Force	16.320		N/A	6251201	State's Attorney	- 1,104
Human Trafficking Task Force	16.320		N/A	6251501	State's Attorney	- 239,514
Total Services for Trafficking Victims						- 240,618
Missing Children's Assistance						
Internet Crimes	16.543		N/A	6361401	State's Attorney	- 28,071
Internet Crimes	16.543		N/A	6361501	State's Attorney	- 267,771
Total Missing Children's Assistance						- 295,842
Drug Court Discretionary Grant Program						
Drug Court Enhancement	16.585		N/A	6181301	Chief Judge	17,725 32,430
Treatment Court Enhancement (TCE) Program	16.585		N/A	6501301	State's Attorney	- 44,533
Treatment Court Enhancement (TCE) Program	16.585		N/A	6501501	State's Attorney	- 37,001
Total Drug Court Discretionary Grant Program						17,725 113,964
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program						
Violence on Illinois Campuses Elimination Strategies	16.590		N/A	7241501	State's Attorney	- 186,493
State Criminal Alien Assistance Program						
State Criminal Alien Assistance Program	16.606		N/A	N/A	Chief Financial Officer/Sheriff	- 1,337,774
Protecting Inmates and Safeguarding Communities						
Prison Rape Elimination	16.735		N/A	6571101	Sheriff	- 432

See Accompanying Notes to Schedule of Expenditures of Federal Awards

COOK COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended November 30, 2016

<u>Federal Grantor/Pass-Through Grantor/Program Name</u>	<u>CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>County Business Unit</u>	<u>Responsible County Department</u>	<u>Pass-Through to Subrecipients</u>	<u>Federal Expenditures</u>
U.S. DEPARTMENT OF JUSTICE (Continued)						
Direct Programs (Continued):						
Economic High-Tech and Cyber Crime Prevention						
Property Crime Enforcement	16.752	N/A	6281301	State's Attorney	-	(17,410)
Property Crime Enforcement	16.752	N/A	6281501	State's Attorney	-	156,178
Property Crime Enforcement	16.752	N/A	6971201	Sheriff	-	56,290
Total Economic High-Tech and Cyber Crime Prevention					-	195,058
Postconviction Testing of DNA Evidence to Exonerate the Innocent						
Post Conviction DNA	16.820	N/A	6161501	State's Attorney	-	161,769
Smart Prosecution Initiative						
SMART Prosecution	16.825	N/A	6061401	State's Attorney	54,000	221,809
Total Direct Programs					143,850	3,035,575
Pass-Through Programs From:						
<i>Illinois Department of Human Services</i>						
Juvenile Accountability Block Grants						
Juvenile Accountability	16.523	FCSTR03585	6791401	Judicial Advisory Council	-	(11,864)
Juvenile Accountability	16.523	FCSTR03585	6791402	Public Defender	-	8,889
Juvenile Accountability	16.523	FCSTR03585	6791403	State's Attorney	-	13,334
Juvenile Accountability	16.523	FCSUR03585	6791501	Judicial Advisory Council	219,425	221,529
Juvenile Accountability	16.523	FCSUR03585	6791502	Public Defender	-	57,063
Juvenile Accountability	16.523	FCSUR03585	6791503	State's Attorney	-	59,921
Juvenile Accountability	16.523	FCSUR03585	6791504	Chief Judge/Juvenile Probation	-	39,178
Total Juvenile Accountability Block Grants					219,425	388,050
<i>Illinois Criminal Justice Information Authority</i>						
National Institute of Justice Research, Evaluation, and Development						
Project Grants						
Post Conviction DNA	16.560	133001	6161401	State's Attorney	-	27,236
Crime Victim Assistance						
Ser. Cook County Victim	16.575	213161	6151401	State's Attorney	-	(27,828)
Ser. Cook County Victim	16.575	214161	6151501	State's Attorney	-	245,449
Ser. Cook County Victim	16.575	214261	6151601	State's Attorney	-	279,406
Prosecution Based Victim	16.575	214041	7621501	State's Attorney	-	39,298
Prosecution Based Victim	16.575	214241	7621601	State's Attorney	-	717,678
Total Crime Victim Assistance					-	1,254,003
Violence Against Women Formula Grants						
Domestic Violence Multi-disciplinary Team Response	16.588	614031	7291601	State's Attorney	-	169,824
Domestic Violence Prosecution Coord.	16.588	609003	7311501	Chief Judge	-	8,203
Domestic Violence Prosecution Coord.	16.588	612010	7561401	State's Attorney	-	(8,321)
Domestic Violence Prosecution Coord.	16.588	613010	7561501	State's Attorney	-	132,996
Sexual Assault Multi-disciplinary Team Response	16.588	614021	8011601	State's Attorney	-	250,062
Total Violence Against Women Formula Grants					-	552,764

See Accompanying Notes to Schedule of Expenditures of Federal Awards

COOK COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended November 30, 2016

Federal Grantor/Pass-Through Grantor/Program Name	CFDA Number	Pass-Through Grantor's Number	County Business Unit	Responsible County Department	Pass-Through to Subrecipients	Federal Expenditures
U.S. DEPARTMENT OF JUSTICE (Continued)						
<i>Pass-Through Programs From (Continued):</i>						
<i>Illinois Criminal Justice Information Authority (Continued)</i>						
Project Safe Neighborhoods						
Project Safe Neighborhood	16.609	114053	6531501	State's Attorney	-	24,691
 <i>Center for Court Innovation</i>						
Edward Byrne Memorial Justice Assistance Grant Program						
2016 Community Court Grant Program	16.738	2015-DC-NY-K002	8081601	Chief Judge	-	9,593
 <i>City of Chicago</i>						
Edward Byrne Memorial Justice Assistance Grant Program						
Justice Assistance Grant	16.738	2011-H5153-IL-DJ	7671101	Emergency Mgt Homeland Security	60,508	141,801
Justice Assistance Grant	16.738	2011-H5153-IL-DJ	7671102	Emergency Mgt Homeland Security	47,737	47,737
Justice Assistance Grant	16.738	2011-H5153-IL-DJ	7671103	Emergency Mgt Homeland Security	112,703	112,703
Justice Assistance Grant	16.738	2012-H1210-IL-DJ	7671202	Emergency Mgt Homeland Security	-	17,970
Justice Assistance Grant	16.738	2012-H1210-IL-DJ	7671205	Emergency Mgt Homeland Security	-	69,087
Justice Assistance Grant	16.738	2012-H1210-IL-DJ	7671207	Emergency Mgt Homeland Security	2,932	2,932
Justice Assistance Grant	16.738	2013-H4359-IL-DJ	7671301	Emergency Mgt Homeland Security	-	25,085
Justice Assistance Grant	16.738	2014-H1672-IL-DJ	7671401	Emergency Mgt Homeland Security	-	(13,331)
Justice Assistance Grant	16.738	2015-H2452-IL-DJ	7671501	Emergency Mgt Homeland Security	12,367	13,651
Justice Assistance Grant	16.738	2015-H2452-IL-DJ	7671502	Emergency Mgt Homeland Security	19,315	84,372
Justice Assistance Grant	16.738	2015-H2452-IL-DJ	7671505	Emergency Mgt Homeland Security	20,008	37,992
Justice Assistance Grant	16.738	2015-H2452-IL-DJ	7671506	Emergency Mgt Homeland Security	20,039	24,129
Justice Assistance Grant	16.738	2015-H2452-IL-DJ	7671507	Emergency Mgt Homeland Security	1,821	7,561
Justice Assistance Grant	16.738	2015-H2452-IL-DJ	7671508	Emergency Mgt Homeland Security	6,480	6,480
Justice Assistance Grant	16.738	2015-H2452-IL-DJ	7671509	Emergency Mgt Homeland Security	-	14,735
Justice Assistance Grant	16.738	2015-H2452-IL-DJ	7671511	Emergency Mgt Homeland Security	53,708	53,708
Justice Assistance Grant	16.738	2015-H2452-IL-DJ	7671512	Emergency Mgt Homeland Security	6,545	6,545
Justice Assistance Grant	16.738	2015-H2452-IL-DJ	7671513	Emergency Mgt Homeland Security	26,854	26,854
Justice Assistance Grant	16.738	2015-H2452-IL-DJ	7671514	Emergency Mgt Homeland Security	10,279	10,628
Justice Assistance Grant	16.738	2015-H2452-IL-DJ	7671515	Emergency Mgt Homeland Security	24,363	24,363
 <i>Illinois Criminal Justice Information Authority</i>						
Edward Byrne Memorial Justice Assistance Grant Program						
Complex Drug Prosecution	16.738	411089	8301401	State's Attorney	-	(31,468)
Complex Drug Prosecution	16.738	413089	8301501	State's Attorney	-	903,172
Complex Drug Prosecution	16.738	415089	8301601	State's Attorney	-	92,510
Community Justice Center	16.738	412835	6121401	State's Attorney	-	2,411
Community Justice Center	16.738	412935	6121501	State's Attorney	-	195,884
Community Justice Center	16.738	414835	6121601	State's Attorney	-	18,245
Human Trafficking Equipment	16.738	412854	6371401	State's Attorney	-	(2,008)
Human Trafficking Equipment	16.738	413854	6371501	State's Attorney	-	97,988
Human Trafficking Equipment	16.738	414854	6371601	State's Attorney	-	5,343
Data Exchange	16.738	412038	6651401	Clerk of the Circuit Court	-	97,373
Mitigator Project	16.738	410860	6321301	Public Defender	-	(16,492)

See Accompanying Notes to Schedule of Expenditures of Federal Awards

* Denotes Major Program

COOK COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended November 30, 2016

Federal Grantor/Pass-Through Grantor/Program Name	CFDA Number	Pass-Through Grantor's Number	County Business Unit	Responsible County Department	Pass-Through to Subrecipients	Federal Expenditures
U.S. DEPARTMENT OF JUSTICE (Continued)						
Pass-Through Programs From (Continued):						
<i>Illinois Criminal Justice Information Authority (Continued)</i>						
Edward Byrne Memorial Justice Assistance Grant Program (Continued)						
Mitigator Project	16.738	412860	6321401	Public Defender	-	80,878
Mitigator Project	16.738	413860	6321502	Public Defender	-	44,556
Forensic DNA	16.738	411863	6311402	Public Defender	-	(11,291)
Juvenile Justice	16.738	411035	6291401	Public Defender	-	162,161
Total Edward Byrne Memorial Justice Assistance Grant Program					<u>425,659</u>	<u>2,363,857</u>
Paul Coverdell Forensic Sciences Improvement Grants Program						
National Forensic Sciences Improvement Act	16.742	715504	7271501	Medical Examiner's Office	-	28,618
Total Pass-Through Programs					<u>645,084</u>	<u>4,639,219</u>
Total U.S. Department of Justice					<u>788,934</u>	<u>7,674,794</u>
U.S. DEPARTMENT OF TRANSPORTATION						
Pass-Through Programs From:						
<i>Illinois Department of Transportation</i>						
Highway Planning and Construction Cluster:						
Highway Planning and Construction						
Highway Kedzie Avenue	20.205	13-W-4612-07-LS	6031501	Highway	-	1,286,241
Highway Center Street	20.205	02-W5208-02-RP	6641401	Highway	-	650,000
Highway Diesel Retrofit	20.205	09-00002-00-EQ	8041501	Highway	-	331,931
Highway Narragansett Road	20.205	08-W3719-04-FP	9061301	Highway	-	578,963
Total Highway Planning and Construction Cluster					<u>-</u>	<u>2,847,135</u>
Highway Safety Cluster:						
State and Community Highway Safety						
Holiday Mobilization	20.600	OP-15-0134	6441401	Sheriff	-	11,393
National Priority Safety Programs						
Holiday Mobilization	20.616	AP-16-0129	6441501	Sheriff	-	55,508
Total Highway Safety Cluster					<u>-</u>	<u>66,901</u>
<i>Chicago Metropolitan Agency for Planning</i>						
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research						
Long Range Transportation Plan	20.505	C-13-0019	6861201	Highway	-	224,000
Total U.S. Department of Transportation					<u>-</u>	<u>3,138,036</u>

See Accompanying Notes to Schedule of Expenditures of Federal Awards

* Denotes Major Program

COOK COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended November 30, 2016

<u>Federal Grantor/Pass-Through Grantor/Program Name</u>	<u>CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>County Business Unit</u>	<u>Responsible County Department</u>	<u>Pass-Through to Subrecipients</u>	<u>Federal Expenditures</u>
<u>U.S. ENVIRONMENTAL PROTECTION AGENCY</u>						
Direct Programs:						
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act						
Clean Diesel Initiative	66.034	N/A	7481401	Environmental Control	-	171,796
Clean Diesel Initiative	66.034	N/A	7481601	Environmental Control	-	90,338
Total Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act					-	262,134
Brownfields Assessment and Cleanup Cooperative Agreements						
Brownfields Investment	66.818	N/A	7661401	Environmental Control	-	181,468
Total Direct Programs					-	443,602
Pass-Through Programs From:						
<i>Illinois Emergency Management Agency</i>						
State Indoor Radon Grants						
Radon Awareness	66.032	15COOK	9051401	Environmental Control	-	2,084
Radon Awareness	66.032	16COOK	9051501	Environmental Control	-	16,788
Total State Indoor Radon Grants					-	18,872
<i>Illinois Environmental Protection Agency</i>						
Performance Partnership Grants						
Air Pollution	66.605	FA-15204	9091501	Environmental Control	-	3,577
Air Pollution	66.605	00526214	9091601	Environmental Control	-	238,571
Total Performance Partnership Grants					-	242,148
<i>Illinois Department of Public Health</i>						
State Public Water System Supervision						
Safe Drinking Water	66.432	55380136C	9951401	Environmental Control	-	2,913
Safe Drinking Water	66.432	65380135D	9951501	Environmental Control	-	19,900
Total State Public Water System Supervision					-	22,813
Total Pass-Through Programs					-	283,833
Total U.S. Environmental Protection Agency					-	727,435
<u>U.S. DEPARTMENT OF ENERGY</u>						
Direct Programs:						
Renewable Energy Research and Development						
Solar Market Pathways	81.087	N/A	6691401	Environmental Control	-	338,447
Total U.S. Department of Energy					-	338,447

See Accompanying Notes to Schedule of Expenditures of Federal Awards

COOK COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended November 30, 2016

<u>Federal Grantor/Pass-Through Grantor/Program Name</u>	<u>CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>County Business Unit</u>	<u>Responsible County Department</u>	<u>Pass-Through to Subrecipients</u>	<u>Federal Expenditures</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>						
Direct Programs:						
Partnerships to Improve Community Health						
Partnerships to Improve Community Health	93.331	N/A	6051402	Public Health	-	3,281
Partnerships to Improve Community Health	93.331	N/A	6051502	Public Health	52,030	2,616,401
Partnerships to Improve Community Health	93.331	N/A	6051602	Public Health	-	40,075
Total Partnerships to Improve Community Health					<u>52,030</u>	<u>2,659,757</u>
Total Direct Programs					<u>52,030</u>	<u>2,659,757</u>
Pass-Through Programs From:						
<i>Great Lakes Hemophilia Foundation</i>						
Blood Disorder Program: Prevention, Surveillance, and Research						
Hemophilia	93.080	NU27DD001155-01-00	8471503	Stroger Hospital	-	12,860
Maternal and Child Health Federal Consolidated Programs						
Hemophilia	93.110	H30MC24052	8471502	Stroger Hospital	-	15,226
Disabilities Prevention						
Hemophilia	93.184	2U27DD000862-04	8471403	Stroger Hospital	-	3,758
<i>Illinois Department of Healthcare and Family Services</i>						
Child Support Enforcement						
Expedited Child Support	93.563	2014-55-028-K3	7781501	Chief Judge	-	603,808
Expedited Child Support	93.563	2017-55-028-K	7781601	Chief Judge	-	408,668
Child Support Enforcement	93.563	2016-55-007-K	7791501	Clerk of the Circuit Court	-	869,875
Child Support Enforcement	93.563	2016-55-007-K2	7791601	Clerk of the Circuit Court	-	473,547
Child Support Enforcement	93.563	2014-55-027-K3	7811501	Sheriff	-	845,091
Child Support Enforcement	93.563	2017-55-027-K	7811601	Sheriff	-	278,635
Child Support Enforcement	93.563	2014-55-025-K3	7821501	State's Attorney	-	4,552,964
Child Support Enforcement	93.563	2017-55-025-K	7821601	State's Attorney	-	2,534,897
Total Child Support Enforcement					<u>-</u>	<u>10,567,485</u>
Grants to States for Access and Visitation Programs						
Access and Visitation	93.597	2015-55-024-KA	6201501	Chief Judge	-	59,194
Access and Visitation	93.597	2015-55-024-KA	6201601	Chief Judge	-	30,989
Total Grants to States for Access and Visitation Programs					<u>-</u>	<u>90,183</u>
<i>Illinois Department of Human Services</i>						
Social Services Block Grant						
Domestic Violence Partner Abuse Intervention	93.667	FCSUT01901	8271501	Chief Judge	-	20,286
IDHS Case Management	93.667	FCSUU03178	9741506	Public Health	-	311,328
IDHS Case Management	93.667	FCSVU03178	9741606	Public Health	-	207,923
Total Social Services Block Grant					<u>-</u>	<u>539,537</u>

See Accompanying Notes to Schedule of Expenditures of Federal Awards

* Denotes Major Program

COOK COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended November 30, 2016

<u>Federal Grantor/Pass-Through Grantor/Program Name</u>	<u>CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>County 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 (Continued):						
<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	6771501	Public Health	- 106,389
Bioterrorism Prep/Planning	93.074	*	67180016D	9031501	Public Health	- 1,001,584
Bioterrorism Prep/Planning	93.074	*	77180016E	9031601	Public Health	- 321,189
Cities Readiness Initiative	93.074	*	67180099D	9201501	Public Health	- 113,463
Cities Readiness Initiative	93.074	*	77180099E	9201601	Public Health	- 38,107
Total Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements						- 1,580,732
Project Grants and Cooperative Agreements for Tuberculosis Control Programs						
TB Directly Observed	93.116		55180252C	9141501	Public Health	- 93,831
Immunization Cooperative Agreements						
Immunization Initiative	93.268		55180246C	9771501	Public Health	- 8,674
Immunization Initiative	93.268		65180006D	9771601	Public Health	- 8,750
Immunization Initiative - Non-Cash Award	93.268		N/A	N/A	Public Health	- 628,970
Total Immunization Cooperative Agreements						- 646,394
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		66180006D	9971501	Public Health	- 118,399
Breast and Cervical Cancer	93.752		76180006E	9971601	Public Health	- 39,530
Total Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations financed in part by Prevention and Public Health Funds						- 157,929
HIV Prevention Activities Health Department Based						
IPHA HIV/AIDS Prevent. Dir.	93.940		55780057C	9511501	Public Health	- 19,917
<i>Public Health Institute of Metropolitan Chicago</i>						
HIV Prevention Activities Health Department Based						
PHIMC HIV/AIDS Prevention Services	93.940		11182015	9551501	Public Health	- 28,400
Total HIV Prevention Activities Health Department Based						- 48,317
Total Pass-Through Programs						- 13,756,252
Total U.S. Department of Health and Human Services					52,030	16,416,009
EXECUTIVE OFFICE OF THE PRESIDENT						
Direct Program						
High Intensity Drug Trafficking Areas Program						
Chicago HIDTA	95.001		N/A	6551302	Sheriff	- (453)
Chicago HIDTA	95.001		N/A	6551303	Sheriff	- 274
Chicago HIDTA	95.001		N/A	6551306	Sheriff	- 28
Chicago HIDTA	95.001		N/A	6551307	Sheriff	- (173)
Chicago HIDTA	95.001		N/A	6551309	Sheriff	- 90
Chicago HIDTA	95.001		N/A	6551312	Sheriff	- 32
Chicago HIDTA	95.001		N/A	6551313	Sheriff	- 37

See Accompanying Notes to Schedule of Expenditures of Federal Awards

COOK COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended November 30, 2016

Federal Grantor/Pass-Through Grantor/Program Name	CFDA Number	Pass-Through Grantor's Number	County Business Unit	Responsible County Department	Pass-Through to Subrecipients	Federal Expenditures
EXECUTIVE OFFICE OF THE PRESIDENT (Continued)						
Direct Program (Continued)						
High Intensity Drug Trafficking Areas Program (Continued)						
Chicago HIDTA	95.001	N/A	6551315	Sheriff	-	173
Chicago HIDTA	95.001	N/A	6551402	Sheriff	-	17,321
Chicago HIDTA	95.001	N/A	6551403	Sheriff	-	54,340
Chicago HIDTA	95.001	N/A	6551406	Sheriff	-	92,221
Chicago HIDTA	95.001	N/A	6551407	Sheriff	-	73,338
Chicago HIDTA	95.001	N/A	6551409	Sheriff	-	173,929
Chicago HIDTA	95.001	N/A	6551411	Sheriff	-	6,464
Chicago HIDTA	95.001	N/A	6551412	Sheriff	-	119,913
Chicago HIDTA	95.001	N/A	6551413	Sheriff	-	181,236
Chicago HIDTA	95.001	N/A	6551415	Sheriff	-	79,261
Chicago HIDTA	95.001	N/A	6551502	Sheriff	-	751,594
Chicago HIDTA	95.001	N/A	6551503	Sheriff	-	1,098,577
Chicago HIDTA	95.001	N/A	6551506	Sheriff	-	276,640
Chicago HIDTA	95.001	N/A	6551507	Sheriff	-	92,826
Chicago HIDTA	95.001	N/A	6551509	Sheriff	-	352,736
Chicago HIDTA	95.001	N/A	6551511	Sheriff	-	7,637
Chicago HIDTA	95.001	N/A	6551512	Sheriff	-	239,899
Chicago HIDTA	95.001	N/A	6551513	Sheriff	-	380,507
Chicago HIDTA	95.001	N/A	6551514	Sheriff	-	32,052
Chicago HIDTA	95.001	N/A	6551515	Sheriff	-	91,056
Chicago HIDTA	95.001	N/A	6551517	Sheriff	-	56,764
Chicago HIDTA	95.001	N/A	6551518	Sheriff	-	1,976
Chicago HIDTA	95.001	N/A	6551602	Sheriff	-	6,789
Chicago HIDTA	95.001	N/A	6551603	Sheriff	-	399
Chicago HIDTA	95.001	N/A	6551606	Sheriff	-	225
Chicago HIDTA	95.001	N/A	6551612	Sheriff	-	468
Chicago HIDTA	95.001	N/A	6551615	Sheriff	-	2,009
Chicago HIDTA (Non-cash)	95.001	N/A	N/A	Sheriff	-	3,507,836
Total Executive Office of the President					-	7,698,021
U.S. DEPARTMENT OF HOMELAND SECURITY						
Direct Program						
Port Security Grant Program						
Port Security Grant	97.056	N/A	6511301	Emergency Mgt Homeland Security	-	84,683
Port Security Grant	97.056	N/A	6511501	Emergency Mgt Homeland Security	92,582	92,582
Total Port Security Grant					92,582	177,265
Total Direct Programs					92,582	177,265

See Accompanying Notes to Schedule of Expenditures of Federal Awards

COOK COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended November 30, 2016

<u>Federal Grantor/Pass-Through Grantor/Program Name</u>	<u>CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>County Business Unit</u>	<u>Responsible County Department</u>	<u>Pass-Through to Subrecipients</u>	<u>Federal Expenditures</u>
U.S. DEPARTMENT OF HOMELAND SECURITY (Continued)						
Pass-Through Programs From:						
<i>Illinois Emergency Management Agency</i>						
Emergency Management Performance Grants						
Emergency Management	97.042	15EMACOOK2	6951501	Emergency Mgt Homeland Security	-	450,544
Emergency Management	97.042	16EMACOOK	6951601	Emergency Mgt Homeland Security	-	929,987
Total Emergency Management Grant					-	1,380,531
Homeland Security Grant Program						
Homeland Security	97.067	*	13UASICOOK	7691315	Emergency Mgt Homeland Security	- (975)
Homeland Security	97.067	*	14UASICOOK	7691401	Emergency Mgt Homeland Security	- 428,450
Homeland Security	97.067	*	14UASICOOK	7691402	Emergency Mgt Homeland Security	- 422,175
Homeland Security	97.067	*	14UASICOOK	7691403	Emergency Mgt Homeland Security	- 95,161
Homeland Security	97.067	*	14UASICOOK	7691404	Emergency Mgt Homeland Security	- 43,552
Homeland Security	97.067	*	14UASICOOK	7691405	Emergency Mgt Homeland Security	- 94,400
Homeland Security	97.067	*	14UASICOOK	7691406	Emergency Mgt Homeland Security	- 500
Homeland Security	97.067	*	14UASICOOK	7691407	Emergency Mgt Homeland Security	- 504,000
Homeland Security	97.067	*	14UASICOOK	7691408	Emergency Mgt Homeland Security	- 115,948
Homeland Security	97.067	*	14UASICOOK	7691409	Emergency Mgt Homeland Security	- 4,765,697
Homeland Security	97.067	*	14UASICOOK	7691411	Emergency Mgt Homeland Security	1,085,674 5,702,633
Homeland Security	97.067	*	14UASICOOK	7691412	Emergency Mgt Homeland Security	- 1,937,107
Homeland Security	97.067	*	14UASICOOK	7691413	Emergency Mgt Homeland Security	- 509,398
Homeland Security	97.067	*	14UASICOOK	7691414	Emergency Mgt Homeland Security	636,147 636,147
Homeland Security	97.067	*	14UASICOOK	7691415	Emergency Mgt Homeland Security	219,054 219,054
Homeland Security	97.067	*	14UASICOOK	7691416	Emergency Mgt Homeland Security	591,671 652,736
Homeland Security	97.067	*	14UASICOOK	7691417	Emergency Mgt Homeland Security	608,150 642,975
Homeland Security	97.067	*	14UASICOOK	7691418	Emergency Mgt Homeland Security	759,580 759,580
Homeland Security	97.067	*	14UASICOOK	7691419	Emergency Mgt Homeland Security	- 1,287,326
Homeland Security	97.067	*	14UASICOOK	7691421	Emergency Mgt Homeland Security	- 687,316
Homeland Security	97.067	*	14UASICOOK	7691422	Emergency Mgt Homeland Security	- 357,538
Homeland Security	97.067	*	14UASICOOK	7691423	Emergency Mgt Homeland Security	- 16,055
Homeland Security	97.067	*	14UASICOOK	7691426	Emergency Mgt Homeland Security	- 30,532
Homeland Security	97.067	*	14UASICOOK	7691427	Emergency Mgt Homeland Security	- 2,175,324
Homeland Security	97.067	*	15UASICOOK	7691501	Emergency Mgt Homeland Security	- 225,141
Homeland Security	97.067	*	15UASICOOK	7691504	Emergency Mgt Homeland Security	- 43,552
Homeland Security	97.067	*	15UASICOOK	7691507	Emergency Mgt Homeland Security	- 559,305
Homeland Security	97.067	*	15UASICOOK	7691508	Emergency Mgt Homeland Security	- 34,311
Homeland Security	97.067	*	15UASICOOK	7691509	Emergency Mgt Homeland Security	- 163,168
Homeland Security	97.067	*	15UASICOOK	7691510	Emergency Mgt Homeland Security	- 37,645
Homeland Security	97.067	*	15UASICOOK	7691513	Emergency Mgt Homeland Security	- 330,044
Homeland Security	97.067	*	15UASICOOK	7691514	Emergency Mgt Homeland Security	- 310,389
Homeland Security	97.067	*	15UASICOOK	7691515	Emergency Mgt Homeland Security	- 90,031
Homeland Security	97.067	*	15UASICOOK	7691516	Emergency Mgt Homeland Security	- 115,570
Homeland Security	97.067	*	15UASICOOK	7691517	Emergency Mgt Homeland Security	- 603,507

See Accompanying Notes to Schedule of Expenditures of Federal Awards

COOK COUNTY, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended November 30, 2016

<u>Federal Grantor/Pass-Through Grantor/Program Name</u>	<u>CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>County Business Unit</u>	<u>Responsible County Department</u>	<u>Pass-Through to Subrecipients</u>	<u>Federal Expenditures</u>
U.S. DEPARTMENT OF HOMELAND SECURITY (Continued)						
Pass-Through Programs From (Continued):						
<i>Illinois Emergency Management Agency (Continued)</i>						
Homeland Security Grant Program (Continued)						
Homeland Security	97.067	*	15UASICOOK	7691518	Emergency Mgt Homeland Security	- 344,158
Homeland Security	97.067	*	15UASICOOK	7691519	Emergency Mgt Homeland Security	- 93,925
Homeland Security	97.067	*	15UASICOOK	7691520	Emergency Mgt Homeland Security	64,075 480,591
Homeland Security	97.067	*	15UASICOOK	7691521	Emergency Mgt Homeland Security	1,172 19,112
Homeland Security	97.067	*	15UASICOOK	7691522	Emergency Mgt Homeland Security	6,491 58,190
Homeland Security	97.067	*	15UASICOOK	7691523	Emergency Mgt Homeland Security	3,334 17,285
Homeland Security	97.067	*	15UASICOOK	7691524	Emergency Mgt Homeland Security	- 36,653
Homeland Security	97.067	*	15UASICOOK	7691527	Emergency Mgt Homeland Security	- 500,954
Homeland Security	97.067	*	15UASICOOK	7691530	Emergency Mgt Homeland Security	158,144 158,144
Homeland Security	97.067	*	15UASICOOK	7691531	Emergency Mgt Homeland Security	40,268 40,268
Homeland Security	97.067	*	15UASICOOK	7691532	Emergency Mgt Homeland Security	162,398 162,398
Homeland Security	97.067	*	15UASICOOK	7691533	Emergency Mgt Homeland Security	278,930 278,930
Homeland Security	97.067	*	15UASICOOK	7691534	Emergency Mgt Homeland Security	115,481 115,481
Homeland Security	97.067	*	15UASICOOK	7691540	Emergency Mgt Homeland Security	- 693,143
Homeland Security	97.067	*	15UASICOOK	7691542	Emergency Mgt Homeland Security	- 402,952
Homeland Security	97.067	*	15UASICOOK	7691545	Emergency Mgt Homeland Security	- 55,033
Homeland Security	97.067	*	15UASICOOK	7691548	Emergency Mgt Homeland Security	- 211,075
Homeland Security	97.067	*	15UASICOOK	7691549	Emergency Mgt Homeland Security	- 893,154
Total Homeland Security Grant Program						<u>4,730,569</u> <u>29,156,738</u>
Total Pass-Through Programs						<u>4,730,569</u> <u>30,537,269</u>
Total U.S. Department of Homeland Security						<u>4,823,151</u> <u>30,714,534</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS						<u>17,309,364</u> <u>112,323,719</u>

See Accompanying Notes to Schedule of Expenditures of Federal Awards

* Denotes Major Program

COOK COUNTY, ILLINOIS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED NOVEMBER 30, 2016

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (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, the County Sheriff Equitable Sharing Fund, and the County State's Attorney Narcotics Forfeiture Fund.

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.

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 some 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.

COOK COUNTY, ILLINOIS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(Continued)

FOR THE YEAR ENDED NOVEMBER 30, 2016

NOTE 4 – NEGATIVE EXPENDITURES

The Schedule includes negative amounts that result from timing differences caused by the process of authorizing new grants and assigning business units. The County assigns each new grant a business unit. Expenditures for new grants are accumulated in the prior year's grant/business unit until the new grant/business unit has been authorized/assigned. Once the new grant/business unit has been authorized/assigned, expenditures applicable to the new grant, previously recorded in the prior year grant/business unit, are transferred to the new business unit. 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 business unit to the new grant/business unit results in a negative expenditure in the prior year business unit.

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 prior fiscal years.

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.

During 2016, the County's Bureau of Economic Development entered into 2 contracts with the Secretary of Housing and Urban Development (HUD) under the Section 108 Guaranteed Loan Program, totaling \$5,500,000 which have been included in the Schedule. The outstanding note balance at November 30, 2016 is \$5,500,000 due in various annual amounts not exceeding \$527,000 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 were then loaned to secondary authorized representatives under the guidelines of the County and HUD contract, for capital infrastructure projects, and for the acquisition of equipment for the Cermak Fresh Market Grocery Store, 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, 2016

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.

WASHINGTON, PITTMAN & McKEEVER, LLC

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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, 2016. 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 (a discretely presented component unit), the County Sheriff Equitable Sharing Fund, and the County State's Attorney Narcotics Forfeiture Fund, which received Federal awards that are not included in the Schedule of Expenditures of Federal Awards for the year ended November 30, 2016. Our audit described below, did not include the operations of the Forest Preserve District of Cook, the Sheriff Equitable Sharing Fund, and County State's Attorney Narcotics Forfeiture Fund because the Forest Preserve District of Cook, the Sheriff Equitable Sharing Fund, and County State's Attorney Narcotics Forfeiture Fund 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, 2016.

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 2016-001, 2016-002, 2016-003, 2016-004, 2016-005, 2016-007, 2016-008, 2016-009, and 2016-010. 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 2016-002, 2016-003, 2016-004, 2016-005, 2016-006, 2016-007, 2016-008, 2016-009, and 2016-010, 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 5, 2017

COOK COUNTY, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COST

(Continued)

FOR THE YEAR ENDED NOVEMBER 30, 2016

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 COST

(Continued)

FOR THE YEAR ENDED NOVEMBER 30, 2016

SECTION III: FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

Subrecipient Monitoring

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

Community Development Block Grants/Entitlement Grants (CDBG), CFDA #14.218

County Department – Department of Planning and Development (DPD)

Finding 2016 – 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."

Subrecipient Monitoring
Federal Department – U.S. Department of Housing and Urban Development
Community Development Block Grants/Entitlement Grants (CDBG), CFDA #14.218
County Department – Department of Planning and Development (DPD)
Finding 2016 – 001 (Continued)

CRITERIA (Continued)

Per the Cook County Community Development Block Grant (CDBG) Program Procedures and Operations Guide (Draft version dated January 2012) and Revised Manual (effective January 2014), states “The County conducts annual monitoring of its HOME-, CDBG-, and ESG-funded activities. “Under Required Frequency of On-Site Monitoring Visits during Program Implementation Phase, for any activity administered by a subrecipient or contractor, while contract is in effect, the frequency of on-site monitoring visit is annually”.

CONDITION

During the current audit period, the Cook County Department of Planning and Development (DPD) failed to perform financial monitoring of its subrecipients as required by Federal regulations.

CONTEXT

During the prior audit period, we reviewed nineteen (19) subrecipient files, noting that: 1) financial monitoring was not performed for all 19 subrecipients; and 2) DPD did not request the A-133 Single audit information, which includes documentation to support whether the subrecipient met the audit requirement for completion of a single audit under OMB Circular A-133 for 2 subrecipients.

During the current audit period, DPD did not fully implement its corrective action plan. Based on discussions with management, we noted no financial monitoring was completed.

IDENTIFICATION OF REPEATED FINDING

Repeated (Prior Finding Nos. 2015-001, 2014-003, 2013-003, 2012-5, 2011-7, and 2010-12).

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, this occurred due to a delay in staffing, limited resources, and the inadequate financial monitoring procedures in place, resulting in the inability to perform onsite financial monitoring of all subrecipients and the failure to ensure compliance with Uniform Guidance.

RECOMMENDATION

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

Subrecipient Monitoring
Federal Department – U.S. Department of Housing and Urban Development
Community Development Block Grants/Entitlement Grants (CDBG), CFDA #14.218
County Department – Department of Planning and Development (DPD)
Finding 2016 – 001 (Continued)

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS

The County's corrective action plan is on page 47.

Allowable Cost Principles
Federal Department – U.S. Department of Health and Human Services
Passed-through the Illinois Department of Public Health
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP)
Aligned Cooperative Agreements, CFDA# 93.074
County Department – Department of Public Health (DPH)
Finding 2016 – 002 **Questioned Costs: None**

CRITERIA

2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart E – Cost Principles, Section 200.430, Compensation - Personal Services (i) Standards of Documentation for Personnel Expenses states that “(1) Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must: (i) Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated; (ii) Be incorporated into the official records of the non-Federal entity; (iii) Reasonably reflect the total activity for which the employee is compensated by the non-Federal entity, not exceeding 100% of compensated activities.... (vii) Support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity....(8) For a non-Federal entity where the records do not meet the standards described in this section, the Federal Government may require personnel activity reports, including prescribed certifications, or equivalent documentation that support the records as required in this section.”

Per the Cook County Grants Management Manual, Personnel Activity Reports (PAR) need to be completed at least monthly, after the work has been completed. The PAR must reflect the individual's total work time and identify the portion of time spent on the federal project. The PAR must be signed by the employee. The PAR must be supported with documentation of actual effort, not estimates. Supporting documentation could be a work calendar, work product, time log, or class schedule. The employee signing off on the PAR must have supporting documentation for the time reported. Relying on time estimates identified in the grant budget rather than actual time recorded through a work calendar or class schedule will result in an audit or monitoring finding of unallowable cost.

**Allowable Cost Principles
Federal Department – U.S. Department of Health and Human Services
Passed-through the Illinois Department of Public Health
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP)
Aligned Cooperative Agreements, CFDA# 93.074
County Department – Department of Public Health (DPH)
Finding 2016 – 002 (Continued)**

CONDITION

During the current audit period, Cook County Department of Public Health (DPH) did not adequately comply with federal guidelines and the provisions of its Grants Management Manual.

CONTEXT

During our tests of two (2) employees for three (3) pay periods (1/24/16-2/6/16, 6/12/16-6/25/16, and 10/16/16-10/29/16) a total of twelve (12) weekly timesheets were reviewed. We noted the employees' timesheets did not identify the hours charged to the Federal program. Also, we were not provided any personnel activity reports to support the employees' actual time spent on the Federal program as required.

EFFECT

Failure to maintain documentation to support employees' actual time spent on the program is a violation of federal regulations and the Cook County Grants Management Manual.

CAUSE

Based on discussions with management, this occurred due to staff unfamiliarity with the requirements of the Cook County Grants Management Manual and federal regulations.

RECOMMENDATION

We recommend DPH develop and implement procedures to ensure compliance with its Grants Management Manual and federal regulations.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS

The County's corrective action plan is on page 48.

**Procurement and Suspension and Debarment
Federal Department (s) – Various
Passed-through Agencies – Various
County Department – Office of the Chief Procurement Officer
Finding 2016 – 003**

Questioned Costs: None

CRITERIA

2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart D, Section 200.326 states “The non-Federal entity’s contracts must contain the applicable provisions described in Appendix II to Part 200- Contracts Provisions for non-Federal Entity Contracts Under Federal Awards”. Appendix II to Part 200 states “In addition to other provisions required by the Federal agency or non-Federal entity under the Federal award must contain provisions covering the following as applicable... (B) All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement; (C) Equal Employment Opportunity; (D) Davis-Bacon Act; (E) Contract Work Hours and Safety Standards Act; (F) Rights to Inventions Made Under a Contract or Agreement; (G) Clean Air Water Act; (H) Mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act; (I) Debarment and Suspension (Executive Orders 12549 and 12689); and (J) Byrd-Anti-Lobbying Amendment.”

Per the Cook County Grants Management Manual, the using agency will use federal funding in order to award various contracts to Contractors. If a using agency is seeking to use federal funding for any contract awarded by Cook County, the using agency must provide a copy of the grant or funding award to the Office of the Chief Procurement Officer (OCPO). The grant or funding award will enable the OCPO to determine the appropriate procurement method, whether the federal agency must approve any contracts, bonding requirements, as well as any required federal contract clauses.

CONDITION

During the current audit period, Cook County OCPO did not adequately ensure federally funded contracts issued to vendor(s) were in compliance with certain federal guidelines and the provisions of its Grants Management Manual.

CONTEXT

During our tests of seven (7) federally funded procurement contracts, we noted that one (1) contract did not contain certain provisions required by Appendix II to Part 200. Specifically, the following required contract provisions were missing 1) termination for cause and for convenience by the non-federal entity; and 2) Debarment and Suspension.

EFFECT

Failure to include the required contract provisions is a violation of Federal regulations and could result in non-compliance with Federal regulations by contractors, subcontractors, and vendors of Federally-funded contracts.

**Procurement and Suspension and Debarment
Federal Department (s) – Various
Passed-through Agencies – Various
County Department – Office of the Chief Procurement Officer
Finding 2016 – 003 (Continued)**

CAUSE

Based on discussions with management, this occurred due to the contract noted being executed in the third quarter of FY 2016. This was prior to the OCPO initiating a review which resulted in the development of a new template for contracts valued under \$25,000, which will include the required federal contract terms for grant funded contracts.

RECOMMENDATION

We recommend management review all federally funded contracts to ensure all required contract provisions are included as required by Appendix II to Part 200 and the Cook County Grants Management Manual.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS

The County's corrective action plan is on pages 49 and 50.

CRITERIA

2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart E – Cost Principles, Section 200.430, Compensation - Personal Services (i) Standards of Documentation for Personnel Expenses states that “(1) Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must: (i) Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated; (ii) Be incorporated into the official records of the non-Federal entity; (iii) Reasonably reflect the total activity for which the employee is compensated by the non-Federal entity, not exceeding 100% of compensated activities.... (vii) Support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity....(8) For a non-Federal entity where the records do not meet the standards described in this section, the Federal Government may require personnel activity reports, including prescribed certifications, or equivalent documentation that support the records as required in this section.”

Per the Cook County Grants Management Manual, Personnel Activity Reports (PAR) need to be completed at least monthly, after the work has been completed. The PAR must reflect the individual’s total work time and identify the portion of time spent on the federal project. The PAR must be signed by the employee. The PAR must be supported with documentation of actual effort, not estimates. Supporting documentation could be a work calendar, work product, time log, or class schedule. The employee signing off on the PAR must have supporting documentation for the time reported. Relying on time estimates identified in the grant budget rather than actual time recorded through a work calendar or class schedule will result in an audit or monitoring finding of unallowable cost.

CONDITION

During the current audit period, Cook County Department of Public Health (DPH) did not adequately comply with federal guidelines and the provisions of its Grants Management Manual.

CONTEXT

During our tests of five (5) employees for three (3) pay periods (1/24/16-2/6/16, 6/12/16-6/25/16, and 10/16/16-10/29/16) a total of twelve (30) weekly timesheets were reviewed. We noted the employees’ timesheets did not identify the hours charged to the Federal program. Also, we were not provided any personnel activity reports to support the employees’ actual time spent on the Federal program as required.

EFFECT

Failure to maintain documentation to support employees’ actual time spent on the program is a violation of federal regulations and the Cook County Grants Management Manual.

**Allowable Cost Principles
Federal Department – U.S. Department of Agriculture
Passed-through the Illinois Department of Human Services
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), CFDA# 10.557
County Department – Department of Public Health (DPH)
Finding 2016 – 004 (Continued)**

CAUSE

Based on discussions with management, this occurred due to staff unfamiliarity with the requirements of the Cook County Grants Management Manual and federal regulations.

RECOMMENDATION

We recommend DPH develop and implement procedures to ensure compliance with its Grants Management Manual and federal regulations.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS

The County's corrective action plan is on page 48.

Subrecipient Monitoring

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

Home Investment Partnerships Program (HOME), CFDA #14.239

County Department – Department of Planning and Development (DPD)

Finding 2016 – 005

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 200.330 Subrecipient and contractor determinations states “The non-Federal entity may concurrently receive Federal awards as a recipient, a subrecipient, and a contractor, depending on the substance of its agreements with Federal awarding agencies and pass-through entities. Therefore, a pass-through entity must make case-by-case determinations whether each agreement it makes for the disbursement of Federal program funds casts the party receiving the funds in the role of a subrecipient or a contractor. (a) *Subrecipients*. A subaward is for the purpose of carrying out a portion of a Federal award and creates a Federal assistance relationship with the subrecipient. See §200.92 Subaward. Characteristics which support the classification of the non-Federal entity as a subrecipient include when the non-Federal entity:(1) Determines who is eligible to receive what Federal assistance; (2) Has its performance measured in relation to whether objectives of a Federal program were met;(3) Has responsibility for programmatic decision making; (4) Is responsible for adherence to applicable Federal program requirements specified in the Federal award; and (5) In accordance with its agreement, uses the Federal funds to carry out a program for a public purpose specified in authorizing statute, as opposed to providing goods or services for the benefit of the pass-through entity. (b) *Contractors*. A contract is for the purpose of obtaining goods and services for the non-Federal entity's own use and creates a procurement relationship with the contractor. See §200.22 Contract. Characteristics indicative of a procurement relationship between the non-Federal entity and a contractor are when the contractor: (1) Provides the goods and services within normal business operations; (2) Provides similar goods or services to many different purchasers; (3) Normally operates in a competitive environment;(4) Provides goods or services that are ancillary to the operation of the Federal program; and (5) Is not subject to compliance requirements of the Federal program as a result of the agreement, though similar requirements may apply for other reasons.(c) *Use of judgment in making determination*. In determining whether an agreement between a pass-through entity and another non-Federal entity casts the latter as a subrecipient or a contractor, the substance of the relationship is more important than the form of the agreement. All of the characteristics listed above may not be present in all cases, and the pass-through entity must use judgment in classifying each agreement as a subaward or a procurement contract.

CONDITION

During the current audit period, the Cook County Department of Planning and Development (DPD) did not adequately document its compliance with 2 CFR Part 200 Section 330.

CONTEXT

During the current audit period, DPD maintains that its construction managers are contractors. However, based on our review of the three (3) construction management services agreement, we noted one (1) agreement refers to the construction manager as a “subrecipient”.

Subrecipient Monitoring
Federal Department – U.S. Department of Housing and Urban Development
Home Investment Partnerships Program (HOME), CFDA #14.239
County Department – Department of Planning and Development (DPD)
Finding 2016 – 005 (Continued)

EFFECT

Failure to adequately document its subrecipient vs. contractor determination is a violation of Federal regulations.

CAUSE

Based on discussions with management, this occurred due to an oversight in the creation of the contractor's agreement. Within the document DPD inadvertently referred to the contractor as a subrecipient.

RECOMMENDATION

We recommend DPD enhance its written policies and procedures to document its contractor vs. subrecipient determinations and to ensure that all agreements awarded accurately describe and outline the nature of the relationship.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS

The County's corrective action plan is on page 47.

Special Tests and Provisions (Wage Rate Requirements)

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

Home Investment Partnerships Program (HOME), CFDA #14.239

County Department – Department of Planning and Development (DPD)

Finding 2016 – 006

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).

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.

The Bureau of Economic Development, Department of Planning and Development HOME Program Policies and Procedures Manual (November 2011) states “Cook County Bureau of Economic Development will monitor all development projects subject to Davis-Bacon requirements to ensure compliance with all applicable regulations”.

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

Based on our testing of six (6) contractors’ files, we reviewed thirty (30) weekly certified payrolls and noted no evidence of review conducted by DPD for all 30 weekly certified payrolls. Without adequate written policies and procedures, we could not substantiate the review of the certified payrolls.

EFFECT

Failure to document the review of weekly certified payrolls submitted 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, this occurred due to DPD assuming the periodic review of the weekly certified payrolls by its contractual construction managers and subsequent summary review of the construction draw process and receipt of documentation upon construction completion was sufficient to demonstrate oversight and review of the certified payrolls.

Special Tests and Provisions (Wage Rate Requirements)
Federal Department – U.S. Department of Housing and Urban Development
Home Investment Partnerships Program (HOME), CFDA #14.239
County Department – Department of Planning and Development (DPD)
Finding 2016 – 006 (Continued)

RECOMMENDATIONS

We recommend the DPD establish policies and procedures to ensure its compliance with the requirements of the Wage Rate Requirements (Davis Bacon Act). These policies and procedures should ensure certified payrolls are reviewed timely and the documentation of procedures performed is appropriately maintained.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS

The County's Corrective Action Plan is on page 47.

Allowable Cost Principles
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 2016- 007

Questioned Costs: None

CRITERIA

2 CFR Part 225, Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A-87), Appendix A. General Principles for Determining Allowable Costs (C) Basic Guidelines states that "to be allowable under Federal awards, costs must meet certain general criteria, including: 1) Be necessary and reasonable for proper and efficient performance and administration of Federal awards; 2) Be allocable to Federal awards under the provisions of 2 CFR Part 225; 3) Be authorized or not prohibited under State or local laws or regulations; 4) Be consistent with policies, regulations, and procedures that apply uniformly to both Federal awards and other activities of the governmental unit; 5) Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances have been allocated to the Federal award as an indirect cost; and 6) Be adequately documented."

Also, 2 CFR Part 225 Appendix B. Selected Items of Cost, Section 8.h.(3) states where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi-annually and will be signed by the employee or supervisory official having firsthand knowledge of the work performed by the employee, (4) where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation which meets the standards in subsection (5) which states that personnel activity reports or equivalent documentation must reflect an after-the-fact distribution of the actual activity of each employee, account for the total activity for which each employee is compensated, be prepared at least monthly and must coincide with one or more pay periods, and be signed by the employee. (Uniform Guidance, 2 CFR Part 200, Section 200.430)

**Allowable Cost Principles
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 2016- 007 (Continued)**

CRITERIA (Continued)

Per the Cook County Grants Management Manual, Personnel Activity Reports (PAR) need to be completed at least monthly, after the work has been completed. The PAR must reflect the individual's total work time and identify the portion of time spent on the federal project. The PAR must be signed by the employee. The PAR must be supported with documentation of actual effort, not estimates. Supporting documentation could be a work calendar, work product, time log, or class schedule. The employee signing off on the PAR must have supporting documentation for the time reported. Relying on time estimates identified in the grant budget rather than actual time recorded through a work calendar or class schedule will result in an audit or monitoring finding of unallowable cost.

CONDITION

During the current audit period, Cook County Department of Homeland Security and Emergency Management (DHSEM) did not adequately comply with federal guidelines and the provisions of its Grants Management Manual.

CONTEXT

During our tests of seven (7) employees for three (3) pay periods (1/24/16-2/6/16, 6/12/16-6/25/16, and 10/16/16-10/29/16) a total of eighteen (18) bi-weekly timesheets were reviewed. We noted the employees' timesheets did not identify the hours charged to the Federal program. Also, we were not provided any personnel activity reports and/or certifications to support the employees' actual time spent on the Federal program as required.

EFFECT

Failure to maintain documentation to support employees' actual time spent on the program is a violation of federal regulations and the Cook County Grants Management Manual.

CAUSE

In 2016, DHSEM experienced substantial turnover in its administrative team including Finance. With the departure of the Director of Financial Control in February 2015 and an interim Director performing both the Director's responsibilities and Grant Coordinator responsibilities, and on occasion picking up the duties of Grant Analysts as they departed in June 2014, January 2015, June 2016, and July 2016. A full complement of Grant Analysts was not in place until January 2017. As a result, some of the activities described in the Grants Management Manual, specifically the distribution and completion of the semi-annual A-87 Forms for staff to record their efforts, was overlooked and did not occur.

**Allowable Cost Principles
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 2016- 007 (Continued)**

RECOMMENDATION

We recommend DHSEM implement procedures that include providing appropriate resources and training to ensure compliance with its Grants Management Manual and federal regulations.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS

The County's corrective action plan is on pages 51-52.

**Cash 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 2016-008**

Questioned Costs: None

CRITERIA

Federal regulations (44 CFR Part 13.21 (d)) state "Reimbursement shall be the preferred method when the requirements in paragraph (c) of this section are not met. Grantees and subgrantees may also be paid by reimbursement for any construction grant. Except as otherwise specified in regulation, Federal agencies shall not use the percentage of completion method to pay construction grants. The grantee or subgrantee may use that method to pay its construction contractor, and if it does, the awarding agency's payments to the grantee or subgrantee will be based on the grantee's or subgrantee's actual rate of disbursement." (Uniform Guidance, 2 CFR Part 200, Section 200.305)

44 CFR 13.20 (a)(2) states "Fiscal control and accounting procedures of the State, as well as its subgrantees and cost-type contractors, must be sufficient to— (2) Permit the tracing of funds to a level of expenditures adequate to establish that such funds have not been used in violation of the restrictions and prohibitions of applicable statutes. (b) The financial management systems of other grantees and subgrantees must meet the following standards: (3) *Internal control*. Effective control and accountability must be maintained for all grant and subgrant cash, real and personal property, and other assets. Grantees and subgrantees must adequately safeguard all such property and must assure that it is used solely for authorized purposes. (5) *Allowable cost*. Applicable OMB cost principles, agency program regulations, and the terms of grant and subgrant agreements will be followed in determining the reasonableness, allowability, and allocability of costs.(6) *Source documentation*. Accounting records must be supported by such source documentation as cancelled checks, paid bills, payrolls, time and attendance records, contract and subgrant award documents, etc.

Cash 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 2016-008 (Continued)

CRITERIA (Continued)

Per its grant agreements, the grantee must submit vendor invoices or a computer generated report with descriptions of costs, including a statement of payment for personnel costs and affirmation or evidence of delivery and property identification numbers for property subject to the Grantor's policies and procedures, in order to receive compensation through this agreement. Such invoices and reports must be submitted to the Grantor in a timely manner, and in no event later than 30 days following the expiration of the agreement. The method of compensation shall be reimbursement in accordance with the invoice voucher procedures of the Office of the State of Illinois Comptroller.

OMB Circular A-133 Subpart C Section .300(b) requires auditees to maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of the contracts or grant agreements that could have a material effect on each of its Federal programs.

CONDITION

During the current audit period, the Cook County Department of Homeland Security and Emergency Management (DHSEM) did not comply with Federal regulations and its Grant Agreements requirements over cash management.

CONTEXT

During the current audit period, we noted DHSEM requested reimbursement for various expenditures to its grantor agency prior to ensuring that these expenditures were allowable, properly recorded in its accounting system and paid, as required. Specifically, we noted the following:

- DHSEM requested reimbursements for expenditures under the FY 2014 Urban Area Security Initiative (UASI) grant totaling \$3,447,134, of which \$1,103,052 were denied by the grantor agency for various reasons. Specifically, we noted a portion of the total denied costs consisted of 1) \$99,324 which was unallowed expenditures; and 2) \$89,850 which required prior grantor approval prior to requesting reimbursements.
- The remaining \$2,344,082 (comprised of 75 invoice expenditures) was not paid by DHSEM prior to requesting reimbursements from its grantor agency, as required. Based on review of the schedule of invoice expenditures provided by DHSEM, we noted the invoice receipt date ranged from 11/27/2015 through 8/30/2016. As a result, these invoices should have been paid prior to requesting reimbursement.
- There appears to be no system in place to ensure that expenditures are paid and submitted timely for reimbursement. We reviewed 14 of the 75 invoice expenditures, noting that period covered by these invoices ranged from 6/7/2016 to 8/30/2016. However, amounts were not paid by the County and were not submitted for reimbursement to the grantor until fiscal year 2017. Also, no supporting documentation was provided for one (1) expenditure in the amount of \$1,787.

Cash 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 2016-008 (Continued)

EFFECT

Failure to disburse program costs prior to requesting reimbursement is a violation of Federal regulations and could result in the loss of funding and potential return of funds to the Federal government. Under the reimbursement method of payment, amounts requested for reimbursement are required to be disbursed prior to the reimbursement. Also, the failure to ensure only allowable costs are submitted for reimbursement and to maintain adequate supporting documentation is a violation of Federal regulations.

CAUSE

Based on discussions with management, this situation occurred due to DHSEM being advised shortly before the end of the UASI 2014 grant period that more than \$4 million previously reserved for the Sheriff's Office to purchase radio channels could not be expensed due to a lack of the Sheriff's Office securing Environmental and Historic Preservation (EHP) approval from FEMA. As a result, in order not to forfeit the funding and return it to the Illinois Emergency Management Agency (IEMA), DHSEM decided to utilize the funds for its own benefit.

Unfortunately, the documented procurement procedures were not followed and resulted in two different DHSEM sections, Operations and Training and Exercise, spending the funds with some procurements circumventing established IEMA requirements. The duplicate spending was discovered just before IEMA's deadline to close out the grant and in an effort to minimize the risk of all of the expenditures having to be covered by County Corporate Funds, a decision was made to submit requests for reimbursement to IEMA prior to DHSEM reimbursing the vendors and subgrantees.

When it was discovered that both sections were spending the same dollars, all procurement activities were halted, as well as payments for any of the services rendered until such time as those expenses that were not "reimbursed" by IEMA could subsequently be funded with Corporate Funds after authorization from the Board of Commissioners in May 2017.

RECOMMENDATION

We recommend DHSEM implement procedures to ensure incurred costs submitted for reimbursement are disbursed prior to requesting reimbursements. Also, procedures should be in place to ensure only allowable expenditures are charged to a federally funded program and expenditures are paid and subsequently billed in a timely manner in accordance with cash management requirements.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTION:

The County's Corrective Action Plan is on pages 53-54.

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 2016 – 009 **Questioned Costs: None**

CRITERIA

Federal Regulations (44 CFR 13.32 (d)) *Management requirements*, requires that “Procedures for managing equipment (including replacement equipment), whether acquired in whole or in part with grant funds, 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 property, who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the cost of the property, 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 shall be investigated. (4) Adequate maintenance procedures must be developed to keep the property in good condition. (5) If the grantee or subgrantee is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.” (Uniform Guidance, 2 CFR Part 200, Section 200.313)

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 items, we were not provided supporting documentation for eleven (11) of forty (40) equipment additions selected for testing on the current master equipment listing.

During our test of equipment inventory procedures, we noted DHSEM maintains a current master equipment listing, which includes the date equipment items were last inventoried. Hence, this list serves as evidence of the physical inventory. We noted that DHSEM did not provide evidence of the reconciliation of this listing to the property records (Comptroller’s records).

We also selected 60 equipment items from the master equipment listing to test the accuracy of the inventory dates and were unable to obtain documentation to evidence whether or not the 60 items had been physically inventoried as stated on the master equipment listing. As a result, we could not satisfy ourselves that a complete physical inventory was performed in accordance with Federal regulations.

**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 2016 – 009 (Continued)**

CONTEXT (Continued)

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

- Twenty-three (23) items we were unable to observe the equipment.
- Eight (8) items did not have tag numbers on the master listing.
- Three (3) items did not have tag numbers on the equipment.
- Five (5) items had asset tag numbers on the equipment which was different than the tag numbers on the master listing.
- Eight (8) items did not include an acquisition cost on the master listing.

We observed an additional twenty (20) items during our inspection visits which we traced to the current master equipment listing and noted the following:

- One (1) item tag number was not located on the master listing.
- Three (3) items did not include an acquisition cost on the master listing.

IDENTIFICATION OF REPEATED FINDING

Repeated (Prior Finding Nos. 2015-004, 2014-008).

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

In 2016, DHSEM experienced substantial turnover in its Finance team. It was not until May 2017 that Finance was able to fill its Fixed Assets Accountant position which had been vacant since August 2016. This extended vacancy weakened DHSEM's ability to accurately track its assets.

In addition to not having a dedicated person assigned to track the department's assets, DHSEM continues to rely on an excel spreadsheet for asset management purposes until such time as the County's new asset management system module is implemented during Wave 4 which will have built in controls that should minimize the deficiencies noted in the audit.

**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 2016 – 009 (Continued)**

RECOMMENDATION

We recommend the DHSEM implement procedures to ensure adequate documentation is maintained on file to support equipment additions. Also, procedures should be implemented that include providing appropriate resources and training to ensure 1) equipment records include all required information; 2) physical inventories are performed and; 3) the results reconciled to property records as required by Federal regulations.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS

The County's corrective action plan is on pages 55-56.

**Equipment and Real Property Management
Federal Department – U.S. Elections Assistance Commission
Passed-through the Illinois State Board of Election
Help America Vote Act Requirements Payments, CFDA # 90.401
County Department – County Clerk
Finding 2016-10**

Questioned Costs: None

CRITERIA

Federal Regulations (41 CFR 105-71.132 (d)) *Management requirements*, requires that “Procedures for managing equipment (including replacement equipment), whether acquired in whole or in part with grant funds, 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 property, who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the cost of the property, 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 shall be investigated. (4) Adequate maintenance procedures must be developed to keep the property in good condition. (5) If the grantee or subgrantee is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.” (Uniform Guidance, 2 CFR Part 200, Section 200.313)

CONDITION

During the current audit period, the County Clerk failed to maintain equipment records that comply with Federal regulations.

**Equipment and Real Property Management
Federal Department – U.S. Elections Assistance Commission
Passed-through the Illinois State Board of Election
Help America Vote Act Requirements Payments, CFDA # 90.401
County Department – County Clerk
Finding 2016-10 (Continued)**

CONTEXT

During our prior audit period, the County Clerk provided a reconciliation of the physical inventory to the property and accounting records for one grant business unit totaling \$1,307,092. Based on our review of the physical inventory listing provided, we noted total property reported was \$11,102,938. Hence, we were not provided with a complete reconciliation of the current physical inventory to the property records as required. Additionally, during our test of 60 equipment items (26 non-active, 31 decommissioned and 3 missing), we were unable to observe four (4) equipment items which could not be located and for the three (3) missing items there was no documentation provided to support the date the item was determined to be missing as noted on the physical inventory listing.

Also, we noted that the policies and procedures during the prior audit period did not detail the processes for 1) conducting the physical inventory, including the maintenance of adequate supporting documentation for items classified as non-active, de-commissioned, and missing; and 2) disposal and sales of equipment items.

During the current audit period, the County Clerk did not fully implement its prior corrective action plan. The County Clerk provided a 2016 physical inventory listing which included some updates to physical inventories conducted in 2016; however, the inventory process was not completed at fiscal year end. Based on discussions with management, a physical inventory is currently being conducted during fiscal year 2017. Once the inventory is completed, the County Clerk will perform a complete reconciliation of the inventory to the property records. Also, we noted that the County Clerk developed several forms to enhance its equipment inventory process. However, these forms are currently not a part of its written policies and procedures manual.

IDENTIFICATION OF REPEATED FINDING

Repeated (Prior Finding Nos. 2015-003, 2014-005).

EFFECT

The failure to maintain required equipment records and to perform a physical inventory and reconciliation to property records as required is a violation of Federal regulations.

CAUSE

Based on our discussions with management, this office has had three elections in the span of seven months and thus were unable to complete a detailed physical inventory in the allotted time frame.

**Equipment and Real Property Management
Federal Department – U.S. Elections Assistance Commission
Passed-through the Illinois State Board of Election
Help America Vote Act Requirements Payments, CFDA # 90.401
County Department – County Clerk
Finding 2016-10 (Continued)**

RECOMMENDATION

We recommend the County Clerk implement procedures to ensure physical inventory results are reconciled to the property records as required, and to maintain equipment records as required by Federal regulations. Also, we recommend the County Clerk update its policies and procedures to ensure any new forms utilized are included and to ensure the procedures clearly document and describe its process for conducting the inventory and the resulting reconciliation of the inventory to the property records.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS

The County's corrective action plan is on page 57.

COOK COUNTY, ILLINOIS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AND CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED NOVEMBER 30, 2016

Prior Year Findings	Current Year Status
<u>Federal Award Findings</u>	
<u>Finding 2015 - 001</u>	
During the prior fiscal year, the Department of Planning and Development (DPD) did not adequately document its procedures for monitoring its subrecipients for the CDBG program, which resulted in the noncompliance with Federal regulations.	Repeated – (See Finding 2016-001) first reported 11/30/10.
<u>Finding 2015 - 002</u>	
During the prior fiscal year, the Department of Transportation and Highways (DOTH) did not adopt and implement written and procedures to comply with Federal Davis Bacon requirements.	Not Repeated - During the current fiscal year, the DOTH implemented its corrective action plan and complied with Federal guidelines over the Davis Bacon requirements.
<u>Finding 2015-003</u>	
During the prior fiscal year, the County Clerk failed to maintain equipment records that comply with Federal regulations	Repeated - (See Finding 2016-010) first reported 11/30/14.
<u>Finding 2015-004</u>	
During the prior fiscal year, the Department of Homeland Security and Emergency Management (DHSEM) did not maintain adequate controls over managing Federal equipment.	Repeated – (See Finding 2016-009) first reported 11/30/14.
<u>Finding 2015-005</u>	
During the prior fiscal year, DHSEM did not adequately document its procedures for the monitoring of subrecipients, which resulted in noncompliance with federal regulations.	Not Repeated – During the current fiscal year, DHESM implemented its corrective action plan and complied with federal regulations.
<u>Finding 2015-006</u>	
During the prior fiscal year, the County failed to maintain adequate controls over the reporting of expenditures of federal awards.	Not Repeated – During the current fiscal year, the County implemented its corrective action plan.



SUSAN M. CAMPBELL

DIRECTOR

69 West Washington, Suite 2900 • Chicago, Illinois 60602 • (312) 603 1000 - P • (312) 603 9970 - F

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SEAN MORRISON
17th District

MEMORANDUM

Date: June 1, 2017
To: Lawrence Wilson, Comptroller
From: Susan Campbell, Director *SC*
Department of Planning and Development
Subject: 2016 Single Audit Corrective Action Plan

Washington, Pittman & McKeever Single Audit for Cook County's Fiscal Year 2016, determined that the Cook County Department of Planning and Development (DPD) did not adequately document its compliance with 2 CFR Part 200 Section 330.

FINDING 2016 – 001

Corrective Action Plans:

The implementation of Cook County's ERP system, has provided opportunities to streamline internal processes and afforded the opportunity to realign responsibilities and duties to the Finance Division's Project Director to work exclusive on monitoring of grants within the Department of Planning and Development. A log will be created and maintained as evidence that monitoring was performed.

- ANTICIPATED TIMELINE FOR FULL IMPLEMENTATION OF CORRECTIVE ACTION:
September 30, 2017.

Finding 2016 – 005 Subrecipient Monitoring

Corrective Action Plans:

DPD Deputy of Housing and Housing Program Manager will implement a two level review process of all new contractual agreements: 1) DPD internal legal council will review the document for compliance with the HOME program. 2) DPD Finance Division will review the terms of the contract. A signature page will be created to document the review of new contractual agreement and verify compliance.

- ANTICIPATED TIMELINE FOR FULL IMPLEMENTATION OF CORRECTIVE ACTION:
September 30, 2017.

Finding 2016 – 006 Special Tests and Provisions (Wage Rate Requirements)

Corrective Action Plans:

Currently, wage information is housed with the contractual construction manager until construction completion, when they are transferred to the DPC. The HOME Program Manager will implement procedures to transfer wage information to DPD electronically, minimally on a monthly basis, with hard copies forwarded quarterly. Internally, wage reviews will be signed off by the respective Development Analyst, evidenced by the Wage Review form.

- ANTICIPATED TIMELINE FOR FULL IMPLEMENTATION OF CORRECTIVE ACTION:
September 30, 2017.



Terry Mason, MD, Chief Operating Officer

Tom Preckwinkle
President

Cook County Board of
Commissioners

John Jay Shannon, MD
Chief Executive Officer
Cook County Board of
Hospitality

Board Members

M. Hill Hampton
Chairman

Commissioner Jerry Butler
District 1

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Mary Dincelli, RN, MPH

Ric Estrada

Arla Mary Guglielmo

Ernie N. Jung

Mary B. Richardson Lowry

Layla P. Suleiman Gonzalez, Ph.D., JD

Sidney A. Thomas, MSW

To: Lawrence Wilson, CPA
Comptroller
Comptroller's Office

From: Chris D. Soriano, CPA *CS*
Director of Financial Control III

Date: May 26, 2017

Subject: Corrective Action For:
Finding 2016-002, and
Finding 2016-004

Dear Mr. Wilson:

Please allow this correspondence to serve as the Cook County Department of Public Health's (CCDPH) response to the audit findings of Washington, Pittman and Mckeever (auditors) stating it did not comply with federal guidelines and the provisions of its Grants Management Manual.

The auditors has brought to our attention that maintaining proper supporting documentation of employees' actual time spent is required on all Federal Awards.

CCDPH will address the recommendation of the auditors by taking the following corrective actions and implemented starting August 1, 2017:

- Employees who are charged to Federal programs will complete the Personnel Activity Report (PAR) on a monthly basis to document work and actual time spent on the program. The PAR will be signed by the employees and approved by their Supervisor.
- Improve current timesheets that will clearly identify the number of hours charged to each Federal program and signed by the Supervisor.
- The above documents will be required to be forwarded to CCDPH Finance Department for safe keeping. This will ensure the above new process is implemented and documents will be available to the auditors upon their request.

Lastly, Dr. Terry Mason, Chief Operating Officer of CCDPH will be responsible in implementing the above corrective actions.

Please contact me at (708) 633-2418 for any questions of further information.
Thank you.



TONI PRECKWINKLE

PRESIDENT

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OFFICE OF THE CHIEF PROCUREMENT OFFICER

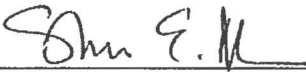
SHANNON E. ANDREWS

CHIEF PROCUREMENT OFFICER

118 North Clark Street, Room 1018 • Chicago, Illinois 60602 • (312) 603-5370

MEMORANDUM

To: Lawrence Wilson
Comptroller

From: 
Shannon E. Andrews
Chief Procurement Officer

Subject: 2016-003 Single Audit Action Plan

Date: June 2, 2017

You have asked the Office of the Chief Procurement Officer ("OCPO") to provide a Corrective Action Plan to the 2016 Single Audit Action Plan. The Auditor's Finding 2016-003 was made against the Office of the OCPO. Specifically, the Auditor stated that it selected seven (7) federally funded contracts for review. The Auditor found that one of the seven (7) federally funded contracts did not include the following required federal provisions: (1) termination for cause and convenience by the non-federal entity; and (2) Debarment and Suspension.

OCPO uses two contractual templates, the Instruction to Bidders and General Conditions ("GCs") and the Professional Services Agreement ("PSA") for contracts valued at \$25,000 or more. In the *third quarter* of FY 2016, the OCPO began including additional terms and provisions for contracts valued under \$25,000. In the *fourth quarter* of FY 2016, the OCPO began developing a separate contractual template for goods and services valued under \$25,000 to ensure that all required provisions, included federal terms and conditions for grant funded contracts. The one contract identified by the Auditor which did not have the required federal contractual terms was executed in the third quarter of FY 2016. This was prior to the OCPO initiating a review which resulted in the development of a new template for contracts valued under \$25,000. The contractual template for contracts under \$25,000 will include the necessary standard legal provisions and federal terms and conditions when the Using Agency is using grant funds to procure goods or services.

Based upon my review of Finding 2016-003, the OCPO shall implement the following changes to address the audit findings effective June 30, 2017:

1. The OCPO will finalize the contractual template for contracts under \$25,000 and ensure that grant funded contracts valued under \$25,000 contain the required federal clauses when the Using Agency provides documentation and information evidencing grants as a funding source.
2. The OCPO shall also reissue the attached July 6, 2015 memorandum to Using Agencies reminding them of their responsibility to provide necessary information and documentation for grant funded contracts.

Please advise if you have any additional questions.



OFFICE OF THE CHIEF PROCUREMENT OFFICER
SHANNON E. ANDREWS
CHIEF PROCUREMENT OFFICER
118 North Clark Street, Room 1018 • Chicago, Illinois 60602 • (312) 603-5370

MEMORANDUM

TONI PRECKWINKLE
PRESIDENT
Cook County Board
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16th District

ELIZABETH ANN DOODY GORMAN
17th District

TO: Elected Officials, Bureau Chiefs and Department Heads

FROM: 
Shannon E. Andrews
Chief Procurement Officer

DATE: July 6, 2015

SUBJECT: Grant Funded Contracts

In an effort to enhance and properly manage grant funded contracts and to ensure that Cook County Government is in compliance with all contracting aspects of grant agreements, *effective July 1, 2015*, all County Using Agencies submitting requests to the Office of the Chief Procurement Officer ("OCPO") to procure goods or services utilizing federal or state grant funds must clearly identify in the requisition the funding source as "Grant Funded"

In addition, County Using Agencies must provide the following information:

- the name of the funding agency;
- the name of the grant, and
- the Catalog of Federal Domestic Assistance Number (CFDA#).

The County Using Agency must also provide a copy of the grant agreement with the requisition, statement of work and/or the schedule of compensation. If the grant agreement has not been finalized, please upload any prior grant agreement and contract. Finally, if the Using Agency is requesting that the OCPO enter into a sole source contract, documentation which provides that the funding agency has granted authority to enter into a sole source contract must also be submitted.

Please be advised that the absence of this information may dramatically impact the procurement processing time for grant funded contracts. Your agency's Procurement Liaison will be provided with detailed information about the submittal process.

Thank you in advance for your cooperation.



TONI PRECKWINKLE

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DEPARTMENT OF HOMELAND SECURITY AND EMERGENCY MANAGEMENT

Mark Edingburg

Interim Executive Director

69 West Washington, Suite 2600 • Chicago, Illinois 60602 • (312) 603-8180

June 5, 2017

Lawrence Wilson
Comptroller
Office of the Comptroller
Cook County
118 North Clark Street, Suite 500
Chicago, IL 60602

Re: Finding 2016-007 Allowable Cost Principles

Dear Comptroller Wilson:

Please allow this correspondence to serve as the Cook County Department of Homeland Security and Emergency Management's (DHSEM's) response to audit finding 2016-007 for Fiscal Year 2016 as described below:

BACKGROUND

During the auditor's tests of seven (7) employees for three (3) pay periods (1/24/16-2/6/16, 6/12/16-6/25/16, and 10/16/16-10/29/16) a total of eighteen (18) bi-weekly timesheets were reviewed. They noted the employees' timesheets did not identify the hours charged to the Federal program. Also, they were not provided any personnel activity reports and/or certifications to support the employees' actual time spent on the Federal program as required.

CAUSE OF THE FINDING

In 2016, DHSEM experienced substantial turnover in its administrative team including in Finance. With the departure of the Director of Financial Control in February 2015 and an interim Director performing both the Director's responsibilities and Grant Coordinator responsibilities, and on occasion picking up the duties of Grant Analysts as they departed in in June 2014, January 2015, June 2016, and July 2016. A full complement of Grant Analysts was not in place until January 2017. As a result, some of the activities described in the Grants Management Manual, specifically the distribution and completion of the semi-annual A-87 Forms for staff to record their efforts, was overlooked and did not occur.

CORRECTIVE ACTION PLAN

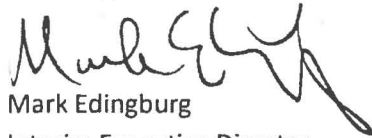
In order to correct the condition in the audit finding, DHSEM will adhere to the course of action recommended by the auditor. In addition, during the Grants Management Lifecycle Strategic Initiative DHSEM Finance will be starting in June 2017, the policies and procedures currently documented in the Grants Management Manual will be reassessed to determine whether further enhancements are warranted especially given the new Grants

Accountability and Transparency Act (GATA) requirements that are being implemented by the State of Illinois and its agencies including the Illinois Emergency Management Agency (IEMA), DHSEM's grantor. Nonetheless, by July 31, 2017, all staff will be asked to complete the A-87 Form and every six months thereafter.

The DHSEM staff member responsible for implementing the above corrective action plan will be Vicki Wilson, Director of Financial Control.

Should you have any questions, concerns or suggestions, please do not hesitate to contact me via phone at (312) 603-8181 or via email at mark.edingburg@cookcountyl.gov.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark Edingburg', with a stylized flourish at the end.

Mark Edingburg
Interim Executive Director



DEPARTMENT OF HOMELAND SECURITY AND EMERGENCY MANAGEMENT

Mark Edingburg

Interim Executive Director

69 West Washington Suite 2600 • Chicago, Illinois 60602 • (312) 603 8180

TONI PRECKWINKLE

PRESIDENT

Cook County Board
of Commissioners

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1st District

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2nd District

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3rd District

STANLEY MOORE
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15th District

JEFFREY R. TOBOLSKI
16th District

SEAN M. MORRISON
17th District

June 5, 2017

Lawrence Wilson
Comptroller
Office of the Comptroller
Cook County
118 North Clark Street, Suite 500
Chicago, IL 60602

Re: Finding 2016-008 Cash Management

Dear Comptroller Wilson:

Please allow this correspondence to serve as the Cook County Department of Homeland Security and Emergency Management's (DHSEM's) response to audit finding 2016-008 for Fiscal Year 2016 as described below:

BACKGROUND

During the current audit period, the auditors noted DHSEM requested reimbursement for various expenditures to its grantor agency prior to ensuring that these expenditures were allowable, properly recorded in its accounting system and paid, as required. Specifically, they noted the following:

- DHSEM requested reimbursements for expenditures under the FY 2014 Urban Area Security Initiative (UASI) grant totaling \$3,447,134, of which \$1,103,052 were denied by the grantor agency for various reasons. Specifically, they noted a portion of the total denied costs consisted of: 1) \$99,324 which was unallowed expenditures; and 2) \$89,850 which required prior grantor approval prior to requesting reimbursements.
- The remaining \$2,344,082 (comprised of 75 invoice expenditures) was not paid by DHSEM prior to requesting reimbursements from its grantor agency, as required. Based on review of the schedule of invoice expenditures provided by DHSEM, they noted the invoice receipt date ranged from 11/27/2015 through 8/30/2016. As a result, these invoices should have been paid prior to requesting reimbursement.
- They also noted that it appears to be no system in place to ensure that expenditures are paid and submitted timely for reimbursement. They reviewed 14 of the 75 invoice expenditures, noting that period covered by these invoices ranged from 6/7/2016 to 8/30/2016. However, amounts were not paid by the County and were not submitted for reimbursement to the grantor until fiscal year 2017. Also, no supporting documentation was provided for one (1) expenditure in the amount of \$1,787.

CAUSE OF THE FINDING

Shortly before the end of the UASI 2014 grant period, DHSEM was advised that more than \$4 million previously reserved for the Sheriff's Office to purchase radio channels could not be expensed due to a lack of the Sheriff's Office securing Environmental and Historic Preservation (EHP) approval from FEMA. As a result, in order not to forfeit the funding and return it to the Illinois Emergency Management Agency (IEMA), DHSEM decided to utilize the funds for its own benefit.

Unfortunately, the documented procurement procedures were not followed and resulted in two different DHSEM sections, Operations and Training and Exercise, spending the funds with some procurements circumventing established IEMA requirements. The duplicate spending was discovered just before IEMA's deadline to close out the grant and in an effort to minimize the risk of all of the expenditures having to be covered by County Corporate Funds, a decision was made to submit requests for reimbursement to IEMA prior to DHSEM reimbursing the vendors and subgrantees.

When it was discovered that both sections were spending the same dollars, all procurement activities were halted, as well as payments for any of the services rendered until such time as those expenses that were not "reimbursed" by IEMA could subsequently be funded with Corporate Funds after authorization from the Board of Commissioners in May 2017.

CORRECTIVE ACTION PLAN

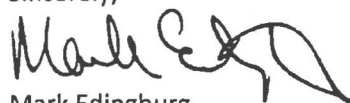
In order to correct the conditions found in this audit, DHSEM will adhere to the course of action recommended by the auditor. In fact, starting with the February 2017 reimbursement request to IEMA, DHSEM began submitting proof of vendor and/or subgrantee payment with its reimbursement request. Effective April 2017, DHSEM established several new monthly performance measures to monitor invoice processing turnaround times, reimbursement rejection rates and grant spend down percentages.

Finally, during the Grants Management Lifecycle Strategic Initiative DHSEM Finance will be starting in June 2017, the current procurement policies and procedures will be reassessed to determine whether further enhancements are warranted.

The DHSEM staff member responsible for implementing the above corrective action plan will be Vicki Wilson, Director of Financial Control. It is anticipated that the corrective actions will be completed no later than October 2017.

Should you have any questions, concerns or suggestions, please do not hesitate to contact me via phone at (312) 603-8181 or via email at mark.edingburg@cookcountyil.gov.

Sincerely,



Mark Edingburg

Interim Executive Director



DEPARTMENT OF HOMELAND SECURITY AND EMERGENCY MANAGEMENT
Mark Edingburg
Interim Executive Director
69 West Washington, Suite 2600 • Chicago, Illinois 60602 • (312) 603 8180

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17th District

June 5, 2017

Lawrence Wilson
Comptroller
Office of the Comptroller
Cook County
118 North Clark Street, Suite 500
Chicago, IL 60602

Re: Finding 2016 – 009 Equipment and Real Property Management

Dear Comptroller Wilson:

Please allow this correspondence to serve as the Cook County Department of Homeland Security and Emergency Management's (DHSEM's) response to audit finding 2016-009 for Fiscal Year 2016 as described below:

BACKGROUND

During the auditor's test of equipment items, they were not provided supporting documentation for eleven (11) of forty (40) equipment additions selected for testing on the current master equipment listing.

During their test of equipment inventory procedures, they noted DHSEM maintains a current master equipment listing, which includes the date equipment items were last inventoried. Hence, the list serves as evidence of the physical inventory. They noted that DHSEM did not provide evidence of the reconciliation of this listing to the property records (Comptroller's records).

They also selected 60 equipment items from the master equipment listing to test the accuracy of the inventory dates and were unable to obtain documentation to evidence whether or not the 60 items had been physically inventoried as stated on the master equipment listing. As a result, they could not satisfy themselves that a complete physical inventory was performed in accordance with Federal regulations.

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

- Twenty-three (23) items were unable to observe the equipment.
- Eight (8) items did not have tag numbers on the master listing.
- Three (3) items did not have tag numbers on the equipment.
- Five (5) items had asset tag numbers on the equipment which was different than the tag numbers on the master listing.
- Eight (8) items did not include an acquisition cost on the master listing.

They observed an additional twenty (20) items during their inspection visits which they traced to the current master equipment listing and noted the following:

- One (1) item tag number was not located on the master listing.
- Three (3) items did not include an acquisition cost on the master listing.

CAUSE OF THE FINDING

In 2016, DHSEM experienced substantial turnover in its Finance team. Not until May 2017 was Finance able to fill its Fixed Assets Accountant position which had been vacant since August 2016. This extended vacancy weakened DHSEM's ability to accurately track its assets.

In addition to not having a dedicated person assigned to track the department's assets, DHSEM continues to rely on an EXCEL spreadsheet for asset management purposes until such time as the County's new asset management system module is implemented during Wave 4 which will have built in controls that should minimize the deficiencies noted in the audit.

CORRECTIVE ACTION PLAN

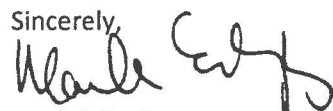
In order to correct the conditions found in this audit, DHSEM will adhere to the course of action recommended by the auditor. In addition to the new Fixed Asset Account, DHSEM has detailed one of the Emergency Logistics Officers to Finance to assist in improving the accuracy of its assets list.

Because more than half of the assets in the sample that were not able to be located were Motorola radios managed by the Sheriff's Office, physical inventories of these assets will be increased from semi-annually to quarterly.

Lastly, during the Grants Management Lifecycle Strategic Initiative DHSEM Finance will be starting in June 2017, the current asset management policies and procedures will be reassessed to determine whether further enhancements are warranted. The reassessment will include the ordering activities up to and including disposal or transfer activities. One change that will be implemented will be the frequency of inspections and reconciliations to the Comptroller's Office's list from annually to semi-annually.

The DHSEM staff member responsible for implementing the above corrective action plan will be Vicki Wilson, Director of Financial Control. It is anticipated that the corrective actions will be completed no later than October 2017.

Should you have any questions, concerns or suggestions, please do not hesitate to contact me via phone at (312) 603-8181 or via email at mark.edingburg@cookcountyil.gov.

Sincerely,

Mark Edingburg
Interim Executive Director



OFFICE OF COOK COUNTY CLERK DAVID ORR
118 N. CLARK STREET, ROOM #1034, CHICAGO, IL 60602

JOURDAN SORRELL, DIRECTOR OF OPERATIONS & PURCHASING
TEL: 312.603.7689 FAX: 312.603.6943

EMAIL: JOURDAN.SORRELL@cookcountyil.gov
WEBSITE: COOKCOUNTYCLERK.COM

June 1, 2017

Office of the Cook County Comptroller
John Graczyk
118 N. Clark Street, Suite 500
Chicago, IL 60602
Re: Finding 2016-010 (Equipment and real Property Management)

Dear Mr. Graczyk:

In response to the audit findings of Washington, Pittman and McKeever stating the County Clerk's Office failed to maintain equipment records that comply with Federal regulations (41 CFR 105-71.132(d)). The Clerk's Office will address the recommendation of the auditors by taking the following corrective actions:

1. Obtain full list of fixed assets reported to county comptroller and update inventory list with details.
2. Reconcile physical inventory with fixed asset list as provided by Cook County Comptroller.
3. Perform physical inventory and reconciliation on a two-year basis.
4. Detail the process of performing a physical inventory.

These actions will be added to the County Clerk's policies and procedures on Federally-funded grants and distributed to all employees who have contact with grant-funded equipment. The CAP will be completed by the County Clerk's Operations Department under the lead of Director, Jourdan Sorrell and Deputy Director, Jose Virella. Target date for completion is July 31, 2017

Upon completion of these corrective actions, the Clerk's Office will have met the recommendation of Washington, Pittman and McKeever and be in full compliance the HAVA Phase III grant.

Please contact me for any further information.

Respectfully,

Jourdan Sorrell
Director of Operations, Cook Clerk's Office