

**CITY OF RACINE**  
Racine, Wisconsin

**REPORT ON FEDERAL AND STATE AWARDS**

For the Year Ended December 31, 2006

# CITY OF RACINE

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

To the Mayor and Common Council  
City of Racine  
Racine, Wisconsin

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund and the aggregate remaining fund information of the City of Racine, Wisconsin as of and for the year ended December 31, 2006, which collectively comprise the City of Racine's basic financial statements and have issued our report thereon dated July 20, 2007. Our report was modified to include reference to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other auditors audited the financial statements of the City of Racine Water and Wastewater Utilities and the Downtown Racine Business Improvement District #1, as described in our report on the City of Racine's financial statements. The financial statements of the City of Racine Water and Wastewater Utilities and the Downtown Racine Business Improvement District #1 were not audited in accordance with *Government Auditing Standards*.

***Internal Control Over Financial Reporting***

In planning and performing our audit, we considered the City of Racine's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Racine's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Racine's internal control over financial reporting.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a deficiency in internal control that we consider to be a significant deficiency.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City of Racine's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the City of Racine's financial statements that is more than inconsequential will not be prevented or detected by the City of Racine's internal control over financial reporting. We consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs to be a significant deficiency in internal control over financial reporting. This deficiency is item 06-01.

To the Mayor and Common Council  
City of Racine

A material weakness is a significant deficiency, or combination of significant deficiencies that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the City of Racine's internal control over financial reporting. Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that the significant deficiency identified above is not a material weakness.

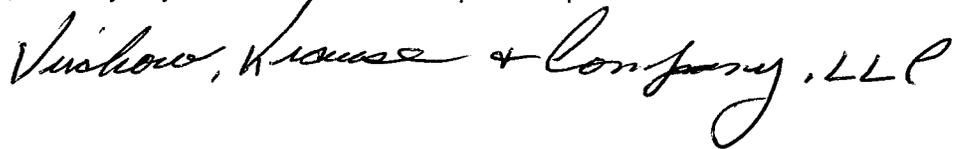
***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the City of Racine's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the City of Racine in a separate letter dated July 20, 2007.

The City of Racine's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the City of Racine's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the City of Racine Common Council, management, federal and state awarding agencies and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.



Milwaukee, Wisconsin  
July 20, 2007



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH *OMB CIRCULAR A-133*  
AND THE *STATE SINGLE AUDIT GUIDELINES* AND THE SCHEDULES OF  
EXPENDITURES OF FEDERAL AND STATE AWARDS

To the Mayor and Common Council  
City of Racine  
Racine, Wisconsin

**Compliance**

We have audited the compliance of the City of Racine, Wisconsin with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* and the *State Single Audit Guidelines*, issued by the Wisconsin Department of Administration, that are applicable to each of its major federal and major state programs for the year ended December 31, 2006. The City of Racine's major federal and major state programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and major state programs is the responsibility of the City of Racine's management. Our responsibility is to express an opinion on the City of Racine's compliance based on our audit.

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; *OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*; and *State Single Audit Guidelines*. Those standards, *OMB Circular A-133* and the *State Single Audit Guidelines*, 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 or major state program occurred. An audit includes examining, on a test basis, evidence about the City of Racine'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. Our audit does not provide a legal determination on the City of Racine's compliance with those requirements.

In our opinion, the City of Racine complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and major state programs for the year ended December 31, 2006.

To the Mayor and Common Council  
City of Racine

### ***Internal Control Over Compliance***

The management of the City of Racine is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered the City of Racine's internal control over compliance with requirements that could have a direct and material effect on a major federal or major state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of the internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Racine's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal or state program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal or state program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the entity's internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to material weaknesses as defined above.

### ***Schedules of Expenditures of Federal and State Awards***

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund and the aggregate remaining fund information of the City of Racine as of and for the year ended December 31, 2006, which collectively comprise the City of Racine's basic financial statements and have issued our report thereon dated July 20, 2007. Our audit was performed for the purpose of forming opinions on the basic financial statements. Our report was modified to include a reference to other auditors who audited the financial statements of the City of Racine Water and Wastewater Utilities and the Downtown Racine Business Improvement District #1, as described in our report on the City of Racine financial statements. The accompanying Schedules of Expenditures of Federal and State Awards is presented for purposes of additional analysis as required by *OMB Circular A-133* and the *State Single Audit Guidelines* and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

To the Mayor and Common Council  
City of Racine

This report is intended solely for the information and use of the City of Racine Common Council, management, federal and state awarding agencies and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.

*Vickow, Krause + Company, LLP*

Milwaukee, Wisconsin  
July 20, 2007

**Schedule of Expenditures of  
Federal Awards Follows**

**CITY OF RACINE**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
Year Ended December 31, 2006

Federal Grantor/Pass Through Grantor/Program Title	Revenues						Expenditures		
	Federal CFDA Number	(Accrued)	Grantor Receipts	Accrued	Local Revenue	Total Revenues	Grantor	Local	Total
		Deferred Revenue 12/31/2005		(Deferred) Revenue 12/31/2006					
<b>U.S. DEPARTMENT OF AGRICULTURE</b>									
Passed through Racine County Division of Health WIC	10.557	\$ (10,301)	\$ 194,530	\$ 14,317	\$ -	\$ 198,546	\$ 198,546	\$ -	\$ 198,546
<b>U.S. DEPARTMENT OF COMMERCE</b>									
Grants for Public Works and Economic Development Facilities Passed through State of Wisconsin Department of Administration Coastal Zone Management Program	11.300*	(141,644)	-	576,578	273,131	708,065	434,934	273,131	708,065
	11.419	(36,032)	46,440	-	775	11,183	10,408	775	11,183
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>									
Community Development Block Grant Program	14.218								
1996 Award		(14,636)	14,636	-	-	-	-	-	-
1999 Award		(2,674)	9,440	7,284	-	14,050	14,050	-	14,050
2000 Award		(1,745)	9,745	37,713	-	45,713	45,713	-	45,713
2001 Award		(12,847)	21,959	4,304	-	13,416	13,416	-	13,416
2002 Award		(128,648)	172,358	28,504	-	72,214	72,214	-	72,214
2003 Award		(4,978)	19,346	19,035	-	33,403	33,403	-	33,403
2004 Award		(85,691)	152,745	9,652	-	76,706	76,706	-	76,706
2005 Award		(323,275)	875,859	36,681	5,378	594,643	589,265	5,378	594,643
2006 Award		-	781,015	501,516	-	1,282,531	1,282,531	-	1,282,531
HOME Investment in Affordable Housing Emergency Shelter Grants Program	14.239*	(96,834)	562,664	75,781	178,689	720,300	541,611	178,689	720,300
	14.231								
2004 Award		(4,828)	7,599	-	-	2,771	2,771	-	2,771
2005 Award		(13,098)	82,118	5,130	-	74,150	74,150	-	74,150
2006 Award		-	1,220	14,438	-	15,658	15,658	-	15,658
Passed through State of Wisconsin Department of Health and Family Services HUD Lead Based Paint	14.900	(1,125)	4,162	-	-	3,037	3,037	-	3,037
<b>U.S. DEPARTMENT OF JUSTICE</b>									
Passed through the Racine County Sheriff's Department Drug Enforcement Task Force	16.579	(29,556)	79,190	-	-	49,634	49,634	-	49,634

**CITY OF RACINE**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
Year Ended December 31, 2006

Federal Grantor/Pass Through Grantor/Program Title	Revenues						Expenditures		
	Federal CFDA Number	(Accrued) Deferred Revenue	Grantor Receipts	(Accrued) (Deferred) Revenue	Local Revenue	Total Revenues	Grantor	Local	Total
		12/31/2005		12/31/2006					
<b>U.S. DEPARTMENT OF JUSTICE (CONTINUED)</b>									
Passed through State of Wisconsin Department of Administration - Office of Justice Assistance									
Gang/Crime Diversion Task Force	16.523	\$ (25,603)	\$ 38,035	\$ 17,902	\$ -	\$ 30,334	\$ 30,334	\$ -	\$ 30,334
Local Law Enforcement Block Grant	16.592								
2004 Award Year		3,724	551	175	-	4,450	4,450	-	4,450
Project Safe Neighborhood	16.609	(8,342)	41,088	38,616	-	71,362	71,362	-	71,362
Weed and Seed	16.725	(21,522)	154,260	37,973	-	170,711	170,711	-	170,711
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>									
Urban Mass Transportation Administration									
Operating Formula Grant	20.507*								
2006 Award Year		-	2,183,532	-	-	2,183,532	2,183,532	-	2,183,532
Passed through State of Wisconsin Department of Transportation									
Capital Formula Grant	20.507*								
1999 Award Year		(18,960)	18,960	-	-	-	-	-	-
2000 Award Year		-	17,052	11,721	-	28,773	28,773	-	28,773
Other Award Year		-	-	4,208	-	4,208	4,208	-	4,208
Capital Formula Grant	20.500*								
2001 Award Year		(28,208)	60,736	51,858	-	84,386	84,386	-	84,386
2002 Award Year		-	-	73,429	-	73,429	73,429	-	73,429
2003 Award Year		-	8,795	51,228	-	60,023	60,023	-	60,023
2004 Award Year		-	-	26,689	-	26,689	26,689	-	26,689
2005 Award Year		-	-	33,000	-	33,000	33,000	-	33,000
Passed through State of Wisconsin Department of Transportation									
Surface Transportation Discretionary Program (STP)	20.500*	(982,441)	1,104,280	107,790	-	229,629	229,629	-	229,629
Congestion Mitigation & Air Quality	20.205*	(42,741)	-	1,496,044	120,203	1,573,506	1,453,303	120,203	1,573,506
Congestion Mitigation & Air Quality	20.205*	(26,162)	-	-	26,162	-	(26,162)	26,162	-
Pedestrian Safety	20.600	-	8,000	-	-	8,000	8,000	-	8,000
Buckle Up or Pay the Price	20.600	-	5,000	-	-	5,000	5,000	-	5,000
Alcohol Enforcement	20.600	-	20,000	-	-	20,000	20,000	-	20,000

**CITY OF RACINE**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
Year Ended December 31, 2006

Federal Grantor/Pass Through Grantor/Program Title	Revenues						Expenditures		
	Federal CFDA Number	(Accrued)	Grantor Receipts	Accrued	Local Revenue	Total Revenues	Grantor	Local	Total
		Deferred Revenue 12/31/2005		(Deferred) Revenue 12/31/2006					
<b>U.S. ENVIRONMENTAL PROTECTION AGENCY</b>									
Brownfield Assessment and Cleanup Cooperative	66.818	\$ (5,517)	\$ 24,730	\$ 33,971	\$ -	\$ 53,184	\$ 53,184	\$ -	\$ 53,184
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>									
Passed through State of Wisconsin									
Department of Health and Family Services									
Lead Based Paint	93.197	1,628	86,787	3,192	-	91,607	91,607	-	91,607
Childhood Immunization Grant	93.268	4,852	44,142	(466)	-	48,528	48,528	-	48,528
Bio Terro-CDC Focus	93.283	50,724	85,927	(62,102)	-	74,549	74,549	-	74,549
Consolidated Contract-WWWP CDC	93.283	3,752	20,320	(11,643)	-	12,429	12,429	-	12,429
West Nile Virus Assessment and Control	93.283	(625)	1,125	1,500	-	2,000	2,000	-	2,000
Preventive Health & Health Services	93.991	2,976	16,123	(5,816)	-	13,283	13,283	-	13,283
Maternal and Child Health Grant	93.778	1,649	5,096	(2,958)	36	3,823	3,787	36	3,823
Maternal and Child Health Grant	93.994	22,068	68,205	(39,596)	484	51,161	50,677	484	51,161
Passed through Racine County Division of Health									
Brighter Futures Initiative-Block Grants for									
Prevention & Treatment of Substance Abuse	93.959	(5,649)	21,330	10,783	-	26,464	26,464	-	26,464
<b>TOTAL FEDERAL AWARDS</b>		<u>\$ (1,982,309)</u>	<u>\$ 7,069,100</u>	<u>\$ 3,208,431</u>	<u>\$ 604,858</u>	<u>\$ 8,900,080</u>	<u>\$ 8,295,222</u>	<u>\$ 604,858</u>	<u>\$ 8,900,080</u>

\* Represents a major federal program.

See accompanying notes to Schedules of Expenditures of Federal and State Awards.

**Schedule of Expenditures of  
State Awards Follows**

**CITY OF RACINE**

SCHEDULE OF EXPENDITURES OF STATE AWARDS  
Year Ended December 31, 2006

State Agency/Program Title	State ID Number	Revenues				Expenditures			
		(Accrued) Deferred Revenue 12/31/2005	Grantor Receipts	Accrued (Deferred) Revenue 12/31/2006	Local Revenue	Total Revenues	Grantor	Local	Total
<b>WISCONSIN DEPARTMENT OF NATURAL RESOURCES</b>									
Beach E-Coli Study	370.419	\$ -	\$ 11,875	\$ -	\$ -	\$ 11,875	\$ 11,875	\$ -	\$ 11,875
Recreational Boating Facilities	370.573	(29,789)	-	29,789	-	-	-	-	-
Urban Non Point Source Planning Grant	370.658	(17,262)	17,262	-	-	-	-	-	-
Storm Water Management Grant	370.658	-	14,344	65,761	202,503	282,608	80,105	202,503	282,608
Storm Water Management Grant	370.658	-	27,492	-	41,994	69,486	27,492	41,994	69,486
Brownfield Site Assessment Grant	370.687	(6,628)	29,895	-	44,592	67,859	23,267	44,592	67,859
Brownfield Site Assessment Grant	370.687	-	-	29,895	21,291	51,186	29,895	21,291	51,186
Brownfield Site Assessment Grant	370.687	(33,000)	33,000	-	-	-	-	-	-
Brownfield Site Assessment Grant	370.687	(33,000)	33,000	-	-	-	-	-	-
Brownfield Site Assessment Grant	370.687	(8,567)	8,567	-	-	-	-	-	-
<b>WISCONSIN DEPARTMENT OF TRANSPORTATION</b>									
Transit Operating Aids	395.104*								
2002 Award Year		(61,791)	(37,003)	-	98,794	-	(98,794)	98,794	-
2003 Award Year		(55,166)	51,224	-	3,942	-	(3,942)	3,942	-
2004 Award Year		(231,804)	55,951	175,853	-	-	-	-	-
2005 Award Year		(244,926)	-	244,926	-	-	-	-	-
2006 Award Year		-	2,205,085	190,484	-	2,395,569	2,395,569	-	2,395,569

**CITY OF RACINE**

SCHEDULE OF EXPENDITURES OF STATE AWARDS  
Year Ended December 31, 2006

State Agency/Program Title	State ID Number	Revenues					Expenditures		
		(Accrued) Deferred Revenue	Grantor Receipts	Accrued (Deferred) Revenue	Local Revenue	Total Revenues	Grantor	Local	Total
		12/31/2005		12/31/2006					
<b>WISCONSIN DEPARTMENT OF HEALTH AND FAMILY SERVICES</b>									
Consolidated Contract-VWWWP CDC	435.155	\$ 3,273	\$ 17,730	\$ (10,159)	\$ -	\$ 10,844	\$ 10,844	\$ -	\$ 10,844
Consolidated Contract-VWWWP CDC	435.157	7,042	38,142	(21,855)	-	23,329	23,329	-	23,329
Consolidated Contract-Childhood Lead	435.157	7,879	33,699	(18,327)	-	23,251	23,251	-	23,251
Tobacco Prevention and Control	435.158	11,239	58,466	(33,413)	-	36,292	36,292	-	36,292
Maternal and Child Health Grant	435.159	1,649	5,096	(2,958)	36	3,823	3,787	36	3,823
Passed through Racine County Division of Health Brighter Futures-Medical Assistance Program	435.540	(6,904)	26,069	13,179	-	32,344	32,344	-	32,344
<b>WISCONSIN DEPARTMENT OF JUSTICE ASSISTANCE</b>									
Youth Gang Diversion Program Grant	505.633*	-	100,000	31,517	-	131,517	131,517	-	131,517
Beat Patrol Officers Grant	505.603 *	-	129,049	-	47,122	176,171	129,049	47,122	176,171
<b>TOTAL STATE AWARDS</b>		<u>\$ (697,755)</u>	<u>2,858,943</u>	<u>694,692</u>	<u>460,274</u>	<u>3,316,154</u>	<u>2,855,880</u>	<u>460,274</u>	<u>3,316,154</u>

\* Represents a major state program.

# CITY OF RACINE

## NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS For the Year Ended December 31, 2006

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### NOTE 1 – REPORTING ENTITY

The report on Expenditures of Federal and State Awards includes all of the funds of the City of Racine. The reporting entity for the City is based upon criteria established by the *Governmental Accounting Standards Board*.

State programs reported include only those programs required to be included in accordance with the *State Single Audit Guidelines*.

### NOTE 2 – BASIS OF PRESENTATION

The accounting records for some grant programs are maintained on the modified accrual basis of accounting. Under the modified accrual basis, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the liability is incurred. The accounting records for other grant programs are maintained on the accrual basis, i.e., when the revenue has been earned and the liability is incurred.

The information in this schedule is presented in accordance with requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-profit Organizations and the State Single Audit Guidelines*.

### NOTE 3 – OVERSIGHT AND COGNIZANT AGENCIES

The City's federal oversight agency for audit is the U.S. Department of Housing and Urban Development. The City's state cognizant agency is the Wisconsin Department of Revenue.

### NOTE 4 – FEDERAL PROGRAM CLUSTER

The following programs have been identified as a cluster in accordance with the requirements of OMB Circular A-133:

<u>Federal Transit Cluster</u>	<u>Expenditures</u>
20.500 Federal Transit – Capital Investment	\$ 507,156
20.507 Federal Transit – Formula Grants	<u>2,216,513</u>
Total	\$2,723,669

### NOTE 5 – STATUS OF PRIOR YEAR FINDINGS

The finding of noncompliance identified as Federal and State Awards Findings and Questioned Costs No. 05-01 in the Single Audit Report for the year ended December 31, 2005 has been satisfactorily resolved.

**CITY OF RACINE**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended December 31, 2006

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

*Financial Statements*

Type of auditor's report issued:	Unqualified	
Internal control over financial reporting		
Material weakness(es) identified?	_____ yes	_____ <u>X</u> no
Significant deficiencies identified not considered to be material weaknesses?	_____ <u>X</u> yes	_____ none reported
Noncompliance material to basic financial statements noted?	_____ yes	_____ <u>X</u> no

*Federal or State Awards*

Internal control over major programs		
Material weakness(es) identified?	_____ yes	_____ <u>X</u> no
Significant deficiencies identified not considered to be material weaknesses?	_____ yes	_____ <u>X</u> none reported

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

Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)?	_____ yes	_____ <u>X</u> no
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Dollar threshold used to distinguish between Type A and Type B programs	
Federal Programs	<u>\$ 300,000</u>
State Programs	<u>\$ 100,000</u>

Auditee qualified as low-risk auditee?		
Federal programs	_____ <u>X</u> yes	_____ no
State programs	_____ <u>X</u> yes	_____ no

Identification of major federal programs

<u>CFDA NUMBER(S)</u>	<u>Name of Federal Program or Cluster</u>
20.500 & 20.507	Federal Transit Cluster
11.300	Grants for Public Works and Economic Development Facilities
14.239	HOME Investment in Affordable Housing
20.205	Congestion Mitigation & Air Quality

Identification of major state programs

<u>STATE ID NUMBER(S)</u>	<u>Name of State Program</u>
395.104	Transit Operating Aids
370.658	Urban Non Point Source Planning Grant
505.633	Youth Gang Diversion Program



## CITY OF RACINE

### SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS For the Year Ended December 31, 2006

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The following summary schedule of prior audit findings has been prepared by management of the City of Racine.

#### **Federal and State Award Findings and Questioned Costs**

**Finding 05-01:**            **U.S. Department of Transportation - Federal Transit Cluster  
CFDA 20.500 and 20.507**

Corrective action has been taken.