

CITY OF RACINE
Racine, Wisconsin

REPORT ON FEDERAL AND STATE AWARDS

For the Year Ended December 31, 2018

CITY OF RACINE

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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

Independent Auditors' Report

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate 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, 2018, and the related notes to the financial statements, which collectively comprise the City of Racine's basic financial statements and have issued our report thereon dated July 29, 2019. Our report includes a reference to other auditors who audited the financial statements of the 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 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 of the financial statements, we considered the City of Racine's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Racine's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Racine's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Internal Control Over Financial Reporting (continued)

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Racine's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

Purpose of this Report

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

Baker Tilly Virchow Krause, LLP

Milwaukee, Wisconsin
July 29, 2019

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND MAJOR STATE PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE;
AND REPORT ON SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
REQUIRED BY THE UNIFORM GUIDANCE AND THE *STATE SINGLE AUDIT GUIDELINES*

Independent Auditors' Report

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

Report on Compliance for Each Major Federal and Major State Program

We have audited the City of Racine, Wisconsin's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *State Single Audit Guidelines* that could have a direct and material effect on each of the City of Racine's major federal and major state programs for the year ended December 31, 2018. The City of Racine's major federal and major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to its federal and state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Racine's major federal and major state 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); and the *State Single Audit Guidelines*. Those standards, the Uniform Guidance, 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 on compliance for each major federal and major state program. However, our audit does not provide a legal determination of the City of Racine's compliance.

Opinion on Each Major Federal and Major State Program

In our opinion, the City of Racine 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 and major state programs for the year ended December 31, 2018.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance or the *State Single Audit Guidelines* and which are described in the accompanying schedule of findings and questioned costs as item 2018-001. Our opinion on each major federal and major state program is not modified with respect to this matter.

City of Racine's Response to Findings

The City of Racine's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The City of Racine'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 City of Racine 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 City of Racine's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal or major state 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 and major state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and the *State Single Audit Guidelines*, 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 City of Racine'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 or state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state 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 or state 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 item 2018-001 that we consider to be a significant deficiency.

City of Racine's Response to Finding

The City of Racine's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The City of Racine's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Purpose of this Report

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 and the *State Single Audit Guidelines*. Accordingly, this report is not suitable for any other purpose.

Report on Schedules of Expenditures of Federal and State Awards Required by the Uniform Guidance and the State Single Audit Guidelines and Schedule of Settlement of DHS Cost Reimbursement Awards

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate 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, 2018, and the related notes to the financial statements, which collectively comprise the City of Racine's basic financial statements. We issued our report thereon dated July 29, 2019, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. Our report includes a reference to other auditors who audited the financial statements 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 accompanying schedules of expenditures of federal and state awards and schedule of settlement of DHS cost reimbursement awards are presented for purposes of additional analysis as required by the Uniform Guidance and the *State Single Audit Guidelines* and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of expenditure of federal and state awards and schedule of settlement of DHS cost reimbursement awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Baker Tilly Virchow Krause, LLP

Milwaukee, Wisconsin

September 23, 2019, except for our report on the schedules of expenditures of federal and state awards and the schedule of settlement of DHS cost reimbursement awards, for which the date is July 29, 2019.

CITY OF RACINE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2018

Federal Grantor/Pass Through Grantor/Program Title	Federal CFDA Number	Pass Through Entity Identifying Number	Federal Expenditures	Payments Made To Subrecipients
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Community Development Block Grants/Entitlement Grants Cluster	14.218			
2017 Award		N/A	\$ 728,451	\$ 193,712
2016 Award		N/A	198,470	-
2015 Award		N/A	62,276	-
2014 Award		N/A	56,657	23,643
2018 Award		N/A	474,235	335,440
Total Community Development Block Grant/ Entitlement Grants Cluster			<u>1,520,089</u>	<u>552,795</u>
HOME Investment Partnership Program	14.239	N/A	519,723	53,939
HOME Investment Partnership Program	14.239	N/A	7,659	67,198
HOME Investment Partnership Program	14.239	N/A	11,965	-
HOME Investment Partnership Program	14.239	N/A	5,796	-
Total HOME Investment Partnership Program			<u>545,143</u>	<u>121,137</u>
Emergency Solutions Grants Program	14.231			
2016 Award		N/A	37,516	37,516
2017 Award		N/A	203,350	191,961
2018 Award		N/A	47,502	43,617
Total Emergency Solutions Grants Program			<u>288,368</u>	<u>273,094</u>
U.S. DEPARTMENT OF JUSTICE				
2017 Edward Byrne Memorial Justice Assistance Grant	16.738	N/A	34,032	17,016
U.S. DEPARTMENT OF TRANSPORTATION				
Urban Mass Transportation Administration				
Federal Transit Cluster				
Federal Transit - Formula Grant-2018	20.507*	N/A	2,636,230	-
Federal Transit - Bus and Bus Facilities Formula	20.526*	N/A	87,560	-
Total Federal Transit Cluster			<u>2,723,790</u>	<u>-</u>
Highway Planning and Construction	20.205	N/A	6,725	-
Passed through State of Wisconsin				
Department of Transportation				
Highway Safety Cluster				
State and Community Highway Safety	20.600	Mount Pleasant	22,006	-
Total Highway Safety Cluster			<u>22,006</u>	<u>-</u>

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

CITY OF RACINE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2018

Federal Grantor/Pass Through Grantor/Program Title	Federal CFDA Number	Pass Through Entity Identifying Number	Federal Expenditures	Payments Made To Subrecipients
U.S. ENVIRONMENTAL PROTECTION AGENCY				
Brownfields Assessment and Cleanup Cooperative	66.818	N/A	\$ 6,898	\$ -
Site Assessment Grant	66.818	N/A	19,629	-
Site Assessment Grant	66.818	N/A	67,691	-
Total 66.818			<u>94,218</u>	<u>-</u>
Passed through the Wisconsin Department of Natural Resources				
Beach Monitoring and Notification Program Implementation Grants	66.472	37004-V17-C520-WT 160-2	28,875	-
Beach Monitoring and Notification Program Implementation Grants	66.472	37004-V17-C520-WT 160-1	6,165	-
Beach Monitoring and Notification Program Implementation Grants	66.472	37004-V17-C520-WT 160-0	65	-
Total 66.472			<u>35,105</u>	<u>-</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed through State of Wisconsin				
Department of Health Services				
Bio Terror-CDC Focus-2017	93.069	860-155015	47,232	-
Bio Terror-Additional-2017	93.069	860-155015	4,235	-
Bio Terror-CDC Focus-2018	93.069	960-155015	14,739	-
Public Health Emergency Preparedness	93.069	960-11111	82	-
Cities Readiness Initiative-2017	93.069	860-155190	25,921	-
Cities Readiness Initiative-2018	93.069	960-155190	2,181	-
Total 93.069			<u>94,390</u>	<u>-</u>
Immunization Cooperative Agreement	93.268	860-155020	32,898	-
HIV Prevention Activities - Health Department Based	93.940	860-155957	15,000	-
Preventive Health & Health Services Block Grant	93.991	860-159220	341	-
Total Preventative Health & Services			<u>48,239</u>	<u>-</u>
Maternal and Child Health Services Block Grant to Sates	93.994	860-159322	7,093	-
Maternal and Child Health Services Block Grant to States	93.994	860-159320	39,534	-
			<u>46,627</u>	<u>-</u>
TOTAL FEDERAL AWARDS			<u>\$ 5,458,732</u>	<u>\$ 964,042</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
For the Year Ended December 31, 2018

State Agency/Program Title	State ID Number	State Expenditures	Payments Made to Subrecipients
WISCONSIN DEPARTMENT OF AGRICULTURE, TRADE, AND CONSUMER PROTECTION			
Prescription Drug Program-2017	115.04	\$ 24	\$ -
Prescription Drug Program-2018	115.04	5,770	-
		<u>5,794</u>	<u>-</u>
WISCONSIN DEPARTMENT OF NATURAL RESOURCES			
Recreational Boating Facilities	RBF-1624	4,448	-
Urban Forestry Grant-Emerald Ash Borer	18UF1325	12,000	-
Knowles-Nelson Stewardship	UGS3-14-190	114,948	-
Recycling Grants to Responsible Units	370.670	20,159	-
Recycling Consolidation Grants	370.673*	294,414	-
WISCONSIN DEPARTMENT OF TRANSPORTATION			
Transit Operating Aids	395.104*		
2018 Award Year		2,066,626	-
2018 Award Year-Chapter 85.205		85,518	-
		<u>2,152,144</u>	<u>-</u>
WISCONSIN DEPARTMENT OF HEALTH SERVICES			
Infant Mortality-2017-2018	435.110*	106,022	106,022
Infant Mortality-2018-2019	435.110*	106,989	106,989
		<u>213,011</u>	<u>213,011</u>
Consolidated Contract-WWWP CDC 17/18	435.157	65,188	-
Consolidated Contract-WWWP CDC 18/19	435.157	39,137	-
Consolidated Contract-WWWP-Screening 17/18	435.157	5,538	-
Consolidated Contract-Childhood Lead	435.157	27,327	-
		<u>137,190</u>	<u>-</u>
WISCONSIN DEPARTMENT OF EMERGENCY MANAGEMENT			
Hazardous Materials Response System Equipment Grant	WHM-00203	62,559	-
WISCONSIN DEPARTMENT OF ADMINISTRATION			
Coastal Management Program 17/18	AD-149883-015.27	18,435	-
Youth Gang Diversion Program Grant	505.639		
2017 Award Year		36,332	36,332
2018 Award Year		37,221	37,221
Uniform Beat Patrol Officers Grant-Overtime	505.603	100,000	-
Uniform Beat Patrol Officers Grant	505.603	121,434	-
		<u>3,330,089</u>	<u>286,564</u>

* Represents a major state program.

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

CITY OF RACINE

NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS For the Year Ended December 31, 2018

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards (the “schedules”) includes the federal and state grant activity of the City of Racine under programs of the federal and state government for the year ended December 31, 2018. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the *State Single Audit Guidelines*. Because the schedules present only a selected portion of the operations of the City of Racine, they are not intended to and do not present the financial position, changes in net position or cash flows of the City of Racine.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedules are reported on the accrual or modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the schedules represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

The underlying 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.

NOTE 3 – INDIRECT COST RATE

The City of Racine has not elected to use the 10% de minimis indirect cost rate.

CITY OF RACINE

NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS For the Year Ended December 31, 2018

NOTE 4 – LOAN PROGRAM

Loans issued under the U.S. Department of Housing and Urban Development Community Development Block Grant loan program were \$517,124 during the year ended December 31, 2018. The balance of loans outstanding under the Community Development Block Grant loan program was \$3,644,589 at December 31, 2018.

Loans issued under the U.S. Department of Housing and Urban Development HOME loan program were \$0 during the year ended December 31, 2018. The balance of loans outstanding under the HOME loan program was \$17,534 at December 31, 2018.

No loans were issued under the U.S. Environmental Protection Agency Brownfield Assessment and Cleanup Cooperative Agreements revolving loan program during the year ended December 31, 2018. The balance of loans outstanding under the Brownfield Assessment and Cleanup Cooperative Agreements revolving loan program was \$150,000 at December 31, 2018.

CITY OF RACINE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended December 31, 2018

SECTION I – SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: unmodified

Internal control over financial reporting:

- > Material weakness (es) identified? yes x no
- > Significant deficiency (ies) identified? yes x none reported

Noncompliance material to financial statements noted? yes x no

FEDERAL AND STATE AWARDS

Internal control over major programs:

- | | Federal Programs | State Programs |
|--|--|--|
| > Material weakness(es) identified? | <u> </u> yes <u> x </u> no | <u> </u> yes <u> x </u> no |
| > Significant deficiencies identified that are not considered to be material weakness(es)? | <u> x </u> yes <u> </u> none reported | <u> </u> yes <u> x </u> none reported |

	unmodified	unmodified
Type of auditor's report issued on compliance for major programs:	<u> </u>	<u> </u>

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a) of the Uniform Guidance or the <i>State Single Audit Guidelines</i> ?	<u> x </u> yes <u> </u> no	<u> </u> yes <u> x </u> no
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Auditee qualified as low-risk auditee?	<u> x </u> yes <u> </u> no	<u> x </u> yes <u> </u> no
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Dollar threshold used to distinguish between type A and type B programs:	\$750,000	\$250,000
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Dollar threshold used to distinguish between DHS type A and type B programs:		\$250,000
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CITY OF RACINE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended December 31, 2018

SECTION I – SUMMARY OF AUDITORS' RESULTS

FEDERAL AND STATE AWARDS (cont.)

Identification of major federal programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
20.507 / 20.526	Federal Transit Cluster

Identification of major state programs:

<u>State Number</u>	<u>Name of State Program</u>
395.104	Transit Operating Aids
435.110	Infant Mortality
370.673	Recycling Consolidation Grants

CITY OF RACINE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended December 31, 2018

SECTION II: FINANCIAL STATEMENT FINDINGS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

There were no findings required to be reported in accordance with Auditing Standards Generally Accepted in the United States of America.

SECTION III – FEDERAL AWARDS AND STATE AWARDS FINDINGS AND QUESTIONED COSTS

2018-001 *Programs:* 20.507 / 20.526 Federal Transit Cluster

Criteria: Reports need to be filed accurately and timely.

Condition: One quarterly report was not submitted by the due date given by the Federal Transit Administration.

Questioned Costs: Unknown.

Context: Population: 2 Sample size: 1; sample not statistically valid.

Effect: The City could be penalized for late reporting.

Repeat Finding: not applicable

Recommendation: We recommend that the City verifies report due dates and ensures they have a process to make sure all reports are submitted timely.

Management's Response: The City has a specific procedural documents associated with the fiscal administration of federal grants. These procedural documents have been reviewed by the responsible staff members and are understood. All reports must be approved by a manager prior to submission. This was an unusual timing issue due to a new reporting requirement. The importance of timing between the reporting has been communicated with everyone involved

CITY OF RACINE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2018

SECTION IV – OTHER ISSUES

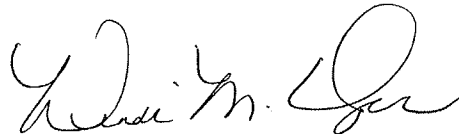
Does the auditor's report or the notes to the financial statements include disclosure with regard to substantial doubt as to the auditee's ability to continue as a going concern? yes no

Does the audit report show audit issues (i.e., material non-compliance, non-material non-compliance, questioned costs, material weakness, significant deficiency, management letter comment, excess revenue or excess reserve) related to grants/contracts with funding agencies that require audits to be in accordance with the *State Single Audit Guidelines*:

Wisconsin Department of Agriculture, Trade and Consumer Protection	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
Wisconsin Department of Natural Resources	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
Wisconsin Department of Transportation	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
Wisconsin Department of Health Services	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
Wisconsin Department of Emergency Management	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
Wisconsin Department of Administration	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no

Was a Management Letter or other document conveying audit comments issued as a result of this audit? yes no

Name and signature of partner



Wendi M. Unger, Partner

Date of report

September 23, 2019

City of Racine
 Schedule of Settlement of DHS Cost Reimbursement Awards
 For the Year Ended December 31, 2018

Agency 341113 Type 860 DHS Identification Number CARS Profile # Award amount Award period Period of award within audit period	Project: 20072 Infant 110190	Project: 20060 BT 155015	Project: 20068 BT 155050	Project: 20069 CRI 155190	Project: 20061 WWWP 157010	Project: 20067 WWWP 157120	Project: IMMUNIZATION 155020	Project: HIV PREV PS 155957	Project: CHHD LEAD 157720	Project: PHHS 159220	Project: MCH 159320	Project: 20080 MCH 159322	Total
\$ 222,700	\$ 70,454	\$ 4,235	\$ 25,921	\$ 97,175	\$ 5,538	\$ 32,898	\$ 15,000	\$ 27,327	\$ 341	\$ 39,534	\$ 7,093	\$ 548,216	
07/01/17-06/30/18	07/01/17-06/30/18	07/01/17-06/30/18	07/01/17-06/30/18	07/01/17-06/30/18	07/01/17-06/30/18	07/01/17-06/30/18	01/01/18-12/31/18	01/01/18-12/31/18	01/01/18-12/31/18	10/01/16-08/31/18	01/01/18-12/31/18	01/01/18-12/31/18	
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A Expenditures reported to DHS for payment	\$ 106,358	\$ 47,232	\$ 4,235	\$ 25,921	\$ 65,187	\$ 5,538	\$ 32,898	\$ 15,000	\$ 27,327	\$ 341	\$ 39,534	\$ 7,093	\$ 376,664
B Actual Allowable cost of award													
Program Expenses													
2 Supplies, etc	\$ 106,022	\$ 33,800	\$ 2	\$ 19,260	\$ 321	\$ 400	\$ -	\$ -	\$ 11,275	\$ -	\$ 807	\$ 100	\$ 171,987
7 Employee salaries & wages	-	12,418	3,843	5,142	35,656	-	30,943	12,417	14,240	321	36,049	6,579	157,608
8 Employee Pension plan contributions	-	1,014	-	1,519	2,227	-	1,955	777	882	20	2,678	414	11,486
9 Employee Hlth,Disability,Life Ins benefits	-	-	390	-	26,984	5,138	-	1,806	930	-	-	-	35,248
Total Program Expenses	\$ 106,022	\$ 47,232	\$ 4,235	\$ 25,921	\$ 65,188	\$ 5,538	\$ 32,898	\$ 15,000	\$ 27,327	\$ 341	\$ 39,534	\$ 7,093	\$ 376,329
C Less program revenue & other offsets to costs (Identify in notes)	-	-	-	-	-	-	-	-	-	-	-	-	-
F Total allowable costs	\$ 106,022	\$ 47,232	\$ 4,235	\$ 25,921	\$ 65,188	\$ 5,538	\$ 32,898	\$ 15,000	\$ 27,327	\$ 341	\$ 39,534	\$ 7,093	\$ 376,329

Agency 341113 Type 960 DHS Identification Number CARS Profile # Award amount Award period Period of award within audit period	Project: 20086 Infant 110190	Project: 20075 BT 155015	Project: 20088 BT 155050	Project: 20084 CRI 155190	Project: 20079 WWWP 157010	Project:	Org:	Project	Project	Project:	Org:	Org:	Total
\$ 222,700	\$ 62,939	\$ 17,550	\$ 25,921	\$ 97,175									\$ 426,285
07/01/18-06/30/19	07/01/18-06/30/19	07/01/18-06/30/19	07/01/18-06/30/19	07/01/18-06/30/19	07/01/18-06/30/19	07/01/18-06/30/19	01/01/17-12/31/17	07/01/18-06/30/17	07/01/16-06/30/17	10/01/17-08/31/19	10/01/15-08/31/17	01/01/17-12/31/17	
07/01/18-12/31/18	07/01/18-12/31/18	07/01/18-12/31/18	07/01/18-12/31/18	07/01/18-12/31/18	07/01/18-12/31/18	07/01/18-12/31/18	01/01/17-12/31/17	01/01/17-06/30/17	01/01/17-06/30/17	01/01/18-12/31/18	01/01/17-8/31/17	01/01/17-12/31/17	
A Expenditures reported to DHS for payment	\$ 106,989	\$ 14,739	\$ 82	\$ 2,181	\$ 39,137								\$ 163,128
B Actual Allowable cost of award													
Program Expenses													
2 Supplies, etc	\$ 106,989	\$ -	\$ 82	\$ -	\$ 704	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 107,775
7 Employee salaries & wages	-	13,875	-	2,057	36,177	-	-	-	-	-	-	-	52,109
8 Employee Pension plan contributions	-	864	-	124	2,256	-	-	-	-	-	-	-	3,244
9 Employee Hlth,Disability,Life Ins benefits	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Program Expenses	\$ 106,989	\$ 14,739	\$ 82	\$ 2,181	\$ 39,137	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 163,128
C Less program revenue & other offsets to costs (Identify in notes)	-	-	-	-	-	-	-	-	-	-	-	-	-
F Total allowable costs	\$ 106,989	\$ 14,739	\$ 82	\$ 2,181	\$ 39,137	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 163,128

CITY OF RACINE

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS For the Year Ended December 31, 2018

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

FINDING 2017-001:

State ID Number and Program Name

435.110 Infant Mortality

Current Status

Corrective action has been taken.

The City of Racine contact official for the above responses is as follows:

Ms. Kathleen Fischer
Assistant Finance Director
262-636-9598
Kathleen.Fischer@cityofracine.org