BARRON COUNTY, WISCONSIN

FEDERAL AND STATE SINGLE AUDIT REPORTS

YEAR ENDED DECEMBER 31, 2007

BARRON COUNTY, WISCONSIN
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DECEMBER 31, 2007

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LarsonAllen LLP

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INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

The County Board
Barron County, Wisconsin

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Barron County, Wisconsin (County) for the year ended December 31, 2007 and have issued our report thereon dated July 18, 2008. These financial statements are the responsibility of County management. Our responsibility is to express opinions on these financial statements based on our audit.

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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

Our audit was conducted for the purpose of forming opinions on the basic financial statements of the County taken as a whole. The accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations* and the *State Single Audit Guidelines,* issued by the Wisconsin Department of Administration, respectively, and are not a required part of the basic financial statements. The information in those schedules 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.

LarsonAllen LLP

LarsonAllen LLP

Eau Claire, Wisconsin
July 18, 2008

BARRON COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2007

Federal Grantor Agency/Pass-Through Agency/ Program Title and Year	Federal CFDA #	Accrued (Deferred) Reimbursements 1/1/07	Prior Years Adjustments	Expenditures Federal	Expenditures Local	Receipts Grant Reimburse-ments	Receipts Local Share	Accrued (Deferred) Reimbursements 12/31/07
Department of Agriculture								
Direct Grant:								
Environmental Quality Incentives Program:	10.912							
5/1/06-6/30/07 65-5F-48-6-075		$ -	$ -	$ 7,980	$ -	$ -	$ -	$ 7,980
Passed through University of Nebraska:								
Cooperative Extension Service:	10.500							
Managing Risks Through Peer Learning Centers:								
5/1/06-6/30/07 25-6324-0053-105		-	-	14,527	-	14,527	-	-
Passed through Wisconsin Department of Health and Family Services:								
Special Supplemental Food Program for Women, Infants and Children:	10.557							
2007		-	-	172,757	-	172,757	-	-
Women, Infants and Children Infrastructure:								
2007		-	-	1,600	-	1,600	-	-
Passed through Wisconsin Department of Workforce Development:								
State Matching Grant for Food Stamp Program:	10.561							
Human Services Contract:								
Income Maintenance:								
2007		-	-	193,772	-	160,278	-	33,494
2006		21,929	-	-	-	21,929	-	-
Total Department of Agriculture		21,929	-	390,636	-	371,091	-	41,474

BARRON COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2007

Federal Grantor Agency/Pass-Through Agency/ Program Title and Year	Federal CFDA #	Accrued (Deferred) Reimbursements 1/1/07	Prior Years Adjustments	Expenditures Federal	Expenditures Local	Receipts Grant Reimbursements	Receipts Local Share	Accrued (Deferred) Reimbursements 12/31/07
Department of Justice								
Passed through Wisconsin Office of Justice Assistance:								
Strengthening Families:	16.540							
1/1/07-6/30/07 04-JF-09-2064		$ -	$ -	$ 4,000	$ -	$ 4,000	$ -	$ -
Passed through Wisconsin Department of Justice:								
Byrne Formula Grant Program:	16.579							
Victim Witness Program:								
2007		-	-	1,439	-	-	-	1,439
2006		1,460	-	-	-	1,460	-	-
Bulletproof Vest:	16.607							
2007		-	-	7,354	15,053	6,733	15,053	621
Clan Lab:	16.none							
2007		-	-	-	-	-	-	-
CEASE Grant:	16.none							
2007		-	-	759	6	600	6	159
Passed through Rusk County:								
COPS-Methamphetamine Prevention, Enforcement, and Drug Court Initiative:	16.710							
1/1/06-6/30/07		-	-	45,539	-	45,539	-	-
Total Department of Justice		1,460	-	59,091	15,059	58,332	15,059	2,219
Department of Transportation								
Passed through Wisconsin Department of Transportation:								
Recreational Trails Act:	20.219							
9/8/04-6/30/06 Grant - RTA239		6,219	-	-	-	6,219	-	-
3/25/05-6/30/08 Grant - RTA238		9,693	-	-	-	9,693	-	-
Click it or Ticket Mobilization Project:	20.600							
5/1/07-9/30/07		-	-	8,000	10,586	8,000	10,586	-
Passed through City of Rice Lake:								
Commercial Driver License State Programs-TraCS:	20.232							
2007		-	-	2,500	-	2,500	-	-
Total Department of Transportation		15,912	-	10,500	10,586	26,412	10,586	-

BARRON COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2007

Federal Grantor Agency/Pass-Through Agency/ Program Title and Year	Federal CFDA #	Accrued (Deferred) Reimbursements 1/1/07	Prior Years Adjustments	Expenditures Federal	Expenditures Local	Receipts Grant Reimbursements	Receipts Local Share	Accrued (Deferred) Reimbursements 12/31/07
Environmental Protection Agency								
Passed through Wisconsin Department of Health and Family Services:								
Indoor Radon Program:	66.032							
2007		$ -	$ -	$ 3,000	$ -	$ 3,000	$ -	$ -
Nonpoint Source Implementation Grants:	66.460							
TRC-LC08-03000-04 1/1/04-12/31/06		13,035	-	-	-	13,035	-	-
Total Environmental Protection Agency		13,035	-	3,000	-	16,035	-	-
Department of Education								
Passed through Wisconsin Department of Health and Family Services:								
Grants for Infants and Families with Disabilities:	84.181							
Birth-to-Three Initiative:								
2007		-	-	49,542	-	49,542	-	-
Department of Health and Human Services								
Passed through Area Agency on Aging:								
Preventive Health - Title III D:	93.043							
2007		-	-	5,154	-	3,523	-	1,631
2006		684	-	-	-	684	-	-
Supportive Services - Title III B:	93.044							
2007		-	-	55,452	1,228	43,909	1,228	11,543
2006		7,746	-	-	-	7,746	-	-
Title III - Part C-Nutrition Services:	93.045							
Congregate Nutrition - Title III C-1:								
2007		-	-	91,673	221,427	91,177	221,427	496
Home Delivered Nutrition - Title III C-2:								
2007		-	-	38,292	30,000	38,292	30,000	-

BARRON COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2007

Federal Grantor Agency/Pass-Through Agency/ Program Title and Year	Federal CFDA #	Accrued (Deferred) Reimbursements 1/1/07	Prior Years Adjustments	Expenditures Federal	Expenditures Local	Receipts Grant Reimburse-ments	Receipts Local Share	Accrued (Deferred) Reimbursements 12/31/07
Department of Health and Human Services (Continued)								
Passed through Area Agency on Aging: (Continued)								
Caregivers Support:	93.052							
2007		$ -	$ -	$ 25,294	$ -	$ 17,985	$ -	$ 7,309
2006		5,314	-	-	-	5,314	-	-
Nutrition Services Incentive Program:	93.053							
Congregate Nutrition Services:								
10/1/06-9/30/07		-	-	18,895	-	18,895	-	-
Home Delivered Nutrition Services:								
10/1/06-9/30/07		-	-	40,871	-	40,871	-	-
State Pharmaceutical Assistance:	93.786							
Benefit Specialist Part D:								
2007		-	-	5,902	-	5,902	-	-
Passed through Wisconsin Department of Health and Family Services:								
Childhood Immunization Grants:	93.268							
Consolidated Contracts:								
2007		-	-	12,122	-	12,122	-	-
Pandemic Influennza:								
9/1/07-7/31/08		-	-	6,055	-	6,055	-	-
9/1/06-7/31/07		-	-	12,697	-	12,697	-	-
Promoting Safe and Stable Families:	93.556							
Human Services Contract:								
2007		-	-	46,350	-	38,936	-	7,414
FSTR PRNT Preservice - Federal:								

BARRON COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2007

Federal Grantor Agency/Pass-Through Agency/ Program Title and Year	Federal CFDA #	Accrued (Deferred) Reimbursements 1/1/07	Prior Years Adjustments	Expenditures Federal	Expenditures Local	Receipts Grant Reimbursements	Receipts Local Share	Accrued (Deferred) Reimbursements 12/31/07
Department of Health and Human Services (Continued)								
Passed through Wisconsin Department of Health and Family Services: (Continued)								
Temporary Assistance for Needy Families:	93.558							
Human Services Contract:								
Base Allocation:								
2007		$ -	$ -	$ 114,738	$ -	$ 114,738	$ -	$ -
Child Welfare Services:	93.645							
Human Services Contract:								
Base Allocation:								
2007		-	-	28,684	-	28,684	-	-
Foster Care - Title IV-E:	93.658							
Human Services Contract:								
Base Allocation:								
2007		-	-	243,445	-	243,445	-	-
FSTR PRNT Preservice - Federal:								
2007		-	-	20	30	20	30	-
2006		775	-	-	-	775	-	-
TPR Adoption - Federal:								
2007		-	-	12,700	19,051	9,843	19,051	2,857
2006		575	-	-	-	575	-	-
Social Services Block Grant:	93.667							
Human Services Contract:								
Base Allocation:								
2007		-	-	229,476	-	229,476	-	-
SSBG Hurricane Relief Fund:								
2007		-	-	1,011	-	(9,179)	-	10,190
2006		(185)	-	-	-	(185)	-	-

** Major State Financial Assistance Program

BARRON COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2007

Federal Grantor Agency/Pass-Through Agency/ Program Title and Year	Federal CFDA #	Accrued (Deferred) Reimbursements 1/1/07	Prior Years Adjustments	Expenditures Federal	Expenditures Local	Receipts Grant Reimbursements	Receipts Local Share	Accrued (Deferred) Reimbursements 12/31/07
Department of Health and Human Services (Continued)								
Passed through Wisconsin Department of Health and Family Services: (Continued)								
Youth Independent Living:	93.674							
Human Services Contract:								
2007		$ -	$ -	$ 6,199	$ 1,761	$ 10,839	$ 1,761	$ (4,640)
2006		(5,254)	-	-	-	(5,254)	-	-
State Children's Insurance Program:	93.767							
Human Services Contract:								
2007		-	-	44,745	-	37,448	-	7,297
2006		4,681	-	-	-	4,681	-	-
Medical Assistance Program:	93.778							
Maternal and Child Health Services Block Grant:								
2007		-	-	1,494	-	1,494	-	-
Case Management:	**							
2007		-	-	106,622	144,035	91,455	144,035	15,167
2006		-	8,998	-	-	8,998	-	-
Human Services Contract:	**							
2007		-	-	3,549,930	703	3,345,908	703	204,022
2006		211,772	-	-	-	211,772	-	-
Income Maintenance Contract:	**							
2007		-	-	401,061	(764)	351,427	(764)	49,634
2006		42,072	-	-	-	42,072	-	-
Personal Care Program:	**							
2007		-	-	979,797	-	858,921	-	120,876
2006		84,039	-	-	-	84,039	-	-
Wisconsin Medicaid Cost Reporting:	**							
2007		-	-	425,298	-	425,298	-	-
2006		342,832	-	413,628	-	756,460	-	-
2005		56,223	-	-	-	56,223	-	-

BARRON COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2007

Federal Grantor Agency/Pass-Through Agency/ Program Title and Year	Federal CFDA #	Accrued (Deferred) Reimbursements 1/1/07	Prior Years Adjustments	Expenditures Federal	Expenditures Local	Receipts Grant Reimbursements	Receipts Local Share	Accrued (Deferred) Reimbursements 12/31/07
Department of Health and Human Services (Continued)								
Passed through Wisconsin Department of Health and Family Services: (Continued)								
Medical Assistance Program: (Continued)								
HIV Prevention Activities:	93.940							
2007		$ -	$ -	$ 775	$ -	$ 775	$ -	$ -
Community Mental Health Services Block Grant:	93.958							
Human Services Contract:								
2007		-	-	20,066	-	20,066	-	-
Prevention and Treatment of Substance Abuse:								
Abuse Block Grant:	93.959							
Human Services Contract:								
2007		-	-	79,713	-	79,713	-	-
Methamphetamine Treatment:								
2007		-	-	63,978	9,814	63,523	9,814	455
2006		37,729	-	-	-	37,729	-	-
Preventive Health and Health Service Block Grant:	93.991							
Consolidated Contracts PHHS:								
2007		-	-	7,536	-	7,536	-	-
Maternal and Child Health Service Block Grant:	93.994							
MCH Consolidated Contract:								
2007		-	-	20,429	-	20,429	-	-
Reproductive Health:								
2007		-	-	30,333	-	30,333	-	-
Fluoride Mouth Rinsing:								
2007		-	-	102	-	102	-	-

** Major State Financial Assistance Program

BARRON COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2007

Federal Grantor Agency/Pass-Through Agency/ Program Title and Year	Federal CFDA #	Accrued (Deferred) Reimbursements 1/1/07	Prior Years Adjustments	Expenditures Federal	Expenditures Local	Receipts Grant Reimbursements	Receipts Local Share	Accrued (Deferred) Reimbursements 12/31/07
Department of Health and Human Services (Continued)								
Passed through UW-Stout:								
Medicaid Infrastructure Grant:	93.768							
1/1/06-3/31/07		$ -	$ -	$ 1,811	$ -	$ 1,811	$ -	$ -
Passed through Polk County:								
CDC Investigation and Technical Assistance:	93.283							
Bioterrorism Focus A Planning:								
2007		-	-	37,536	-	37,536	-	-
Passed through Chippewa County:								
Maternal and Child Health Service Block Grant:	93.994							
Children and Youth with Special Health Care Needs Program:								
2007		-	-	2,850	-	2,850	-	-
Passed through Wisconsin Department of Workforce Development:								
Child Support Enforcement Program (Title IV-D):	93.563**							
Regular Program:								
2007		-	-	590,838	76,100	514,150	76,100	76,688
2007 Non IV-D Activities		-	-	3,024	-	3,024	-	-
2006		142,352	-	-	-	142,352	-	-
2006 Non IV-D Activities		1,243	-	-	-	1,243	-	-
Refugee Assistance:	93.566							
Refugee Health Screening:								
W-2 Program:								
2007		-	-	53,950	-	51,405	-	2,545
2006		7,315	-	-	-	7,315	-	-

** Major State Financial Assistance Program

BARRON COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2007

Federal Grantor Agency/Pass-Through Agency/ Program Title and Year	Federal CFDA #	Accrued (Deferred) Reimbursements 1/1/07	Prior Years Adjustments	Expenditures Federal	Expenditures Local	Receipts Grant Reimbursements	Receipts Local Share	Accrued (Deferred) Reimbursements 12/31/07
Department of Health and Human Services (Continued)								
Passed through Wisconsin Department of Workforce Development: (Continued)								
Child Care Development:	93.596							
Human Services Contract:								
W-2 Program:	**							
2007		$ -	$ -	$ 40,174	$ 22,816	$ 40,174	$ 22,816	$ -
Passed through Wisconsin Department of Administration:								
Low-Income Home Energy Assistance:	93.568							
Non-CARS Reporting:								
10/1/07-9/30/08		-	-	22,149	-	6,543	-	15,606
10/1/06-9/30/07		32,141	767	57,930	-	90,838	-	-
Passed through Wisconsin Department of Corrections:								
Child Welfare Services:	93.645							
Non-CARS:								
Youth Aids Community:	**							
2007		-	-	7,201	13,579	7,117	13,579	84
2006		(547)	-	-	-	(547)	-	-
Youth Aids AODA:	**							
2007		-	-	3	-	47	-	(44)
2006		(102)	-	-	-	(102)	-	-
Foster Care - Title IV-E:	93.658							
Non-CARS:								
Youth Aids Community:	**							
2007		-	-	7,201	13,579	7,117	13,579	84
2006		(547)	-	-	-	(547)	-	-

** Major State Financial Assistance Program

BARRON COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2007

Federal Grantor Agency/Pass-Through Agency/ Program Title and Year	Federal CFDA #	Accrued (Deferred) Reimbursements 1/1/07	Prior Years Adjustments	Expenditures Federal	Expenditures Local	Receipts Grant Reimbursements	Receipts Local Share	Accrued (Deferred) Reimbursements 12/31/07
Department of Health and Human Services (Continued)								
Passed through Wisconsin Department of Corrections: (Continued)								
Foster Care - Title IV-E: (Continued)	93.658							
Non-CARS: (Continued)								
Youth Aids AODA:	**							
2007		$ -	$ -	$ 3	$ -	$ 47	$ -	$ (44)
2006		(102)	-	-	-	(102)	-	-
Total Department of Health and Human Services		970,950	9,765	7,965,207	553,359	8,416,752	553,359	529,170
Department of Homeland Security								
Direct Grant:								
Emergency Food and Shelter Program:	97.024							
11/1/06-10/31/07		-	-	17,108	-	17,108	-	-
Passed through Wisconsin Department of Military Affairs:								
Emergency Management Performance Grants:	97.042							
10/1/07-9/30/08		-	-	-	19,123	-	19,123	-
10/1/06-9/30/07		7,146	-	26,119	30,575	13,562	30,575	19,703
10/1/05-9/30/06		14,350	-	-	-	14,350	-	-
Homeland Security Grant Program:	97.067							
1/1/06-3/31/07 Justice Gateway Project		36,750	-	34,000	-	66,420	-	4,330
6/1/06-2/28/07 HS-05-IC-0234		700	-	-	-	700	-	-
5/1/07-7/31/07 2006-HS-04-2243		-	-	1,380	-	1,380	-	-
7/1/07-1/31/08 2005-HS-05/13-2554		-	-	28,182	9,394	-	9,394	28,182
Total Department of Homeland Security		58,946	-	106,789	59,092	113,520	59,092	52,215
TOTAL FEDERAL AWARDS		$ 1,082,232	$ 9,765	$ 8,584,765	$ 638,096	$ 9,051,684	$ 638,096	$ 625,078

** Major State Financial Assistance Program

BARRON COUNTY, WISCONSIN
SCHEDULE OF STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2007

State Grantor Agency/ Program Title and Year	State I.D. Number	Accrued (Deferred) Reimbursements 1/1/07	Prior Years Adjustments	Expenditures	Receipts: Grant Reimbursements	Receipts: Local Share	Accrued (Deferred) Reimbursements 12/31/07
Department of Agriculture, Trade and Consumer Protection							
Soil and Water Resource Management:							
Basic Annual Staffing Grant:	115.15**						
General:							
2007		$ -	$ -	$ 285,444	$ -	$ 181,503	$ 103,941
2006		19,405	-	-	19,405	-	-
LWRM Plan Implementation:	115.40**						
2007		-	-	29,336	-	-	29,336
2006		20,579	-	-	20,579	-	-
Total Department of Agriculture, Trade and Consumer Protection		39,984	-	314,780	39,984	181,503	133,277
Department of Commerce							
Environmental Aids - Private Sewage System:	143.110						
Private Sewage System Grants:							
2/1/07-12/31/08		-	-	23,622	23,622	-	-
Department of Natural Resources							
Boating Enforcement Aids:	370.550						
2007		-	-	5,147	5,147	-	-
All-Terrain Vehicle Enforcement Aids:	370.551						
2007		-	-	1,936	1,936	-	-
Snowmobile Enforcement Aids:	370.552						
2007		-	-	2,576	2,576	-	-
Wildlife Damage Claims and Abatement:	370.553						
Wildlife Damage Program:							
2007		-	-	35,806	5,029	-	30,777
2006		30,649	-	-	30,649	-	-

** Major State Financial Assistance Program.

BARRON COUNTY, WISCONSIN
SCHEDULE OF STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED DECEMBER 31, 2007

State Grantor Agency/ Program Title and Year		State I.D. Number	Accrued (Deferred) Reimbursements 1/1/07	Prior Years Adjustments	Expenditures	Receipts: Grant Reimbursements	Receipts: Local Share	Accrued (Deferred) Reimbursements 12/31/07
Department of Natural Resources (Continued)								
Urban and Community Forestry:		370.572						
2007			$ -	$ -	$ 35,508	$ 33,922	$ -	$ 1,586
Recreation Aids:								
Recreation Boating Facilities Program:		370.573						
9/27/04-6/30/06	#RBF-1041		2,363	-	-	2,363	-	-
Snowmobile Trails and Areas:		370.574						
7/1/07-6/30/08	#S-3497		-	-	54,816	38,713	-	16,103
7/1/06-6/30/07	#S-3368	370.575	(11,470)	-	48,006	38,413	-	(1,877)
7/1/05-6/30/06	#S-3236		37,129	1,584	-	38,713	-	-
All-Terrain Vehicle Aids (Transp. Fd.):		370.576						
7/2/07-6/30/08	#ATV-1660		-	-	93	1,300	-	(1,207)
7/2/07-6/30/08	#ATV-1618		-	-	793	1,493	-	(700)
7/2/07-6/30/08	#ATV-1617		-	-	9,306	6,031	-	3,275
1/30/07-6/30/08	#ATV-1591		-	-	48,292	41,964	-	6,328
7/3/06-6/30/07	#ATV-1550		(1,165)	-	1,734	569	-	-
7/3/06-6/30/07	#ATV-1508		1,704	-	3,236	4,940	-	-
9/30/05-6/30/07	#ATV-1476		549	758	9,723	11,030	-	-
2/14/06-6/30/07	#ATV-1473		930	-	109	946	93	-
2/14/06-6/30/07	#ATV-1472		1,153	-	2,991	4,144	-	-
2/14/06-6/30/08	#ATV-1471		7,469	-	-	7,469	-	-
9/15/05-6/30/07	#ATV-1451		2,475	-	-	2,475	-	-
9/13/05-6/30/07	#ATV-1447		(5,017)	-	25,501	-	-	20,484
7/1/05-6/30/06	#ATV-1379		(2,025)	-	-	-	-	(2,025)
7/1/04-6/30/05	#ATV-1374		1,562	-	-	1,562	-	-
3/25/05-6/30/07	#ATV-1373		330	-	1,780	2,423	-	(313)
3/31/05-6/30/06	#ATV-1360		12,350	-	-	12,350	-	-
3/25/05-6/30/07	#ATV-1338		2,088	-	-	2,088	-	-
7/1/04-6/30/05	#ATV-1317		426	-	-	426	-	-
11/24/03-6/30/04	#ATV-1220		(100)	-	-	-	-	(100)

BARRON COUNTY, WISCONSIN
SCHEDULE OF STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED DECEMBER 31, 2007

State Grantor Agency/ Program Title and Year	State I.D. Number	Accrued (Deferred) Reimbursements 1/1/07	Prior Years Adjustments	Expenditures	Receipts: Grant Reimbursements	Receipts: Local Share	Accrued (Deferred) Reimbursements 12/31/07
Department of Natural Resources (Continued)							
Recreation Aids: (Continued)							
Local Water Quality Planning:	370.604						
Silver Lake Water Quality Study:							
9/1/04-6/30/08 LPT-270-05		$ 29,858	$ -	$ 28,000	$ 29,858	$ -	$ 28,000
Aquatic Invasive Species Project:							
4/1/06-12/31/06		2,594	-	-	2,594	-	-
Municipal and County Recycling Aids:	370.670**						
2007		-	-	102,083	102,083	-	-
Total Department of Natural Resources		113,852	2,342	417,436	433,206	93	100,331
Department of Transportation							
Elderly and Handicapped County Aids:	395.101**						
Elderly and Handicapped Transportation:							
2007		(30,812)	30,812	147,031	122,934	41,352	(17,255)
Supplemental Transportation Rural Assistance Program:	395.202						
2007		-	-	1,050	777	-	273
DOT Project 1008-00-00:							
NW WI Intelligent Tranportatation Systems Upgrade:							
11/05-Completion of Project		6,983	-	19,872	15,590	9,936	1,329
Tota Department of Transportation		(23,829)	30,812	167,953	139,301	51,288	(15,653)
Department of Corrections							
Community Intervention-Capacity Building:	410.302						
7/1/07-6/30/08		-	-	16,065	10,710	4,035	1,320
7/1/06-6/30/07		1,830	-	16,065	5,476	12,419	-
AODA Group Intensive:	410.411						
2007		-	-	13,911	13,911	-	-

** Major State Financial Assistance Program

BARRON COUNTY, WISCONSIN
SCHEDULE OF STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED DECEMBER 31, 2007

State Grantor Agency/ Program Title and Year	State I.D. Number	Accrued (Deferred) Reimbursements 1/1/07	Prior Years Adjustments	Expenditures	Receipts: Grant Reimbursements	Receipts: Local Share	Accrued (Deferred) Reimbursements 12/31/07
Department of Corrections (Continued)							
Youth Aids Community:	410.313**						
Community Allocation:							
2007		$ -	$	$ 1,343,743	$ 460,249	$ 878,100	$ 5,394
2006		(26,233)	-	-	(26,233)	-	-
AODA Allocation:							
2007		-	-	218	3,061	-	(2,843)
2006		(4,916)	-	-	(4,916)	-	-
Total Department of Corrections		(29,319)	-	1,390,002	462,258	894,554	3,871
Department of Health and Family Services							
Income Maintenance Contract:							
Funeral/Cemetery W-2 and Non W-2:	435.105						
2007		-	-	102,629	98,187	-	4,442
2006		(17,961)	-	-	(17,961)	-	-
Medicaid Transportation:	435.131						
2007		-	-	132,433	129,040	-	3,393
2006		12,314	-	-	12,314	-	-
Medicaid Transportation Administration:	435.132						
2007		-	-	9,586	7,165	-	2,421
Fluoride Rinse Program:	435.151735						
2007		-	-	440	440	-	-
WIC Farmers Market Grant:	435.154720						
2007		-	-	1,792	1,792	-	-
WI Well Woman Program GPR:	435.157000						
2007		-	-	21,435	21,435	-	-
Lead Poisoning - Consolidated Contract:	435.157720						
2007		-	-	6,797	6,797	-	-

** Major State Financial Assistance Program

BARRON COUNTY, WISCONSIN
SCHEDULE OF STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED DECEMBER 31, 2007

State Grantor Agency/ Program Title and Year	State I.D. Number	Accrued (Deferred) Reimbursements 1/1/07	Prior Years Adjustments	Expenditures	Receipts: Grant Reimbursements	Receipts: Local Share	Accrued (Deferred) Reimbursements 12/31/07
Department of Health and Family Services (Continued)							
TPCP Wisconsin WINS Initiative:	435.158117						
2007		$ -	$ -	$ 3,000	$ 3,000	$ -	$ -
Maternal and Child Health Services Block Grant - Consolidated Contract:	435.159320						
2007		-	-	1,489	1,489	-	-
Maternal and Child Health Services Block Grant - Consolidated Contract:	435.159326						
2007		-	-	24,148	24,148	-	-
Income Maintenance Contract:							
Available Allocation State Share:	435.283**						
2007		-	-	501,070	295,371	204,216	1,483
Available Allocation Federal Share:	435.284						
2007		-	-	5,612	4,697	-	915
2006		650	-	-	650	-	-
Medicaid Subrogation Collections:	435.291						
2007		-	-	(5,092)	(4,019)	(764)	(309)
2006		(155)	-	-	(155)	-	-
COP-W GPR:	435.338**						
2007		-	-	263,277	277,282	-	(14,005)
2006		(23,585)	-	-	(23,585)	-	-
Children and Families Incentive:	435.342						
2007		-	-	182,311	126,320	55,991	-
2006		66,263	-	-	66,263	-	-
CFSR Review Expenses:	435.343						
2007		2,868	-	-	2,868	-	-
CIP II Non Federal:	435.348**						
2007		-	-	84,755	94,769	-	(10,014)
2006		34,024	-	-	34,024	-	-
Community Options Program:	435.367**						
2007		-	-	483,765	463,777	-	19,988
2006		24,678	-	-	24,678	-	-

** Major State Financial Assistance Program

BARRON COUNTY, WISCONSIN
SCHEDULE OF STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED DECEMBER 31, 2007

State Grantor Agency/ Program Title and Year	State I.D. Number	Accrued (Deferred) Reimbursements 1/1/07	Prior Years Adjustments	Expenditures	Receipts: Grant Reimbursements	Receipts: Local Share	Accrued (Deferred) Reimbursements 12/31/07
Department of Health and Family Services (Continued)							
CIP II Community Relocate Nonfederal:	435.369						
2007		$ -	$ -	$ 102,137	$ 89,763	$ -	$ 12,374
2006		13,612	-	-	13,612	-	-
CIP II Diversions Non-Fed:	435.375						
2007		-	-	27,163	30,081	-	(2,918)
2006		7,248	-	-	7,248	-	-
Kinship Care Base Benefit:	435.377						
2007		-	-	129,505	122,287	741	6,477
2006		24,894	-	-	24,894	-	-
Kinship Care Assessments:	435.380						
2007		-	-	25,044	7,211	17,833	-
Children Long Term Support GPR:	435.450						
2007		-	-	14,616	18,515	-	(3,899)
2006		(209)	-	-	(209)	-	-
Children Long Term Support Non Fed:	435.460						
2007		-	-	1,997	-	-	1,997
Brain Injury Waiver:	435.506**						
2007		-	-	76,005	78,612	-	(2,607)
2006		(48)	-	-	(48)	-	-
Birth-to-Three Initiative:	435.550						
2007		-	-	56,316	56,316	-	-
Aging and Disability Resource Center:	435.560100**						
2007		-	-	251,798	251,798	-	-
Basic County Allocation:	435.561**						
2007		-	-	1,246,284	1,246,284	-	-
CIP 1B:	435.564**						
2007		-	-	622,261	622,261	-	-
2006		40,718	-	-	40,718	-	-
IMD-OBRA Relocations:	435.571						
2007		-	-	35,443	8,861	-	26,582
2006		26,582	-	-	26,582	-	-

** Major State Financial Assistance Program

BARRON COUNTY, WISCONSIN
SCHEDULE OF STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED DECEMBER 31, 2007

State Grantor Agency/ Program Title and Year	State I.D. Number	Accrued (Deferred) Reimbursements 1/1/07	Prior Years Adjustments	Expenditures	Receipts: Grant Reimbursements	Receipts: Local Share	Accrued (Deferred) Reimbursements 12/31/07
Department of Health and Family Services (Continued)							
Family Support Program:	435.577						
2007		$ -	$ -	$ 51,454	$ 39,819	$ -	$ 11,635
2006		12,234	-	-	12,234	-	-
CIP 1A:	435.580**						
2007		-	-	508,823	508,823	-	-
2006		(1,336)	-	-	(1,336)	-	-
Domestic Abuse:	435.60010						
2007		-	-	55,386	29,345	26,041	-
Community Services and MH Services:							
Human Services Contract:	435.681**						
State/County Match:							
2007		-	-	4,925,297	216,432	4,708,865	-
Income Maintenance Contract:							
Program Integrity:	435.750						
2007		-	-	5,405	3,166	-	2,239
2006		4,239	-	-	4,239	-	-
Fraud Contract:	435.950						
2007		-	-	4,268	-	-	4,268
2006		5,327	-	-	5,327	-	-
Agency Travel Reimbursement:	435.977						
2007		-	-	1,818	1,818	-	-
Passed through Area Agency on Aging:							
Elderly Benefit Specialist Program:	435.560320						
2007		-	-	28,215	28,215	-	-
2006		4,297	-	-	4,297	-	-
State Senior Community Services:	435.560330						
2007		-	-	9,316	8,556	-	760
2006		845	-	-	845	-	-
Congregate Nutrition III C-1:	435.560350						
2007		-	-	256,172	74,599	181,167	406

** Major State Financial Assistance Program

BARRON COUNTY, WISCONSIN
SCHEDULE OF STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED DECEMBER 31, 2007

State Grantor Agency/ Program Title and Year	State I.D. Number	Accrued (Deferred) Reimbursements 1/1/07	Prior Years Adjustments	Expenditures	Receipts: Grant Reimbursements	Receipts: Local Share	Accrued (Deferred) Reimbursements 12/31/07
Department of Health and Family Services (Continued)							
Community Services and MH Services:							
Alzheimer's Family Support:	435.560381						
2007		$ -	$ -	$ 19,707	$ 17,451	$ -	$ 2,256
2006		511	-	-	511	-	-
State Elder Abuse Services:	435.560490						
2007		-	-	27,637	21,906	2,719	3,012
2006		5,285	-	-	5,285	-	-
Total Department of Health and Family Services		243,295	-	10,301,514	5,277,104	5,196,809	70,896
Department of Workforce Development							
Child Support Enforcement:							
Child Support-State Share:	445.301**						
2007		-	-	1,558	1,558	-	-
2006		640	-	-	640	-	-
Total Department of Workforce Development		640	-	1,558	2,198	-	-
Department of Justice							
County Law Enforcement Services Grant:	455.226						
1/1/07-12/31/07 TC-07-NW-0007		(49,227)	49,227	32,642	49,227	-	(16,585)
Law Enforcement Training:	455.231						
2007		-	-	10,200	10,200	-	-
Victim and Witness Surcharge Part A:	455.503						
2007		-	-	73,077	17,665	34,888	20,524
2006		18,663	-	-	18,663	-	-
Total Department of Justice		(30,564)	49,227	115,919	95,755	34,888	3,939

** Major State Financial Assistance Program

BARRON COUNTY, WISCONSIN
SCHEDULE OF STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED DECEMBER 31, 2007

State Grantor Agency/ Program Title and Year	State I.D. Number	Accrued (Deferred) Reimbursements 1/1/07	Prior Years Adjustments	Expenditures	Receipts: Grant Reimbursements	Receipts: Local Share	Accrued (Deferred) Reimbursements 12/31/07
Department of Military Affairs							
Emergency Response Equipment:	465.308						
Computer and Hazmat Equipment:							
2007		$ -	$ -	$ 27,097	$ -	$ 17,097	$ 10,000
2006		10,000	-	-	10,000	-	-
Emergency Response Training:	465.310						
Hazmat Training:							
2007		-	-	1,461	1,461	-	-
Emergency Planning Grant Program:							
LEPC Emergency Planning Grant:	465.337						
10/1/06-9/30/07		2,934	-	23,385	5,868	14,583	5,868
10/1/05-9/30/06		5,919	-	-	5,919	-	-
Total Department of Military Affairs		18,853	-	51,943	23,248	31,680	15,868
Department of Administration							
Public Benefits:	505.371						
2007		-	-	7,151	5,583	-	1,568
2006		23,530	(767)	14	22,777	-	-
2005		5,105	-	-	5,105	-	-
Land Information Board Grants:	505.116						
2007		-	-	-	300	-	(300)
2006		(300)	-	300	-	-	-
Digital Recorder:	505.630						
2006		1,900	-	-	1,900	-	-
Hydroelectric Feasibility Study:							
2007 AD07-9041		-	-	4,000	4,000	-	-
Total Department of Administration		30,235	(767)	11,465	39,665	-	1,268

BARRON COUNTY, WISCONSIN
SCHEDULE OF STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED DECEMBER 31, 2007

State Grantor Agency/ Program Title and Year	State I.D. Number	Accrued (Deferred) Reimbursements 1/1/07	Prior Years Adjustments	Expenditures	Receipts: Grant Reimbursements	Receipts: Local Share	Accrued (Deferred) Reimbursements 12/31/07
UW-Extension							
Innovation: Earth, Wind, and Fire:	104452300-5						
2007		$ -	$ -	$ 15,000	$ 15,000	$ -	$ -
Public Service Comission							
Wireless 911 (E-911):							
9/30/03-1/31/09	None	251,893	-	66,896	93,785	-	225,004
Subtotal State Financial Assistance		$ 615,040	$ 81,614	$ 12,878,088	$ 6,645,126	$ 6,390,815	$ 538,801
Deduct: Local Share of Expenditures				(6,390,815)			
TOTAL STATE FINANCIAL ASSISTANCE EXPENDITURES				$ 6,487,273			

BARRON COUNTY, WISCONSIN
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
DECEMBER 31, 2007

NOTE 1 REPORTING ENTITY

Barron County (County) is governed by a board of supervisors consisting of twenty-nine elected members.

The financial reporting entity for the County is based upon criteria set forth in generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The financial reporting entity is defined by GASB to consist of (a) the primary government, (b) organizations for which the primary government is financially accountable and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The basic financial statements of the County consist solely of the primary government. No other organizations were identified for inclusion in the financial reporting entity of the County.

NOTE 2 BASIS OF PRESENTATION

The schedules of expenditures of federal awards and state financial assistance have been presented on a basis to reflect the flow of available funds in the individual programs as follows:

Expenditures - Expenditures are presented on the accrual basis of accounting. Grant expenditures represent the amount of program funds expended during the year.

Receipts - Receipts recorded under the Grant Reimbursement category represent actual program funds received by the County during the year. Receipts recorded under the Local Share category represent the amounts of local funds used to finance the County's share of program expenditures.

Accrued Reimbursement - Amounts recorded as accrued reimbursements represent the excess of program funds expended over available program funds. Such amounts represent program funds receivable by the County.

Deferred Reimbursement - Amounts recorded as deferred reimbursements represent available (unexpended) program funds held by the County.

NOTE 3 ADJUSTMENTS TO BEGINNING ACCRUED (DEFERRED) REIMBURSEMENT

Prior year adjustments included in the schedules of expenditures of federal awards and state financial assistance represent adjustments to the January 1, 2007 accrued (deferred) reimbursement balances of the individual programs based on subsequent funding of the programs in 2007 and/or adjustment of accruals resulting from prior year audit findings.

NOTE 4 CDBG REVOLVING LOAN FUND

Economic Development

The County was awarded Community Development Block Grants (CDBG) in prior years for financing economic loans for specified recipients. Repayments received on the loans are recorded in a separate revolving loan fund by the County and are used to finance similar loans in accordance with the original grant agreements. During 2007 the County transferred loans totaling $459,380 to the Regional Business Fund that is being administered by the West Central Wisconsin Regional Planning Commission. Transactions of the revolving loan fund for the year ending December 31, 2007 are summarized as follows:

Balance January 1, 2007	$	441,686
Loan Repayments		127,911
Interest on Loans		15,848
Loans Made from Fund		(119,500)
Administration Paid from Fund		(6,565)
Transfer of Loans to Regional Business Fund		(459,380)
Balance December 31, 2007	$	-

The above transactions are not included in the schedule of expenditures of federal awards.

Housing Rehabilitation

The County was awarded Community Development Block Grants (CDBG) for financing housing rehabilitation loans. Repayments received on the loans are recorded in separate revolving loan funds by the County and are used to finance similar loans in accordance with the original grant agreements. At December 31, 2007 the revolving loan fund had a balance of $68,672 and outstanding loans totaled $655,241 at that date as described below:

Owner Occupied Loans. The County had 79 owner-occupied mortgage loans outstanding at December 31, 2007 totaling $655,241. These notes become due and payable in full only "in the event that the maker:

a. No longer continues to occupy the premises securing this note as a full-time residence, or
b. Transfers any legal or equitable interest in the mortgage premises to anyone for any reason."

Transactions of the revolving loan fund for the year ending December 31, 2007 are summarized as follows:

Balance January 1, 2007	$	113,048
Loan Repayments		23,079
Interest on Loans		4,333
Loans Made from Fund		(60,156)
Administration Paid from Fund		(11,632)
Balance December 31, 2007	$	68,672

The above transactions are not included in the schedule of expenditures of federal awards.

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*

The County Board
Barron County, Wisconsin

We have audited the financial statements of the governmental activities, business activities, each major fund and the aggregate remaining fund information of Barron County, Wisconsin (County) as of and for the year ended December 31, 2007, which collectively comprise the County's basic financial statements and have issued our report thereon dated July 18, 2008. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County'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 internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control over financial reporting.

Our consideration of 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 certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

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 entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accounting principles such there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control over financial reporting. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs listed as Findings 2007-1 through 2007-4 to be significant deficiencies in internal control over financial reporting.

Internal Control Over Financial Reporting (Continued)

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 entity's internal control. 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 the 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 consider the significant deficiencies described in the accompanying Schedule of Findings and Questioned Costs as Findings 2007-01 and 2007-02 to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's 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 have also issued a separate letter to management dated July 18, 2008 reiterating these matters.

The County's written responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not the audit the County's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the governing board and management of the County and the federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

LarsonAllen LLP

Eau Claire, Wisconsin
July 18, 2008

The County Board
Barron County, Wisconsin

Internal Control Over Compliance

The management of the County 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 County's internal control over compliance with requirements that could have a direct and material effect on a major federal or 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County'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 and 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 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 the 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 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 be material weaknesses, as defined above.

This report is intended solely for the information and use of the board and management of the County, and the 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.

LarsonAllen LLP

LarsonAllen LLP

Eau Claire, Wisconsin
July 18, 2008

BARRON COUNTY, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
DECEMBER 31, 2007

PART I: SUMMARY OF AUDITOR'S RESULTS

1. The auditors' report expresses an unqualified opinion on the basic financial statements of the County.

2. Significant deficiencies were disclosed during the audit of the financial statements and are listed as Findings 2006-1 through 2006-3 and 2007-1. Findings 2006-1 and 2006-2 are considered to be material weaknesses.

3. No instances of noncompliance material to the financial statements of the County were disclosed during the audit.

4. No significant deficiencies were disclosed during the audit of the major federal award programs or the major state financial assistance programs.

5. The auditors' report on compliance for the major federal award programs and the major state financial assistance programs for the County expresses an unqualified opinion.

6. The federal programs tested as major programs and the state programs tested as major programs, including federal programs tested as state major programs, are presented in the "Summary of Federal and State Programs Tested as Major Programs" which follows this schedule.

7. The threshold for distinguishing Types A and B programs was $300,000 for federal award programs and $100,000 for state financial assistance programs for non DHFS programs and $153,000 for DHFS programs.

8. The County didn't qualify as a low-risk auditee as defined in OMB Circular A-133.

PART II: FINDINGS RELATED TO THE FINANCIAL STATEMENTS:

FINDING: 2007-01 **Annual Financial Reporting Under Generally Accepted Accounting Principles (GAAP)**

Condition: The County does not have an internal control policy in place over annual financial reporting under GAAP, therefore, the potential exists that a material misstatement of the annual financial statements could occur and not be prevented or detected by the County's internal controls.

Criteria: The County must be able to prevent or detect a material misstatement in the annual financial statements, including footnote disclosures.

Context: The County has informed us that they do not have an internal control policy in place over the annual financial reporting and that they currently rely upon the audit firm to prepare the annual financial statements and related footnote disclosures.

Effect: No effect on the financial statements.

Cause: The County relies on the audit firm to prepare the annual financial statements and related footnote disclosures. However, they have reviewed and approved the annual financial statements and the related footnote disclosures.

Recommendation: The County should continue to evaluate their internal staff and expertise to determine if an internal control policy over the annual financial reporting is beneficial.

Auditee Response: The County agrees with the finding. The County will continue to rely upon the audit firm to prepare the financial statements and related footnote disclosures and will review and approve these prior to the issuance of the annual financial statements.

PART II: FINDINGS RELATED TO THE FINANCIAL STATEMENTS: (CONTINUED)

FINDING: 2007-02 Material Audit Adjustments

Condition: The audit firm proposed and the County posted to its general ledger accounts adjusting journal entries for correcting certain misstatements. These adjustments were considered to be material for the fair presentation of the financial statements.

Criteria: The County should have controls in place to prevent or detect a material misstatement in the financial statements in a timely manner.

Context: The County has informed us that they will continue to rely upon the audit firm to propose such audit adjustments as are necessary to adjust accounts in accordance with GAAP. Management will review and approve those entries prior to recording them.

Effect: The County's financial records were materially adjusted during the audit to produce financial statements in accordance with Generally Accepted Accounting Principles (GAAP).

Cause: See Context above.

Recommendation: The County should continue to evaluate its internal control processes to determine if additional internal control procedures should be implemented to ensure that accounts are adjusted to their appropriate year end balances in accordance with GAAP.

Auditee Response: The County agrees with the finding. The County will continue to rely upon the audit firm to propose audit adjustments necessary to adjust accounts in accordance with GAAP and will review and approve these entries prior to recording them. Management will also strive to minimize the number and amount of adjustments necessary to adjust accounts.

PART II: FINDINGS RELATED TO THE FINANCIAL STATEMENTS: (CONTINUED)

FINDING: 2007-3 Limited Segregation Of Duties

Condition: In some of the smaller County offices (i.e., register of probate, zoning and aging) the available staff precludes a proper separation of duties to assure adequate internal control.

Criteria: Generally, a system of internal control contemplates separation of duties such that no individual has responsibility to execute a transaction, have physical access to the related assets, and have responsibility or authority to record the transaction.

Context: The limited size of the County's limited staff in some departments responsible for accounting and financial duties precludes a complete segregation of incompatible duties. The County has informed us that it may not be cost effective to hire the additional personnel required to achieve complete segregation of duties.

Effect: The impact on the financial statements has not been determined.

Cause: See Condition above.

Recommendation: The County should continue to evaluate its staffing in order to segregate incompatible duties whenever possible.

Auditee Response: The County agrees with the finding. The County will continue to work to achieve segregation of duties whenever cost effective.

PART II: FINDINGS RELATED TO THE FINANCIAL STATEMENTS: (CONTINUED)

FINDING: 2007-4 Grants Oversight

Condition: During review of the County's grants for the federal and state single audit we noticed that all of the County's departments apply for, receive, and oversee their own federal and state grants with little interaction with the Finance Department.

Criteria: The County should have controls in place to prevent and detect a material misstatement in the recording and reporting on federal and state grants. Management is responsible for the accuracy and completeness of all financial records and related information. It's difficult for management to ensure the completeness of its grant reporting if it doesn't have a complete listing of all grants that the County has received.

Context: The Finance Department believes that the County should develop a centralized process for tracking their grants.

Effect: The County may be unable to identify all grant expenditures and revenues for the financial and single audit reporting requirements.

Cause: No central processing of the grants received and no requirements to notify the Finance Department when grants have been received.

Recommendation: Someone in the Finance Department should be designated as the employee responsible for ensuring that all grants that the County has received have been properly recorded and reported. All departments should forward copies of their grant documentation within a timely manner to this designated Finance Department employee to ensure that the County's records are complete for grant reporting.

Auditee Response: The County agrees with the finding. The County will work to develop a system for tracking the County's grants.

PART III: FINDINGS RELATED TO MAJOR FEDERAL AWARD PROGRAMS:

None.

PART IV: FINDINGS RELATED TO MAJOR STATE FINANCIAL ASSISTANCE PROGRAMS:

None.

BARRON COUNTY, WISCONSIN
SUMMARY OF FEDERAL AND STATE PROGRAMS TESTED AS MAJOR PROGRAMS
DECEMBER 31, 2007

FEDERAL PROGRAMS

The following federal programs were tested as major programs:

CFDA #	Program Title	Amount
93.563	Child Support Enforcement	$ 593,862
93.778	Medical Assistance Program	5,877,830
		$ 6,471,692

STATE PROGRAMS

The following federal and state programs were tested as major state programs:

CFDA #/ State ID #	Program Title		Amount
State Programs on Schedule of State Financial Assistance:			
115.15	Soil and Water Resource Management - Basic Annual Staffing Grant	$ 103,941	
115.40	Land and Water Resource Management Projects	29,336	
370.670	Recycling	102,083	
395.101	Elderly and Handicapped Transportation	105,679	
410.313	Youth Aids Community	465,861	
435.283	IM Available Allocation	296,854	
435.338	COP-W GPR	263,277	
435.348	CIP II	84,755	
435.367	Community Options Program	483,765	
435.506	Brain Injury Waiver	76,005	
435.561	Basic County Allocation	1,246,284	
435.564	CIP 1B	622,261	
435.580	CIP 1A	508,823	
435.560100	Aging and Disability Resource Center	251,798	
435.681	Community Services and MH Services - State/County Match	216,432	
445.301	Child Support Enforcement - CS Performance Based	1,558	
N/A	E-911 Program-Major when there has been $100,000 in receipts	N/A	$ 4,858,712
Federal Programs on Schedule of Expenditures of Federal Awards:			
93.563	Child Support Enforcement	593,862	
93.596	Child Care and Development Fund	40,174	
93.645	Child Welfare Services (Youth Aids Community)	7,204	
93.658	Foster Care IV-E (Youth Aids Community)	7,204	
93.778	Medical Assistance Program - Human Services Contract	3,549,930	
93.778	Medical Assistance Program - Personal Care Program	979,797	
93.778	Medical Assistance Program - Income Maintenance	401,061	
93.778	Medical Assistance Program - Case Management	106,622	
93.778	Medical Assistance Program - WI Medicare Cost Reporting	838,926	6,524,780
			$ 11,383,492