

MENARD COUNTY, ILLINOIS
SINGLE AUDIT REPORT
YEAR ENDED NOVEMBER 30, 2023



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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***

Chairman and Other County Commissioners
Menard County, Illinois
Petersburg, Illinois

We have audited, in accordance with the 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 discretely presented component unit, each major fund, and the aggregate remaining fund information of Menard County, Illinois, as of and for the year ended November 30, 2023, and the related notes to the financial statements, which collectively comprise the Menard County, Illinois' basic financial statements, and have issued our report thereon dated April 17, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Menard County, Illinois' internal control over financial reporting (internal control) as a basis for designing 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 Menard County, Illinois' internal control. Accordingly, we do not express an opinion on the effectiveness of Menard County, Illinois' 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.

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2023-001, 2023-002 and 2023-003 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Menard County, Illinois' 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 financial statements. 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*.

Menard County, Illinois' Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Menard County, Illinois' response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Menard County, Illinois' responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.



CliftonLarsonAllen LLP

Peoria, Illinois
April 17, 2026



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE,
AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL
AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

Chairman and Other County Commissioners
Menard County, Illinois
Petersburg, Illinois

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Menard County, Illinois' compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the Menard County, Illinois' major federal programs for the year ended November 30, 2023. Menard County, Illinois' major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Menard County, Illinois complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended November 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Menard County, Illinois and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Menard County, Illinois' compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Menard County, Illinois' federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Menard County, Illinois' compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Menard County, Illinois' compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Menard County, Illinois' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Menard County, Illinois' internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Menard County, Illinois' internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2023-004, 2023-005, and 2023-006. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on Menard County, Illinois' response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Menard County, Illinois' response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a material weakness and certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-005 to be a material weakness.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2023-004 and 2023-006 to be significant deficiencies.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on Menard County, Illinois' response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Menard County, Illinois' response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Menard County, Illinois as of and for the year ended November 30, 2023, and the related notes to the financial statements, which collectively comprise the Menard County, Illinois basic financial statements. We issued our report thereon dated, April 17, 2026 which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is 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 basic 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



CliftonLarsonAllen LLP

Peoria, Illinois
April 17, 2026

**MENARD COUNTY, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED NOVEMBER 30, 2023**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. DEPARTMENT OF TRANSPORTATION				
Illinois Department of Transportation Highway Planning and Construction	20.205	C-96-012-20	\$ -	\$ 91,091
U.S. DEPARTMENT OF THE TREASURY				
Direct: COVID-19 - State and Local Fiscal Recovery Funds	21.027	N/A	-	767,886
Illinois Department of Healthcare and Family Services COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	ARPA230282	-	161,485
Total U.S. Department of Treasury			-	929,371
DEPARTMENT OF HOMELAND SECURITY				
Illinois Emergency Management Agency Emergency Management Performance Grants	97.042	22EMAMENAR	-	24,513
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Illinois Department of Public Health				
Public Health Emergency Preparedness (PHEP)	93.069	37180062K	-	30,362
Public Health Emergency Preparedness (PHEP)	93.069	47180063L	-	21,118
			-	51,480
Immunization Cooperative Agreements				
COVID-19 Mass Vaccination Grant	93.268	38180864K	-	71,769
Perinatal Hepatitis B Prevention through Case Management	93.268	480980064L	-	221
			-	71,990
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	28180563J	-	24,320
COVID-19 Crisis Grant	93.354	27680063J	-	62,515
Strengthening Illinois' Public Health Administration	93.967	48080465L	-	350,000
Total Illinois Department of Public Health			-	560,305
AgeLinc				
MIPPA - State Health Insurance Assistance Program	93.071	MIPPA-SHIP 22-23	-	3,000
MIPPA - ADRC	93.071	MIPPA-ADRC 22-23	-	515
MIPPA - AAA's	93.071	MIPPA-PRIORITY 2 22-23	-	958
			-	4,473
State Health Insurance Assistance Program	93.324	MIP2107 20-21	-	3,000
Total AgeLinc			-	7,473
East Central Illinois Area Agency on Aging Title III B Supportive Services (Aging Cluster)	93.044	T23	-	19,886
Total Department of Health and Human Services			-	587,664
Total Federal Awards			\$ -	\$ 1,632,639

See accompanying Notes to Schedule of Expenditures of Federal Awards.

MENARD COUNTY, ILLINOIS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
NOVEMBER 30, 2023

NOTE 1 BASIS OF ACCOUNTING

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Menard County, Illinois under programs of the federal government for the year ended November 30, 2023. The information in this schedule is presented in accordance with requirements of the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements. The County elected not to use the 10% de minimis indirect cost rate during the year ended November 30, 2023.

NOTE 2 SUBRECIPIENTS

There were no payments to subrecipients related to federal awards noted during the year ended November 30, 2023.

NOTE 3 SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the 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. Pass-through entity identifying numbers are presented where available.

NOTE 4 NONCASH ASSISTANCE

The County did not receive any federal awards in the form of noncash assistance for insurance in effect during the fiscal year, loans or loan guarantees.

**MENARD COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED NOVEMBER 30, 2023**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? x yes no
 - Significant deficiency(ies) identified? yes x none reported
3. Noncompliance material to financial statements noted? yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? x yes no
 - Significant deficiency(ies) identified? x yes none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? x yes no

Identification of Major Federal Programs

Assistance Listing Number(s)

21.027

Name of Federal Program or Cluster

COVID-19 Coronavirus State and Local Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

 yes x no

**MENARD COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED NOVEMBER 30, 2023**

Section II – Financial Statement Findings

2023 – 001 Financial Statement Preparation

Type of Finding:

- Material Weakness in Internal Control Over Financial Reporting

Condition: The County does not have an internal control policy in place over annual financial reporting that would enable management to prepare its annual financial statements and related footnote disclosures to ensure they are complete and presented in accordance with U.S. GAAP.

Criteria or specific requirement: County management is responsible for establishing and maintaining internal controls for the fair presentation in the financial statements, including disclosures in accordance with U.S. GAAP.

Effect: 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.

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.

Repeat finding: Yes, 2022-001

Recommendation: Management should continue to evaluate its internal staff capacity to determine if an internal control policy over the annual financial reporting is beneficial. The County should consider the costs vs. benefits of additional training for existing employees or the prospect of hiring a CPA.

Views of responsible officials and planned corrective actions: Moving forward, the board will need to discuss the cost vs. benefit regarding hiring another outside CPA or additional training for current staff to assist with ensuring the financial statements are complete and presented in accordance with U.S. GAAP.

**MENARD COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED NOVEMBER 30, 2023**

Section II – Financial Statement Findings (Continued)

2023 – 002 Segregation of Duties

Type of Finding:

- Material Weakness in Internal Control Over Financial Reporting

Condition: The County does not have an internal control system that provides an ideal segregation of duties. Specifically, the County Clerk and Treasurer have the ability to record transactions and sign checks. The Circuit Clerk does not perform a formal review of bank reconciliations. The County Treasurer has the ability to record cash receipt transactions and handle physical cash collections and deposits at the bank. Also, the County does not have a control in place to independently review manual journal entries on a consistent basis.

Criteria or specific requirement: An effective system of internal control is based on a good segregation of duties. In order to have a system of segregation of duties, there must be a number of personnel available to whom responsibilities can be assigned to provide the appropriate checks and balances of any system.

Effect: As a result of the lack of segregation of duties, due to the limited number of personnel involved in accounting transactions, there is a higher risk that errors or misappropriation could occur and not be detected within a timely period.

Cause: There is a limited number of personnel involved in accounting transactions within the County offices.

Repeat finding: Yes, 2022-002

Recommendation: When this condition exists, management's close supervision and review of accounting information is the best means of preventing or detected errors and irregularities. The County Board should continue to closely monitor financial reporting.

Views of responsible officials and planned corrective actions: Since January of 2024, procedures implemented by the current office include reconciliation of bank accounts and preparation of monthly financial statements which are delivered to each department for review and comment. Any questions and/or discrepancies are addressed and corrected if necessary. In addition, the county board also receives monthly departmental financial reports for review.

**MENARD COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED NOVEMBER 30, 2023**

Section II – Financial Statement Findings (Continued)

2023 – 003 Material Audit Adjustments

Type of Finding:

- Material Weakness in Internal Control Over Financial Reporting

Condition: During the course of our audit, we proposed a variety of adjustments, including a restatement, that had a material effect on the County's financial statements.

Criteria or specific requirement: Management is responsible for the accuracy and completeness of all financial records and related information, including adjusting the financial statements to correct material misstatements and produce accurate financial statements on a timely basis.

Effect: Material adjustments were proposed and subsequently recorded by management. The lack of sufficient controls over year end reporting increases the likelihood that a material misstatement would not be prevented or detected.

Cause: The County has a limited number of personnel. The County places some reliance on the audit firm to propose adjustments from the cash basis to the accrual basis of accounting. Management has reviewed and approved the adjustments.

Recommendation: We recommend management enhance the internal controls over financial reporting. Year-end closing procedures should be expanded to ensure all transactions have been accounted for, appropriate accounting standards have been applied, and transactions are recorded in the proper period. The County could consider hiring an external CPA to help with ensuring all transactions have been accounted for.

Repeat finding: Yes, 2022-003

Views of responsible officials and planned corrective actions: Every effort is made to allocate revenue and expenses to the appropriate g/l code. Review of correct allocation is done upon monthly departmental review of the budget reports. Any corrections necessary are completed in an expedited manner to ensure revenue and expenses reflect accurate information.

**MENARD COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED NOVEMBER 30, 2023**

Section III – Findings and Questioned Costs – Major Federal Programs

2023 – 004 Reporting

Federal agency: U.S. Treasury Department

Federal program title: COVID-19 Coronavirus State and Local Fiscal Recovery Funds (SLFRF)

FALN Number: 21.027

Federal Award Identification Number: CPAP000000381538

Pass Through Agency: Illinois Department of Healthcare and Family Services

Pass Through Entity Identifying Number: ARPA230282

Award Period: March 2021 through December 2024

Type of Finding:

- Significant Deficiency in Internal Control Over Compliance
- Other Matters

Criteria or specific requirement: For the SLFRF program, the County is required to submit certain financial and performance reports.

Condition: During our testing, we noted the County, specifically the Sunny Acres Nursing Home, was not able to provide documentation that their reports were reviewed and approved prior to submission. Also, it was noted that the County did not submit a required report.

Questioned costs: None

Context: During our testing, we noted the County was not able to provide documentation that their reports were reviewed and approved prior to submission. Also, it was noted that the County did not submit 2 of 4 required reports tested.

Cause: The County could not provide documentation that their reports were reviewed and approved prior to submission. Also, the required quarterly performance reports due February 15, 2023 and May 15, 2023 were not submitted. The County was unaware of these requirements related to the grant.

Repeat finding: Yes, 2022-004

Effect: Internal controls over federal program reporting were not operating effectively, increasing the risk that required federal reports were inaccurate, incomplete, or not submitted in accordance with federal requirements.

Recommendation: We recommend that the County review and approve reports prior to submission, with that review documented, and submit all required reports on a timely basis.

Views of responsible officials: Effective 4/17/2026, the Menard County Board of Commissioners will review and approve all financial and performance reports prior to submission to both State and Federal funding sources.

**MENARD COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED NOVEMBER 30, 2023**

Section III – Findings and Questioned Costs – Major Federal Programs (Continued)

2023 – 005 Suspension & Debarment

Federal agency: U.S. Treasury Department

Federal program title: COVID-19 Coronavirus State and Local Fiscal Recovery Funds

FALN Number: 21.027

Federal Award Identification Number: CPAP000000381538

Award Period: March 2021 through December 2024

Type of Finding:

- Material Weakness in Internal Control Over Compliance
- Other Matters

Condition: During our testing, we noted the County did not have internal controls designed to ensure compliance with federal suspension and debarment requirements.

Criteria or specific requirement: 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award requires compliance with the provisions of suspension and debarment. The County should have internal controls designed to ensure compliance with those provisions. The County is also required to verify an entity is not suspended or debarred.

Questioned costs: None

Context: During our testing, it was noted that the County did not follow suspension and debarment requirements for 5 of 5 items tested.

Cause: The County does not have a policy in place that clearly addresses compliance with federal grant requirements per the Uniform Guidance.

Effect: The County lacked reasonable assurance of compliance with suspension and debarment requirements; however, no instances of awards to suspended or debarred parties were identified during audit testing.

Repeat finding: Yes, 2022-005

Recommendation: We recommend the County review the federal procurement requirements outlined in the federal Uniform Guidance and create a written policy to address federal compliance requirements. Additionally, we recommend a designated individual at the County ensures purchases made with federal grant funding comply with federal procurement requirements by type of procurement (micropurchase, small purchase, sole-source, etc.) and also suspension and debarment requirements.

Views of responsible officials: The Menard County Treasurer will provide appropriate in-house training for federal procurement requirements as relayed in the Uniform Guidance. A written policy will be created and adhered to addressing federal compliance requirements with suspension and debarment requirements.

**MENARD COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED NOVEMBER 30, 2023**

Section III – Findings and Questioned Costs – Major Federal Programs (Continued)

2023 – 006 Procurement

Federal agency: U.S. Treasury Department

Federal program title: COVID-19 Coronavirus State and Local Fiscal Recovery Funds

FALN Number: 21.027

Federal Award Identification Number: CPAP000000381538

Award Period: March 2021 through December 2024

Type of Finding:

- Significant Deficiency in Internal Control Over Compliance
- Other Matters

Condition: During our testing, we noted the County did not have internal controls designed to ensure compliance with federal procurement requirements.

Criteria or specific requirement: 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award requires compliance with the provisions of procurement. The County should have internal controls designed to ensure compliance with those provisions. The County is required to have documentation and follow procurement requirements including obtaining price or rate quotations from an adequate number of qualified sources for small purchases and sealed bids.

Questioned costs: None

Context: During our testing, it was noted that the County did not follow procurement requirements for 1 of 5 procurements (1 of 1 small purchases) tested. Additionally, the County does not have a policy to specifically adhere to federal grant requirements.

Cause: The County does not have a written procurement policy in place that clearly addresses compliance with federal grant requirements per the Uniform Guidance.

Effect: Internal controls over procurement were not adequately designed or implemented, increasing the risk that procurement decisions were inconsistent, inadequately documented, or not in compliance with federal requirements.

Repeat finding: Yes, 2022-005

Recommendation: We recommend the County review the federal procurement requirements outlined in the federal Uniform Guidance and create a written policy to address federal compliance requirements. Additionally, we recommend a designated individual at the County ensures purchases made with federal grant funding comply with federal procurement requirements by type of procurement (micropurchase, small purchase, sole-source, etc.) and also suspension and debarment requirements.

**MENARD COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED NOVEMBER 30, 2023**

Section III – Findings and Questioned Costs – Major Federal Programs (Continued)

Views of responsible officials: The Menard County Treasurer will provide appropriate in-house training for federal procurement requirements as relayed in the Uniform Guidance. A written policy will be created and adhered to addressing federal compliance requirements with procurement requirements.



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