



BRIEFING SHEET

Report 17-5

March 2017

State Auditor

[Joe Chrisman](#)

State of Wisconsin FY 2015-16 Single Audit

Background

As a condition of receiving federal funds, state agencies must meet the audit requirements of the federal Single Audit Act of 1984, as amended, and of the federal Office of Management and Budget's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The Single Audit Act requires there to be one audit of federal grant programs. This audit also incorporates our annual audit of the State's financial statements, which were included in the Comprehensive Annual Financial Report (CAFR) issued by the Department of Administration (DOA). We performed the single audit for fiscal year (FY) 2015-16 at the request of state agencies that administered federal financial assistance. This audit also assists us in fulfilling our audit responsibilities under s. 13.94, Wis. Stats.

During FY 2015-16, state agencies administered \$11.6 billion in federal financial assistance, including \$10.4 billion in cash assistance; \$1.0 billion in noncash assistance, such as food commodities; and \$200.6 million in outstanding federal loan balances. We audited 14 federal programs that accounted for 48.1 percent of the federal financial assistance administered by state agencies in FY 2015-16. We evaluated internal controls, tested for compliance with federal requirements, and followed up on findings from the FY 2014-15 single audit (report 16-5).

Audit Results and Key Findings

We provided an unmodified opinion on federal compliance for the federal programs we reviewed. Although state agencies generally complied with federal requirements, we made nine recommendations to improve the administration of federal programs, including by the Department of Health Services (DHS), the Department of Natural Resources (DNR), and the University of Wisconsin (UW) System. For example:

- We continued to identify timeliness concerns for resolving computer data match discrepancies for the Medical Assistance program at DHS.
- We found DNR did not retain adequate documentation to support certain licensure information it reported to the U.S. Fish and Wildlife Service for fish and wildlife management activities.
- At University of Wisconsin institutions, we identified concerns regarding compliance with federal requirements for the receipt of funding under TRIO Cluster programs, which help first-generation college students and economically disadvantaged students achieve success at the postsecondary level by facilitating high school completion and postsecondary education entry, retention, and completion.

Audit Recommendations

In addition to the nine recommendations we made to improve the administration of federal programs, we made seven recommendations related to internal controls over financial reporting from our audit of the State's FY 2015-16 financial statements (report 17-4). Agency responses and corrective action plans are included in the report, and the federal government will work with state agencies to resolve the concerns we identified.

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