

EAU CLAIRE COUNTY

REPORT ON INTERNAL CONTROL

(Including Required Communication With Those
Charged With Governance)

As of and for the Year Ended December 31, 2011

EAU CLAIRE COUNTY

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To the County Board
Eau Claire County
Eau Claire, Wisconsin

In planning and performing our audit of the financial statements of Eau Claire County, Wisconsin as of and for the year ended December 31, 2011, in accordance with auditing standards generally accepted in the United States of America, we considered its internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of its internal control. Accordingly, we do not express an opinion on the effectiveness of its internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all such deficiencies have been identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses.

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 misstatements on a timely basis. A material weakness is a deficiency or 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. We consider the following deficiencies in Eau Claire County's internal control to be material weaknesses:

- > Currently the financial statements are prepared by the auditor. See the discussion under Material Weakness – Internal Control Over Financial Reporting.
- > During the current year's audit, several material journal entries were identified and recorded. See the discussion under Material Weakness – Internal Control Over Financial Reporting.
- > There are a variety of internal controls that do not exist in your organization. See the discussion under Material Weakness – Internal Controls.
- > Bank reconciliations were not performed on a timely basis during the year. See the discussion under Material Weakness – Lack of Timely Bank Reconciliations.
- > Account reconciliations were not performed on a timely basis during the year. See the discussion under Material Weakness – Lack of Account Reconciliations.

To the County Board
Eau Claire County

This communication is intended solely for the information and use of Eau Claire County's management, the County Board, and others within the organization and is not intended to be, and should not be, used by anyone other than these specified parties.

Baker Tilly Vuchow Krume, LLP

July 30, 2012

MATERIAL WEAKNESS – INTERNAL CONTROL OVER FINANCIAL REPORTING

As in previous years, we are required to comment on your internal controls. In theory, a properly designed system of internal control staffed with enough people with sufficient training would provide your organization with the ability to not only process and record monthly transactions, but also to prepare the annual financial statements.

The definition of a material weakness in internal control includes consideration of the year end financial reporting process. To avoid the auditor reporting a material weakness in internal control, your system of controls would need to be able to accomplish the following:

1. Present the County's books and records to the auditor in such a condition that the auditor is not able to identify any material journal entries as a result of audit procedures.
2. Be capable of preparing a complete set of year end financial statements in such a condition that the auditor is not able to identify any material changes as a result of the audit. This includes drafting the individual fund statements, making conversion entries, drafting the government-wide statements, and preparing footnote disclosures.

This high level of internal control over financial reporting can be a difficult task for governments. As opposed to large private companies, most governments operate with only enough staff to process monthly transactions and reports, and often rely on their auditors to prepare certain year end audit entries and handle year end financial reporting. As this is the case with Eau Claire County, we are required to inform you that these are material weaknesses in your internal controls.

We welcome any comments or questions you have regarding your system of internal controls.

MATERIAL WEAKNESS – INTERNAL CONTROLS

As part of our audit procedures, we are able to provide you the following information about where your controls over transactions either do not exist, or could be improved.

Below is a list of potential controls that should be in place to achieve a higher level of reliability that errors or irregularities in your processes would be discovered by your staff. Our procedures discussed above identified that these controls do not currently exist for Eau Claire County. Although some of these controls may not be practical due to your staff size or other reasons we are required to communicate these to you. In addition, as you make changes within your organization, and we continue to rotate audit procedures, more controls of this kind will likely be communicated to you.

CONTROLS OVER ACCOUNTS PAYABLE/DISBURSEMENTS

1. There is no review to determine if contract retainages are properly recorded at year end.

MATERIAL WEAKNESS – INTERNAL CONTROLS (cont.)

CONTROLS OVER TAXES

1. Batch collections are not reconciled timely from the general ledger to the tax collection system.
2. Property tax settlement cycles do not include a timely reconciliation of the general ledger to the tax collection system total collections.

CONTROLS OVER FINANCIAL REPORTING

1. All general journal entries and supporting documentation, including year-end adjusting and GASB 34 conversion journal entries, do not have evidence of proper, independent review and approval.
2. Trial balances and interim and year-end financial statements do not have evidence of review and approval by a responsible party.
3. A financial statement disclosure checklist or similar tool is not utilized to help ensure completeness of the financial statements.
4. Controls do not exist for the identification and review of necessary financial reporting disclosures, such as commitments and contingencies, related party transactions, and subsequent events.

Because this is all relatively new information, you should have a designated person in your organization review these potential controls and make a suggestion on your county's ability and cost (including time) to implement some or all of them. We are happy to assist you with this process and welcome your comments and questions.

MATERIAL WEAKNESS – LACK OF TIMELY BANK RECONCILIATIONS

As we have reported for several years, we **again** noted that that bank reconciliations had not been completed on a timely basis throughout the year. **Bank accounts should be reconciled promptly after each month's end** and the process should include the following:

- > Account for all check numbers.
- > Compare the canceled check to the disbursement records (check register) for check number, date, payee and amount.
- > Inspect check for authorized signature.
- > Inspect check for proper endorsement.
- > Review that no unusual items cleared the bank.

Ideally, the bank reconciliation should be performed by an employee who does not maintain cash records or process cash receipts or disbursements. In addition, a designated person should review the reconciliation. When the bank reconciliation is approved, the reviewer should initial and date it.

MATERIAL WEAKNESS – LACK OF ACCOUNT RECONCILIATIONS

An audit of the County's financial records consists of testing transactions and balances to determine whether the account balances are fairly stated. These audit tests typically include tests of year-end balances and selected transactions on a statistical basis to provide reasonable assurance of the accuracy of the County's records.

As discussed on page 11 of this report, our audit procedures resulted in a **significant** number of adjustments to the County's records to correct year-end balances. The large number and dollar amounts of these adjustments indicate that additional emphasis needs to be placed on monitoring the transactions in all balance sheet accounts in all funds on a regular basis during the year and reconciling balance sheet accounts to underlying records. **Most general ledger accounts should be reconciled throughout the year, rather than only at year end.**

Adequate monitoring and regular reconciliation of all accounts will provide assurance that the County's accounting records are complete and accurate throughout the year. Also, **timely recording of transactions and adjustments will provide more accurate financial information throughout the year.** Without the preparation of the reconciliations errors or irregularities could go undetected.

We recommend you approve a process that identifies who is responsible for each balance sheet account, how often each account should be reconciled, and who should ensure the reconciliations are being performed and/or review such reconciliations.

TWO WAY COMMUNICATION REGARDING YOUR AUDIT

As part of our audit of your financial statements, we are providing communications to you throughout the audit process. Auditing requirements provide for two-way communication and are important in assisting the auditor and you with more information relevant to the audit.

As this past audit is concluded, we use what we have learned to begin the planning process for next year's audit. It is important that you understand the following points about the scope and timing of our next audit:

- a. We address the significant risks of material misstatement, whether due to fraud or error, through our detailed audit procedures.
- b. We will obtain an understanding of the five components of internal control sufficient to assess the risk of material misstatement of the financial statements whether due to error or fraud, and to design the nature, timing, and extent of further audit procedures. We will obtain a sufficient understanding by performing risk assessment procedures to evaluate the design of controls relevant to an audit of financial statements and to determine whether they have been implemented. We will use such knowledge to:
 - > Identify types of potential misstatements.
 - > Consider factors that affect the risks of material misstatement.
 - > Design tests of controls, when applicable, and substantive procedures.

We will not express an opinion on the effectiveness of internal control over financial reporting or compliance with laws, regulations, and provisions of contracts or grant programs. For audits done in accordance with *Government Auditing Standards*, our report will contain the following restriction: "This report is intended solely for the information and use of the those charged with governance, management, others within the County, 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."

TWO WAY COMMUNICATION REGARDING YOUR AUDIT (cont.)

- c. The concept of materiality recognizes that some matters, either individually or in the aggregate, are important for fair presentation of financial statements in conformity with generally accepted accounting principles while other matters are not important. In performing the audit, we are concerned with matters that, either individually or in the aggregate, could be material to the financial statements. Our responsibility is to plan and perform the audit to obtain reasonable assurance that material misstatements, whether caused by errors or fraud, are detected.
- d. We address the significant risks or material noncompliance, whether due to fraud or error, through our detailed audit procedures.
- e. We will obtain an understanding of the five components of internal control sufficient to assess the risk of material noncompliance related to the federal and state awards whether due to error or fraud, and to design the nature, timing, and extent of further audit procedures. We will obtain a sufficient understanding by performing risk assessment procedures to evaluate the design of controls relevant to an audit of the federal and state awards and to determine whether they have been implemented. We will use such knowledge to:
 - > Identify types of potential noncompliance.
 - > Consider factors that affect the risks of material noncompliance.
 - > Design tests of controls, when applicable, and other audit procedures.

Our audit will be performed in accordance with U.S. generally accepted auditing standards, *Government Auditing Standards*, OMB Circular A-133, and the *State Single Audit Guidelines*.

We will not express an opinion on the effectiveness of internal control over financial reporting or compliance with laws, regulations, and provisions of contracts or grant programs. For audits done in accordance with OMB Circular A-133 and the *State Single Audit Guidelines*, our report will contain the following restriction: "This report is intended solely for the information and use of those charged with governance, management, others within the County, federal and state awarding agencies and pass-through entities and it not intended to be, and should not be, used by anyone other than these specified parties."

- f. The concept of materiality recognizes that some matters, either individually or in the aggregate, are important for reporting material noncompliance while other matters are not important. In performing the audit, we are concerned with matters that, either individually or in the aggregate, could be material to the entity's federal and state awards. Our responsibility is to plan and perform the audit to obtain reasonable assurance that material noncompliance, whether caused by error or fraud, is detected.

We are very interested in your views regarding certain matters. Those matters are listed here:

- a. We typically will communicate with your top level of management unless you tell us otherwise.
- b. We understand that the County Board has the responsibility to oversee the strategic direction of your organization, as well as the overall accountability of the entity. Management has the responsibility for achieving the objectives of the entity.
- c. We need to know your views about your organization's objectives and strategies, and the related business risks that may result in material misstatements.
- d. Which matters do you consider warrant particular attention during the audit, and are there any areas where you request additional procedures to be undertaken?
- e. Have you had any significant communications with regulators or grantor agencies?
- f. Are there other matters that you believe are relevant to the audit of the financial statements or the federal or state awards?

TWO WAY COMMUNICATION REGARDING YOUR AUDIT (cont.)

Also, is there anything that we need to know about the attitudes, awareness, and actions of the County concerning:

- a. The County's internal control and its importance in the entity, including how those charged with governance oversee the effectiveness of internal control?
- b. The detection or the possibility of fraud?

We also need to know if you have taken actions in response to developments in financial reporting, laws, accounting standards, governance practices, or other related matters, or in response to previous communications with us.

With regard to the timing of our audit, here is some general information. If necessary, we may do preliminary financial audit work during the months of November or December, and sometimes early January. Our final financial fieldwork is scheduled during the spring to best coincide with your readiness and report deadlines. After fieldwork, we wrap up our financial audit procedures at our office and may issue drafts of our report for your review. Final copies of our report, including our report on federal and state awards, and other communications are issued after approval by your staff. This is typically 6-12 weeks after final fieldwork, but may vary depending on a number of factors.

Keep in mind that while this communication may assist us with planning the scope and timing of the audit, it does not change the auditor's sole responsibility to determine the overall audit strategy and the audit plan, including the nature, timing, and extent of procedures necessary to obtain sufficient appropriate audit evidence.

We realize that you may have questions on what this all means, or wish to provide other feedback. We welcome the opportunity to hear from you.

GASB STATEMENT NO. 54: FUND BALANCE REPORTING

Last year, we informed you that the Governmental Accounting Standards Board (GASB) had issued Statement No. 54, which changes governmental financial reporting. These changes affected your financial statements for the year ended December 31, 2011, primarily the governmental fund's balance sheet presentation. No changes are necessary for proprietary fund types or government-wide statements. The major change is to the terminology used for fund balance reporting. The terms reserved, unreserved, designated, and undesignated are being replaced with the following categories: nonspendable, restricted, committed, assigned, and unassigned. The new categories are designed to promote more consistent financial reporting throughout the nation.

You have successfully implemented the necessary changes, and you will see the new information on both your fund financial statements and in the footnote disclosures. Please contact us if you have any questions on what the new presentation means.

GASB STATEMENT NO. 61: THE FINANCIAL REPORTING ENTITY: OMNIBUS

As we reported to you last year, the Governmental Accounting Standards Board (GASB) has issued Statement No.61, which changes governmental financial reporting for component units. These changes will affect your financial statements for the year ended December 31, 2013, primarily the government-wide financial statements, and possibly the fund financial statements.

GASB STATEMENT NO. 61: THE FINANCIAL REPORTING ENTITY: OMNIBUS (cont.)

This Statement modifies certain requirements for inclusion of component units in the financial reporting entity. For organizations that previously were required to be included as component units by meeting the fiscal dependency criterion, a financial benefit or burden relationship also would need to be present between the primary government and that organization for it to be included in the reporting entity as a component unit. Further, for organizations that do not meet the financial accountability criteria for inclusion as component units but that, nevertheless, should be included because the primary government's management determines that it would be misleading to exclude them, this Statement clarifies the manner in which that determination should be made and the types of relationships that generally should be considered in making the determination.

This Statement also amends the criteria for reporting component units as if they were part of the primary government (that is, blending) in certain circumstances. For component units that currently are blended based on the "substantively the same governing body" criterion, it additionally requires that (1) the primary government and the component unit have a financial benefit or burden relationship or (2) management (below the level of the elected officials) of the primary government have operational responsibility (as defined) for the activities of the component unit. New criteria also are added to require blending of component units whose total debt outstanding is expected to be repaid entirely or almost entirely with resources of the primary government. The blending provisions are amended to clarify that funds of a blended component unit have the same financial reporting requirements as a fund of the primary government. Lastly, additional reporting guidance is provided for blending a component unit if the primary government is a business-type activity that uses a single column presentation for financial reporting.

This Statement also clarifies the reporting of equity interests in legally separate organizations. It requires a primary government to report its equity interest in a component unit as an asset.

You will need to determine how these new requirements will affect your financial statements.

GASB STATEMENT NO. 63: FINANCIAL REPORTING OF DEFERRED OUTFLOWS OF RESOURCES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION

The Governmental Accounting Standards Board (GASB) has issued Statement No. 63, which changes governmental financial reporting for certain assets and liabilities. These changes will affect your financial statements for the year ended December 31, 2012, primarily the government-wide financial statements, and possibly the fund financial statements.

This Statement provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. Concepts Statement No. 4, *Elements of Financial Statements*, introduced and defined those elements as a consumption of net assets by the government that is applicable to a future reporting period, and an acquisition of net assets by the government that is applicable to a future reporting period, respectively. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities.

Examples of deferred outflows may include:

- > Loss on refunding of debt
- > Certain advances to grantees
- > Purchase of future revenues

Examples of deferred inflows may include:

- > Advances received for certain grants
- > Gain on refunding of debt
- > Sales of future revenues
- > Certain revenues received under FASB 71

GASB STATEMENT NO. 63: FINANCIAL REPORTING OF DEFERRED OUTFLOWS OF RESOURCES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION (cont.)

The result of these changes means that your balance sheet may need to have 2 additional categories, one below assets and another below liabilities. In addition, some titles as "statement of net assets" will change to "statement of net position". There are also increased footnote disclosure requirements.

You will need to determine how these new requirements will affect your financial statements.

UNITED STATES AUDITING STANDARDS REVISIONS

For the past several years, the Auditing Standards Board (ASB) has been involved with a complete rewrite of U.S. auditing standards. This has been known as the Clarity Project. The goal was to make the standards easier to read, understand, and apply. Generally speaking, this rewrite was not intended to change what auditors actually do. However, one area that did result in a significant change is called "Group Audits".

A Group Audit will typically be a situation where one audit firm does the audit for a part of an entity and a different audit firm does the audit for another part of the entity. For many governments, this occurs when one audit firm audits the general or primary government, and another audit firm audits a component unit such as a housing authority or pension plan.

The new standards will require increased communication and cooperation between the units of government and the audit firms. The auditor of the primary government will have more responsibility over the work done by the component auditor, including the planning process and review procedures. Depending on the circumstances and relationships between the government and the component units, there could be problems agreeing on these responsibilities and how to handle additional time and costs relating to the extra work.

The new standards will go into effect for audits of years ending December 31, 2012. We will be contacting you with more details on how these changes will impact you.

YELLOW BOOK (GOVERNMENT AUDITING STANDARDS) REVISIONS

In December 2011, the Government Accountability Office (GAO) released a revision to the Yellow Book auditing standards. This is a major revision and the first revision since July 2007. The changes are effective for years ending December 31, 2012.

The major change in the new standards relates to how much assistance the auditor can provide to you during the audit process. The changes cover the area of "nonaudit services". Nonaudit services include such topics as bookkeeping assistance, consulting services, and preparation of the year-end financial statements. The goal of the new standards is to make it more clear to auditors that we cannot provide services to audit clients that would impair our independence. In other words, we cannot be part of your internal control system, and we cannot perform management functions.

We are in the process of developing tools to implement the revised standards. These tools will require us to discuss with you our role and your role regarding audit services and nonaudit services. For any nonaudit services we provide, we will need to document those discussions in our audit files and you will need to confirm that you understand and agree with such documentation. It is likely that there may be other changes to the way we wrap up the financial statement process for you as well.

We will contact you when we have the new documentation ready for the next year's audit.

OTHER MATTERS

DEPARTMENTAL CONTROLS

As part of our annual audit process, we focus our efforts on the primary accounting systems, internal controls, and procedures used by the County. This is in keeping with our goal to provide an audit opinion which states that the financial statements of the County are correct in all material respects.

In some cases, the primary system of accounting procedures and controls of the County are supported by smaller systems which are decentralized, and reside within a department or location. In many cases, those systems are as simple as handling cash collections and remitting those collections to the County Treasurer. In other cases, the department may send invoices or statements of amounts due, and track collections of those amounts in a standalone accounts receivable system.

Generally, the more centralized a function is, the easier it is to design and implement accounting controls that provide some level of checks and balances. That is because you are able to divide certain tasks over the people available to achieve some segregation of duties. For those tasks that are decentralized, it is usually very difficult to provide for proper segregation of duties. Therefore, with one person being involved in most or all aspects of a transaction, you lose the ability to rely on the controls to achieve the safeguarding of assets and reliability of financial records.

As auditors, we are required to communicate with you on a variety of topics. Since there is now more emphasis on internal controls and management's responsibilities, we believe it is appropriate to make sure that you are informed about the lack of segregation of duties that may occur at departments or locations that handle cash or do miscellaneous billing. Examples in your County that fit this situation may include the following:

- Register in Probate
- Clerk of Courts
- District Attorney
- County Clerk
- Register of Deeds
- Sheriff
- UW-Extension
- Planning and Development
- Human Services
- Land Conservation
- Highway
- Parks and Forestry
- Airport
- Finance Department
- Aging and Disability Resource Center

As you might expect, similar situations are common in most governments.

We understand that some of these departments serve as cash collection points due to state regulations. As auditors, we are required to focus on the financial statements at a highly summarized level and our audit procedures support our opinion on those financial statements. Departments or locations that handle relatively smaller amounts of money are not the primary focus of our audit. Yet, because of the lack of segregation of duties, the opportunity for loss is higher there than in centralized functions that have more controls.

OTHER MATTERS (cont.)

DEPARTMENTAL CONTROLS (cont.)

Because management is responsible for designing and implementing controls and procedures to detect and prevent fraud, we believe that is important for us to communicate this information to you. We have no knowledge of any fraud that has occurred or is suspected to have occurred within the departments mentioned above. However, your role as the governing body is to assess your risk areas and determine that the appropriate level of controls and procedures are in place. As always, the costs of controls and staffing must be weighed against the perceived benefits of safeguarding your assets.

Without adding staff or splitting up the duties, your own day-to-day contact and knowledge of the operation are also important mitigating factors.

DEFICIT BALANCE

The County's Juvenile Jail, a department of the general fund maintained as a separate fund on the County's general ledger, held a deficit balance of over \$810,000 at December 31, 2011. This was an increase of over \$70,000 from the prior year-end. As has been noted in prior year's reports, this department has been carrying a deficit balance for a number of years.

We recommend the County Board consider how this deficit will be eliminated. An annual transfer (or additional tax levy) may be required for the Juvenile Jail fund as it appears that revenues generated have not been sufficient to cover expenditures for the last several years.

INFORMATION TECHNOLOGY CONTROLS

As part of our audit, we evaluated the information technology controls as they relate to financially significant applications. Our procedures primarily focused on documenting and evaluating general computer controls, including:

- > Logical access to data and applications
- > Change and incident management
- > Systems development and deployment
- > Data backup and recovery

The following points contain suggestions for strengthening internal controls in these areas:

1. Logical Access policies are not in place to address strong password settings on the Alio and CHEMS financial applications. We recommend implementing mitigating Alio and CHEMS password and lockout settings (i.e. stronger more complex passwords to include 8 alphanumeric characters, 30 - 45 day password expiration settings (90 day maximum), and more robust lockout settings and on the application).
2. Management has not performed user access reviews on the network, financial application, or data center access listings on a regular basis.
 - o We recommend that management should consider performing access reviews on the network, financial applications, and data center access listings on a reoccurring basis.
 - o We also recommend that management retain audit evidence on the user access reviews with a signed and dated review memo or access listing.
3. Internal security monitoring is not taking place on the network or financial applications. We recommend adding IT Security policies and controls to properly log and monitor internal network and financial application security violations, and report serious incidents to management.

REQUIRED COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

We have completed our audit of the financial statements of Eau Claire County for the year ended December 31, 2011, and have issued our report thereon dated July 30, 2012.

OUR RESPONSIBILITY UNDER AUDITING STANDARDS GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA, GOVERNMENT AUDITING STANDARDS, OMB CIRCULAR A-133 AND THE STATE SINGLE AUDIT GUIDELINES

The objective of a financial statement audit is the expression of an opinion on the financial statements. We conducted the audit in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, OMB Circular A-133, and the *State Single Audit Guidelines*. These standards require that we plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements prepared by management with your oversight are free of material misstatement, whether caused by error or fraud. Our audit included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit does not relieve management or those charged with governance of their responsibilities.

We also considered internal control over compliance with requirements that could have a direct and material effect on a major federal or major state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and the *State Single Audit Guidelines*.

As part of obtaining reasonable assurance about whether Eau Claire County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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. Also, in accordance with OMB Circular A-133 and the *State Single Audit Guidelines*, we examined, on a test basis, evidence about Eau Claire County's compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the *State Single Audit Guidelines* applicable to each of its major federal and state programs for the purpose of expressing an opinion on Eau Claire County's compliance with those requirements. While our audit provides a reasonable basis for our opinion, it does not provide a legal determination on Eau Claire County's compliance with those requirements.

We have issued a separate document which contains the results of our audit procedures to comply with OMB Circular A-133 and the *State Single Audit Guidelines*.

OTHER INFORMATION IN DOCUMENTS CONTAINING AUDITED FINANCIAL STATEMENTS

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Our responsibility does not extend beyond the audited financial statements identified in this report. We do not have any obligation to and have not performed any procedures to corroborate other information contained in client prepared documents, such as official statements related to debt issues.

REQUIRED COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE (cont.)

PLANNED SCOPE AND TIMING OF THE AUDIT

We performed the audit according to the planned scope and timing previously communicated to you in last year's report on internal control point "Two Way Communication Regarding Your Audit".

QUALITATIVE ASPECTS OF THE ENTITY'S SIGNIFICANT ACCOUNTING PRACTICES***Accounting Policies***

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by Eau Claire County are described in Note 1 to the financial statements. As described in Note I to the financial statements, Eau Claire County changed accounting policies related to fund balance reporting by adopting Statement of Governmental Accounting Standards (GASB Statement) No. 54 – *Fund Balance Reporting and Governmental Fund Type Definitions* in 2011. We noted no transactions entered into by Eau Claire County during the year that were both significant and unusual, and of which, under professional standards, we are required to inform you, or transactions for which there is a lack of authoritative guidance or consensus.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was management's estimate of the liability for other postemployment benefits. The estimate is based on an actuarial study obtained by Eau Claire County. We evaluated the key factors and assumptions used to develop the liability in determining that it is reasonable in relation to the financial statements taken as a whole.

Financial Statement Disclosures

The disclosures in the financial statements are neutral, consistent, and clear.

DIFFICULTIES ENCOUNTERED IN PERFORMING THE AUDIT

We encountered no significant difficulties in dealing with management in performing our audit.

AUDIT ADJUSTMENTS

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management.

A summary of uncorrected financial statement misstatements is attached. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

There were a significant number of audit adjustments. Please refer to the adjusting journal entries attached to this report. Many of these audit adjustments are material financial statement misstatements.

In addition, we prepared GASB No. 34 conversion entries which are summarized in the "Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets" and the "Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities" in the financial statements.

REQUIRED COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE (cont.)

DISAGREEMENTS WITH MANAGEMENT

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

CONSULTATIONS WITH OTHER INDEPENDENT ACCOUNTANTS

In some cases, management may decide to consult with other accountants about auditing and accounting matters. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

MANAGEMENT REPRESENTATIONS

We have requested certain representations from management that are included in the management representation letter. This letter is attached.

INDEPENDENCE

We are not aware of any relationships between Baker Tilly Virchow Krause, LLP and Eau Claire County that, in our professional judgment, may reasonably be thought to bear on our independence.

Relating to our audit of the financial statements of for the year ended December 31, 2011, Baker Tilly Virchow Krause, LLP hereby confirms in accordance with the Code of Professional Conduct issued by the American Institute of Certified Public Accountants, that we are, in our professional judgment, independent with respect to Eau Claire County and provided no services to Eau Claire County other than the audit of the current year's financial statements and nonaudit services which in our judgment do not impair our independence."

- > Financial statement preparation, including schedule of expenditures of federal and state awards
- > Adjusting journal entries
- > Consulting regarding proposed jail construction
- > Human resources consulting

None of these nonaudit services constitute an audit under generally accepted auditing standards, including *Government Auditing Standards*.

OTHER AUDIT FINDINGS OR ISSUES

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Eau Claire County's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

We welcome the opportunity to discuss the information included in this letter and any other matters. Thank you for allowing us to serve you.

EAU CLAIRE COUNTY

SUMMARY OF PROPOSED ADJUSTING JOURNAL ENTRIES December 31, 2011

	Financial Statements Effect - Increase (Decrease) to Financial Statement Total								
	<u>Current Assets</u>	<u>Noncurrent Assets</u>	<u>Total Assets</u>	<u>Current Liabilities</u>	<u>Noncurrent Liabilities</u>	<u>Total Liabilities</u>	<u>Total Revenues</u>	<u>Total Expenses/ Expenditures</u>	<u>Change in Net Assets/ Fund Balances</u>
Governmental activities	\$ -	\$ -	\$ -	\$ -	\$ 80,000	\$ 80,000	\$ -	\$ (16,472)	\$ 16,472
Business-type activities	-	-	-	-	-	-	-	(49,270)	49,270
General fund	-	-	-	12,286	-	12,286	(29,133)	(47,292)	18,159
Human services	-	-	-	(12,122)	-	(12,122)	-	(61,746)	61,746
Debt service	-	-	-	-	-	-	22,362	22,362	-
Capital projects	-	-	-	(27,624)	-	(27,624)	27,624	(9,832)	37,456
Highway	-	-	-	-	-	-	-	(49,270)	49,270
Airport	-	-	-	-	-	-	4,270	4,270	-
Remaining funds	-	-	-	3,532	-	3,532	2,500	(2,126)	4,626

Eau Claire CO

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Year End: December 31, 2011

Adjusting Journal Entries

Date: 1/1/2011 To 12/31/2011

Prepared by CP 6/22/2012	In-Charge	Manager
Partner JRM 7/6/2012	Pre-issuance ARB 7/20/2012	Reviewed by

Number	Date	Name	Account No	Debit	Credit
A01	12/31/2011	MARKET SECURITIES-RESTRICTED	800-00-11320-000-000 800	49,670.14	
A01	12/31/2011	SHERIFF DRUG FORFEITURE INVESTMENTS	800-00-23904-001-000 800		49,670.14
To adjust drug forfeit cash to actual at year end.					
A02	12/31/2011	VOUCHERS PAYABLE	405-00-21000-000-000 405		1,483,274.00
A02	12/31/2011	COURTHOUSE/ JAIL PROJECT	405-16-51940-820-000 405	1,483,274.00	
To record retainage payable on Jail/Courthouse project. REVERSE in 2012.					
A03	12/31/2011	TREASURER'S CASH/ GEN'L FUND	100-00-11110-000-000 100		620.00
A03	12/31/2011	TREASURER'S CASH/ GEN'L FUND	100-00-11110-000-000 100		21,422.14
A03	12/31/2011	TREASURER'S CASH/ GEN'L FUND	100-00-11110-000-000 100		22,502.64
A03	12/31/2011	TREASURER'S CASH/ GEN'L FUND	100-00-11110-000-000 100	60.00	
A03	12/31/2011	TREASURER'S CASH/ GEN'L FUND	100-00-11110-000-000 100	5,418.02	
A03	12/31/2011	TREASURER'S CASH/ GEN'L FUND	100-00-11110-000-000 100	4,366.20	
A03	12/31/2011	TREASURER'S CASH/ GEN'L FUND	100-00-11110-000-000 100	1,450.43	
A03	12/31/2011	TREASURER'S CASH/ GEN'L FUND	100-00-11110-000-000 100	5,776.17	
A03	12/31/2011	TREASURER'S CASH/ GEN'L FUND	100-00-11110-000-000 100	124.86	
A03	12/31/2011	TREASURER'S CASH/ GEN'L FUND	100-00-11110-000-000 100	373.48	
A03	12/31/2011	TREASURER'S CASH/ GEN'L FUND	100-00-11110-000-000 100	774.61	
A03	12/31/2011	FLEXIBLE BENEFIT DEDUCTIONS	100-00-21563-000-000 100	21,422.14	
A03	12/31/2011	FLEXIBLE BENEFIT DEDUCTIONS	100-00-21563-000-000 100		33,443.50
A03	12/31/2011	FLEXIBLE BENEFIT DEDUCTIONS	100-00-21563-000-000 100		16,632.85
A03	12/31/2011	FLEXIBLE BENEFIT DEDUCTIONS	100-00-21563-000-000 100		16,097.00
A03	12/31/2011	SALARIES PAYABLE	100-00-21700-000-000 100	22,502.64	
A03	12/31/2011	SALARIES PAYABLE	100-00-21700-000-000 100	33,443.50	
A03	12/31/2011	SALARIES PAYABLE	100-00-21700-000-000 100	16,632.85	
A03	12/31/2011	SALARIES PAYABLE	100-00-21700-000-000 100	16,097.00	
A03	12/31/2011	OTHER DEFERRED REVENUE	100-00-26900-000-000 100		17,070.82
A03	12/31/2011	COMMUNITY SERVICE SURCHARGE	100-02-46147-000-000 100	620.00	
A03	12/31/2011	MISC REVENUE	100-10-48525-000-000 100		1,272.95
Entries received from Robyn. DO NOT POST. YOU MADE THESE ENTRIES DURING THE AUDIT.					
A04	12/31/2011	FUND BALANCE - UNRESERVED	215-00-34200-000-000 215	117.00	
A04	12/31/2011	85.21 Interest Income	215-00-48110-000-270 215		117.00
To record 85.21 interest earned through the income statement.					
A05	12/31/2011	TREASURER'S CASH/HUMAN SERVICE	205-00-11110-000-000 205		60,092.85
A05	12/31/2011	FUND BALANCE-UNRESERVED	205-00-34200-000-000 205		60,092.85
A05	12/31/2011	RESERVE FOR 85.21 TRUST	205-00-34210-000-000 205	60,092.85	
A05	12/31/2011	TRF TO GENERAL FUND	205-00-59221-920-000 205	60,092.85	
A05	12/31/2011	TREASURER'S CASH/ ADRC	215-00-11110-000-000 215	60,092.85	
A05	12/31/2011	FUND BALANCE - UNRESERVED	215-00-34200-000-000 215	60,092.85	

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Year End: December 31, 2011
 Adjusting Journal Entries
 Date: 1/1/2011 To 12/31/2011

Prepared by CP 6/22/2012	In-Charge	Manager
Partner JRM 7/6/2012	Pre-issuance ARB 7/20/2012	Reviewed by

Number	Date	Name	Account No	Debit	Credit
A05	12/31/2011	RESERVE FOR 85.21 TRUST	215-00-34210-000-000 215		60,092.85
A05	12/31/2011	Transfer In	215-00-49000-000-000 215		60,092.85
		To move 85.21 trust account from Fund 205 to Fund 215.			
A06	12/31/2011	TREASURER'S CASH/ GEN'L FUND	100-00-11110-000-000 100	27,092.36	
A06	12/31/2011	DEFERRED COMP DEDUCTIONS	100-00-21570-000-000 100		27,092.36
		To reverse 2010 audit entry that was accidentally posted twice. DO NOT MAKE THIS ENTRY. YOU MADE IT DURING THE AUDIT.			
A07	12/31/2011	VOUCHERS PAYABLE	300-00-21000-000-000 300	15,000.00	
A07	12/31/2011	DEBT FEES & EXP.	300-10-58200-690-000 300		15,000.00
A07	12/31/2011	VOUCHERS PAYABLE	405-00-21000-000-000 405		15,000.00
A07	12/31/2011	Bond disc. & issue costs (not paid fr. proceeds	405-00-58200-000-000 405	15,000.00	
		To reclassify debt costs to the fund that receipted the proceeds.			
A08	12/31/2011	FUND BALANCE - UNRESERVED	100-00-34200-000-000 100	25,873.08	
A08	12/31/2011	ACCOUNTS RECEIVABLE - PURCHASES	100-10-50000-100-000 100		25,873.08
		To correct 2010 entry A77 that was posted twice by the county.			
A09	12/31/2011	FUND BALANCE - UNRESERVED	100-00-34200-000-000 100		688.98
A09	12/31/2011	MISC REVENUE	100-10-48525-000-000 100	688.98	
		To correct beginning of year fund balance.			
A10	12/31/2011	ACCTS REC. - PRIOR YEAR	100-00-13101-000-000 100		12,150.00
A10	12/31/2011	ACCTS REC. - PRIOR YEAR	100-00-13101-000-000 100		68,525.63
A10	12/31/2011	ACCTS REC. - PRIOR YEAR	100-00-13101-000-000 100		14,247.72
A10	12/31/2011	ACCTS REC. - PRIOR YEAR	100-00-13101-000-000 100		29,651.52
A10	12/31/2011	ACCTS REC. - PRIOR YEAR	100-00-13101-000-000 100		49,904.44
A10	12/31/2011	ACCTS REC. - PRIOR YEAR	100-00-13101-000-000 100		56,581.00
A10	12/31/2011	ACCTS REC. - PRIOR YEAR	100-00-13101-000-000 100		42,891.00
A10	12/31/2011	ACCTS REC. - PRIOR YEAR	100-00-13101-000-000 100	49,738.39	
A10	12/31/2011	DUE FROM BEAVER CREEK	100-00-14601-000-000 100		11,930.04
A10	12/31/2011	DUE FROM/TO FUND 800	100-00-17000-800-000 100		49,738.39
A10	12/31/2011	LOCAL SEVERANCE TIMBERSALES	100-00-24360-000-000 100	10,278.84	
A10	12/31/2011	LOCAL SEVERANCE TIMBERSALES	100-00-24360-000-000 100	1,858.40	
A10	12/31/2011	OTHER DEFERRED REVENUE	100-00-26900-000-000 100	12,150.00	
A10	12/31/2011	OTHER DEFERRED REVENUE	100-00-26900-000-000 100	49,904.44	
A10	12/31/2011	OTHER DEFERRED REVENUE	100-00-26900-000-000 100	11,930.04	

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Year End: December 31, 2011

Adjusting Journal Entries

Date: 1/1/2011 To 12/31/2011

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Prepared by CP 6/22/2012	In-Charge	Manager
Partner JRM 7/6/2012	Pre-issuance ARB 7/20/2012	Reviewed by

Number	Date	Name	Account No	Debit	Credit
A10	12/31/2011	INTEREST ON WMMIC DEPOSIT	100-10-48112-000-000 100	42,891.00	
A10	12/31/2011	STATE AID EMERGENCY GOVT	100-15-43524-000-000 100	29,651.52	
A10	12/31/2011	HOUSING AUTHORITY	100-15-47580-000-000 100	56,581.00	
A10	12/31/2011	TIMBER SALES	100-22-46810-000-000 100	58,246.79	
A10	12/31/2011	TIMBER SALES	100-22-46810-000-000 100	12,389.32	
A10	12/31/2011	RECEIVABLES GOOD/SER	205-00-13100-000-000 205	7,293.05	
A10	12/31/2011	DUE FROM/TO FUND 800	205-00-17000-800-000 205		7,293.05
A10	12/31/2011	ACCOUNTS RECEIVABLE	207-00-13100-000-000 207		43,596.00
A10	12/31/2011	DATCP - NUTRIENT PEST MGMT	207-15-43587-007-000 207	43,596.00	
A10	12/31/2011	RECEIVABLE GOOD/SERV	602-00-13100-000-000 602	8,139.62	
A10	12/31/2011	AIRPORT DEFERRED REVENUE	602-00-26900-000-000 602		7,967.81
A10	12/31/2011	AIRPORT DEFERRED REVENUE	602-00-26900-000-000 602		12.00
A10	12/31/2011	AIRPORT DEFERRED REVENUE	602-00-26900-000-000 602		159.81
A10	12/31/2011	ACCOUNTS RECEIVABLE	703-00-13100-000-000 703		102,500.00
A10	12/31/2011	INSURANCE RECOVERIES	703-09-48400-000-000 703	102,500.00	
A10	12/31/2011	DUE FROM/TO FUND 100	800-00-17000-100-000 800	57,031.44	
A10	12/31/2011	COURTS	800-00-23300-000-000 800		57,031.44

To reverse 2010 audit entries (#6, 22, 23, 24, 25, 28, 33, 41, 34, 26, 57).

A11	12/31/2011	ACCTS REC. - PRIOR YEAR	100-00-13101-000-000 100	1,000.68	
A11	12/31/2011	MISC REVENUE	100-10-48525-000-000 100		1,000.68
A11	12/31/2011	ACCOUNTS RECEIVABLE	207-00-13100-000-000 207	941.74	
A11	12/31/2011	Miscellaneous Revenue	207-15-43587-999-000 207		941.74
A11	12/31/2011	ACCOUNTS RECEIVABLE	212-00-13100-000-000 212	823.19	
A11	12/31/2011	DRUG UNIT/OTHER REVENUE	212-17-48525-000-000 212		823.19
A11	12/31/2011	ACCOUNTS RECEIVABLE	405-00-13100-000-000 405		1,429.00
A11	12/31/2011	NA	405-10-51570-213-000 405	1,429.00	
A11	12/31/2011	RECEIVABLE GOOD/SERV	602-00-13100-000-000 602		547.40
A11	12/31/2011	OTHER REVENUE	602-00-46340-000-601 602	547.40	

To clear out beginning of year accounts receivable balances. These are very old (3+ years) and it makes sense to just get them cleared up.

A12	12/31/2011	VK CREATED - LEASE PRINCIPAL PAYMENT	100-00-59951-000-000 100	35,384.08	
A12	12/31/2011	VK CREATED - LEASE INTEREST PAYEMNT	100-00-59952-000-000 100	646.60	
A12	12/31/2011	CO BOARD/ TELEPHONE&TELEGRAPH	100-01-51110-225-000 100		257.36
A12	12/31/2011	CIR COURT/ TELEPHONE&TELEGRAPH	100-02-51210-225-000 100		4,975.67
A12	12/31/2011	CLK CTS/ TELEPHONE&TELEGRAPH	100-02-51220-225-000 100		2,058.90
A12	12/31/2011	REG PROB/ TELEPHONE&TELEGRAPH	100-03-51230-225-000 100		85.79
A12	12/31/2011	JUV DIV/ TELEPHONE&TELEGRAPH	100-04-51260-225-000 100		772.09
A12	12/31/2011	ADMIN/ TELEPHONE&TELEGRAPH	100-05-51310-225-000 100		343.15
A12	12/31/2011	CJCC/ TELEPHONE	100-05-51350-225-000 100		85.79
A12	12/31/2011	CLERK/ TELEPHONE & TELEGRAPH	100-06-51410-225-000 100		343.15
A12	12/31/2011	PERSNL/ TELEPHONE & TELEGRAPH	100-07-51430-225-000 100		428.94
A12	12/31/2011	INFO SVCS/ TELEPHONE&TELEGRAPH	100-08-51440-225-000 100		943.66
A12	12/31/2011	INFO SVCS/ DATA LINE/INTERNET	100-08-51440-227-000 100		
A12	12/31/2011	RECORDS CENTER/ TELEPHONE	100-08-51480-225-000 100		171.57

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Year End: December 31, 2011

Adjusting Journal Entries

Date: 1/1/2011 To 12/31/2011

Prepared by CP 6/22/2012	In-Charge	Manager
Partner JRM 7/6/2012	Pre-issuance ARB 7/20/2012	Reviewed by

Number	Date	Name	Account No	Debit	Credit
A12	12/31/2011	CENT DUP/ TELEPHONE&TELEGRAPH	100-09-51450-225-000 100		85.79
A12	12/31/2011	PURCHASE/ TELEPHONE&TELEGRAPH	100-09-51550-225-000 100		257.36
A12	12/31/2011	PHONE REVENUES	100-10-48527-000-000 100		8,235.57
A12	12/31/2011	FINANCE/ TELEPHONE	100-10-51510-225-000 100		857.87
A12	12/31/2011	CO TREAS/ TELEPHONE&TELEGRAPH	100-11-51560-225-000 100		943.66
A12	12/31/2011	D A/ TELEPHONE & TELEGRAPH	100-12-51610-225-000 100		1,629.96
A12	12/31/2011	VICTIM WITNESS/ TELEPHONE & TELEGRAP	100-12-51611-225-000 100		428.94
A12	12/31/2011	V/W CRISIS/ TELEPHONE & TELEGRAPH	100-12-51612-225-000 100		85.79
A12	12/31/2011	CORP COUN/ TELEPHONE&TELEGRAPH	100-13-51640-225-000 100		686.30
A12	12/31/2011	REG DEEDS/ TELEPHONE&TELEGRAPH	100-14-51710-225-000 100		600.51
A12	12/31/2011	RE-SURVEY PRJ/ TELEPHONE & TELEGRAP	100-15-51740-225-200 100		85.79
A12	12/31/2011	P & D/ TELEPHONE & TELEGRAPH	100-15-51820-225-000 100		428.94
A12	12/31/2011	P & D/ TELEPHONE & TELEGRAPH	100-15-51820-225-000 100		1,201.02
A12	12/31/2011	EMERG MGMT/ TELEPHONE & TELEGRAPH	100-15-52410-225-000 100		343.15
A12	12/31/2011	EPCRA PROG/ TELEPHONE & TELEGRAPH	100-15-52610-225-000 100		85.79
A12	12/31/2011	HOUS AUTH/ TELEPHONE	100-15-57610-225-000 100		343.15
A12	12/31/2011	COURTHOUS/ TELEPHONE&TELEGRAPH	100-16-51940-225-000 100		857.87
A12	12/31/2011	ADM SVC/ TELEPHONE	100-17-52100-225-000 100		
A12	12/31/2011	ADM SVC/ ALLOCATED CHRGS	100-17-52100-820-000 100		4,718.30
A12	12/31/2011	CHILD SUP/ TELEPHONE&TELEGRAPH	100-19-55400-225-000 100		
A12	12/31/2011	CHILD SUP/ OTHER SUPPLIES & EXPENSES	100-19-55400-360-000 100		1,544.17
A12	12/31/2011	VETS/ TELEPHONE & TELEGRAPH	100-20-55500-225-000 100		343.15
A12	12/31/2011	EXPO CTR/ TELEPHONE	100-21-56150-225-000 100		171.57
A12	12/31/2011	UW EXT/ TELEPHONE & TELEGRAPH	100-21-56700-225-000 100		1,286.81
A12	12/31/2011	PARKS ADMIN/ TELEPHONE	100-22-56500-225-000 100		343.15
A12	12/31/2011	VK CREATED - LEASE PRINCIPAL PAYMENT	205-00-59951-000-000 205	14,996.11	
A12	12/31/2011	VK CREATED - LEASE INTEREST PAYMENT	205-00-59952-000-000 205	274.03	
A12	12/31/2011	OVERHEAD/ TELEPHONE&TELEGRAPH	205-51-55010-225-100 205		11,323.93
A12	12/31/2011	IM/W2 COST POOL/TELEPHONE	205-52-55016-225-100 205		3,946.21
A12	12/31/2011	VK CREATED - LEASE PRINCIPAL PAYMENT	209-00-59951-000-000 209	336.99	
A12	12/31/2011	VK CREATED - LEASE INTEREST PAYMENT	209-00-59952-000-000 209	6.16	
A12	12/31/2011	JUV JAIL/ TELEPHONE	209-04-52710-225-000 209		343.15
A12	12/31/2011	VK CREATED - LEASE PRINCIPAL PAYMENT	211-00-59951-000-000 211	168.50	
A12	12/31/2011	VK CREATED - LEASE INTEREST PAYMENT	211-00-59952-000-000 211	3.08	
A12	12/31/2011	RECYCLING/ TELEPHONE	211-15-54885-225-000 211		171.58
A12	12/31/2011	VK CREATED - LEASE PRINCIPAL PAYMENT	212-00-59951-000-000 212	421.24	
A12	12/31/2011	VK CREATED - LEASE INTEREST PAYMENT	212-00-59952-000-000 212	7.70	
A12	12/31/2011	FORFEITURE FUND/ TELEPHONE	212-17-52170-225-202 212		428.94
A12	12/31/2011	BTVK created-Lease principal payments	215-00-59951-000-000 215	1,600.71	
A12	12/31/2011	BTVK created-lease interest payments	215-00-59952-000-000 215	29.25	
A12	12/31/2011	ADRC/ TELEPHONE	215-42-55015-225-000 215		1,286.81
A12	12/31/2011	IIIC-1/TELEPHONE	215-42-55630-225-252 215		343.15

To reclassify phone lease payments
recorded as expenses to principal and interest account.

A13	12/31/2011	MARKET SECURITIES-RESTRICTED	800-00-11320-000-000 800		205,031.28
A13	12/31/2011	MARKET SECURITIES-RESTRICTED	800-00-11320-000-000 800	3,151.92	
A13	12/31/2011	COURTS	800-00-23300-000-000 800	205,031.28	
A13	12/31/2011	COURTS	800-00-23300-000-000 800		3,151.92

Eau Claire CO

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Year End: December 31, 2011

Adjusting Journal Entries

Date: 1/1/2011 To 12/31/2011

Prepared by CP 6/22/2012	In-Charge	Manager
Partner JRM 7/6/2012	Pre-issuance ARB 7/20/2012	Reviewed by

Number	Date	Name	Account No	Debit	Credit
To record the cashing out of two CD's by the Clerk of Courts.					
A14	12/31/2011	VOUCHERS PAYABLE	209-00-21000-000-000 209	1,638.77	
A14	12/31/2011	JUV JAIL/ FOOD	209-04-52710-363-000 209		1,638.77
To clear out beginning of year accounts payable.					
A15	12/31/2011	TREASURER'S CASH/ DEBT SVCS	300-00-11110-000-000 300	63,315.82	
A15	12/31/2011	VOUCHERS PAYABLE-PRIOR PERIOD	300-00-21200-000-000 300		63,315.82
A15	12/31/2011	TREASURER'S CASH CAPITAL PROJECTS	405-00-11110-000-000 405		63,315.82
A15	12/31/2011	VOUCHERS PAYABLE	405-00-21000-000-000 405	63,315.82	
A15	12/31/2011	VOUCHERS PAYABLE	405-00-21000-000-000 405	11,000.00	
A15	12/31/2011	COURTHOUSE/ JAIL PROJECT	405-16-51940-820-000 405		11,000.00
To adjust current year balances for 2010 AJE 67 (the \$11,000 issuance cost payable from 2010 was paid by Fund 405 but where its expense was coded is uncertain).					
A16	12/31/2011	CASH HELD BY DEPTS-RESTRICTED	800-00-11710-000-000 800	53,048.77	
A16	12/31/2011	SHERIFF	800-00-23400-000-000 800		53,048.77
To adjust Huber cash and related liability to actual at year end.					
A17	12/31/2011	VOUCHERS PAYABLE	405-00-21000-000-000 405		208,360.44
A17	12/31/2011	VP - PRIOR YEAR	405-00-21200-000-000 405	208,360.44	
To consolidate the accounts payable accounts to reflect the new method of recording accounts payable. (Check to see what 2012 activity these accounts have. You may need to reverse this entry in 2012 to get both accounts payable accounts to clear out.)					
A18	12/31/2011	RECEIVABLES GOOD/SERV	215-00-13100-000-000 215		5,610.28
A18	12/31/2011	MEMORY CARE CONNECTINS GRANT	215-42-43563-000-238 215	2,045.97	
A18	12/31/2011	FALL PREVENTION GRANT	215-42-43621-000-264 215	3,564.31	
To reverse receiveables set up for 2010 memory care and fall prevention.					
A19	12/31/2011	RECEIVABLES GOOD/SERV	215-00-13100-000-000 215	1,899.31	
A19	12/31/2011	85.21 TRANSP/ CONTRACT SVCS (EC CITY)	215-42-53640-686-270 215		1,899.31
To reclassify receipt from City of Eau Claire for 2010 overpayment of expenses to expense account it came out of originally (was never recorded in accounts receivable).					

Eau Claire CO

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Year End: December 31, 2011

Adjusting Journal Entries

Date: 1/1/2011 To 12/31/2011

Prepared by CP 6/22/2012	In-Charge	Manager
Partner JRM 7/6/2012	Pre-issuance ARB 7/20/2012	Reviewed by

Number	Date	Name	Account No	Debit	Credit
A20	12/31/2011	FUND BALANCE - UNRESERVED	215-00-34200-000-000 215	24,522.62	
A20	12/31/2011	RESERVE FOR 85.21 TRUST	215-00-34210-000-000 215		24,522.62
<p>To adjust fund balance restricted for 85.21 to actual at year end.</p>					
A21	12/31/2011	VOUCHERS PAYABLE	100-00-21000-000-000 100	50,248.35	
A21	12/31/2011	VOUCHERS PAYABLE-PRIOR PERIOD	100-00-21200-000-000 100		50,248.35
A21	12/31/2011	VOUCHERS PAYABLE	205-00-21000-000-000 205	8,794.10	
A21	12/31/2011	VOUCHERS PAYABLE - PRIOR YR	205-00-21200-000-000 205		8,794.10
<p>To reclassify payables into single account for clarity of analysis and to reflect the new way of recording payables. (Check to see what 2012 activity these accounts have. You may need to reverse this entry in 2012 to get the accounts payable accounts to clear out.)</p>					
A22	12/31/2011	VOUCHERS PAYABLE	205-00-21000-000-000 205	106,619.50	
A22	12/31/2011	BCA PAYMENT FOR LTC	205-00-55100-001-000 205		106,619.50
<p>To adjust Family Care payable. REVERSE in 2012.</p>					
A23	12/31/2011	VOUCHERS PAYABLE - PRIOR YR	205-00-21200-000-000 205		118,251.25
A23	12/31/2011	BCA PAYMENT FOR LTC	205-00-55100-001-000 205	118,251.25	
<p>To reverse prior year AJE 09.</p>					
A24	12/31/2011	RECEIVABLE GOOD/SERV	100-00-13100-000-000 100		649,550.55
A24	12/31/2011	ACCTS REC. - PRIOR YEAR	100-00-13101-000-000 100	649,550.55	
<p>To reclassify receivable to correct account (correct client entry 130112). (DO NOT reverse in 2012 as the county has done it already.)</p>					
A25	12/31/2011	UNUSED EMPL. BENEFIT	602-00-21810-000-000 602	13,880.44	
A25	12/31/2011	AIRPORT/ SAL PERM-REGULAR	602-34-53610-111-000 602		13,880.44
<p>To record change in airport compensated absences liability.</p>					
A26	12/31/2011	TREASURER'S CASH/ GEN'L FUND	100-00-11110-000-000 100	356,282.05	
A26	12/31/2011	ACCTS REC. - PRIOR YEAR	100-00-13101-000-000 100		356,282.05
A26	12/31/2011	TREASURER'S CASH/HUMAN SERVICE	205-00-11110-000-000 205		356,282.05
A26	12/31/2011	RECEIVABLES GOOD/SER	205-00-13100-000-000 205	356,282.05	

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Year End: December 31, 2011

Adjusting Journal Entries

Date: 1/1/2011 To 12/31/2011

Prepared by CP 6/22/2012	In-Charge	Manager
Partner JRM 7/6/2012	Pre-issuance ARB 7/20/2012	Reviewed by

Number	Date	Name	Account No	Debit	Credit
To reclassify a portion of accounts receivable to fund 205. DO NOT POST AT COUNTY - YOU ALREADY DID THIS.					
A27	12/31/2011	TREASURER'S CASH/ DEBT SVCS	300-00-11110-000-000 300	40,951.00	
A27	12/31/2011	TREASURER'S CASH/ DEBT SVCS	300-00-11110-000-000 300	32,579.00	
A27	12/31/2011	PRINCIPAL/ NOTES PAYABLE	300-10-58100-612-000 300		40,951.00
A27	12/31/2011	INTEREST/ NOTES PAYABLE	300-10-58200-612-000 300		32,579.00
A27	12/31/2011	TREASURER'S CASH/ AIRPORT	602-00-11110-000-000 602		73,530.00
A27	12/31/2011	G O BONDS PAYABLE CURRENT	602-00-21400-000-000 602		1,964.00
A27	12/31/2011	STATE TRUST FUND NOTES	602-00-29500-000-000 602	40,951.00	
A27	12/31/2011	STATE TRUST FUND NOTES	602-00-29500-000-000 602	1,964.00	
A27	12/31/2011	INTEREST/ TRUST FUND	602-34-58200-613-000 602	32,579.00	
To record airport loan payment in airport fund and show current portion.					
A28	12/31/2011	PRINCIPAL/ NOTES PAYABLE	300-10-58100-612-000 300		26,766.68
A28	12/31/2011	PRINCIPAL/ NOTES PAYABLE	300-10-58100-612-000 300		896,957.59
A28	12/31/2011	INTEREST/ NOTES PAYABLE	300-10-58200-612-000 300	26,766.68	
A28	12/31/2011	INTEREST/ NOTES PAYABLE	300-10-58200-612-000 300	896,957.59	
To adjust interest and principal accounts for debt. For September payment, interest was charged to incorrect account and amount refunded was also charged to the incorrect account.					
A29	12/31/2011	VOUCHERS PAYABLE	405-00-21000-000-000 405		57,500.00
A29	12/31/2011	Premium on bonds issued	405-00-49111-000-000 405		330,080.60
A29	12/31/2011	BONDS - PROCEEDS	405-00-49120-000-000 405	207,814.84	
A29	12/31/2011	Bond disc. & issue costs (not paid fr. proceeds)	405-00-58200-000-000 405	57,500.00	
A29	12/31/2011	Bond disc. & issue costs (paid fr. proceeds)	405-00-59500-000-000 405	122,265.76	
To correctly record proceeds from bond issuance, premium, and issuance cost. See also A07.					
A30	12/31/2011	TREASURER'S CASH/ GEN'L FUND	100-00-11110-000-000 100	11,664.89	
A30	12/31/2011	TREASURER'S CASH/ GEN'L FUND	100-00-11110-000-000 100	24,714.02	
A30	12/31/2011	AIRPORT HANGAR ADVANCE	100-00-17001-000-000 100		11,664.89
A30	12/31/2011	INTEREST FR AIRPORT AGREEMENT	100-10-48110-000-000 100		24,714.02
A30	12/31/2011	TREASURER'S CASH/ AIRPORT	602-00-11110-000-000 602		11,664.98
A30	12/31/2011	TREASURER'S CASH/ AIRPORT	602-00-11110-000-000 602		24,714.02
A30	12/31/2011	ADVANCE FR GEN'L FUND	602-00-27100-000-000 602	11,664.98	
A30	12/31/2011	INTEREST/ TRUST FUND	602-34-58200-613-000 602	24,714.02	
To record 2011 airport hangar loan payment.					
A31	12/31/2011	SALARIES PAYABLE	100-00-21700-000-000 100		22,890.00
A31	12/31/2011	CRIME & COMM CARETKG / SAL PER REG	100-17-52300-111-000 100	17,750.00	

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Year End: December 31, 2011

Adjusting Journal Entries

Date: 1/1/2011 To 12/31/2011

Prepared by CP 6/22/2012	In-Charge	Manager
Partner JRM 7/6/2012	Pre-issuance ARB 7/20/2012	Reviewed by

Number	Date	Name	Account No	Debit	Credit
A31	12/31/2011	CRIME & COMM CARETKG / SOCIAL SECURI'	100-17-52300-151-000 100	1,358.00	
A31	12/31/2011	CRIME & COMM CARETKG / RETIRE EMPLR !	100-17-52300-152-000 100	2,752.00	
A31	12/31/2011	CRIME & COMM CARETKG / EMPL RET PD B'	100-17-52300-153-000 100	1,030.00	
To record accrual for unsettled patrol contract. Provided by Scott during audit. Already posted to client system.					
A32	12/31/2011	ACCRUED INTEREST PAYABLE	602-00-21600-000-000 602	1,840.00	
A32	12/31/2011	INTEREST/ TRUST FUND	602-34-58200-613-000 602		1,840.00
To record airport accrued interest.					
A33	12/31/2011	Principal - WRS PSC to City	300-10-58100-700-000 300	3,786.00	
A33	12/31/2011	HEALTH DEPT WRS PAYMENT	300-10-58200-700-000 300		3,786.00
To reclassify principal portion of payment to City.					
A34	12/31/2011	VOUCHERS PAYABLE	300-00-21000-000-000 300		10,842.16
A34	12/31/2011	HEALTH DEPT WRS PAYMENT	300-10-58200-700-000 300	10,842.16	
To record payable for City-County Health Portion of 2008C Refunding Bonds payment. REVERSE IN 2012.					
A35	12/31/2011	VOUCHERS PAYABLE	405-00-21000-000-000 405	178,280.00	
A35	12/31/2011	VOUCHERS PAYABLE	405-00-21000-000-000 405	36,500.00	
A35	12/31/2011	COURTHOUSE/ JAIL PROJECT	405-16-51940-820-000 405		178,280.00
A35	12/31/2011	COURTHOUSE/ JAIL PROJECT	405-16-51940-820-000 405		36,500.00
To reverse prior year entries AJE 08 and AJE65.					
A36	12/31/2011	CASH HELD BY DEPTS-RESTRICTED	800-00-11710-000-000 800	9,511.35	
A36	12/31/2011	DISTRICT ATTORNEY	800-00-23200-000-000 800		9,511.35
To adjust DA cash and related liability to actual at year end.					
A37	12/31/2011	TREASURER'S CASH/ GEN'L FUND	100-00-11110-000-000 100		49,747.21
A37	12/31/2011	DUE FROM/TO FUND 800	100-00-17000-800-000 100	49,747.21	
A37	12/31/2011	TREASURER'S CASH/HUMAN SERVICE	205-00-11110-000-000 205		8,666.08
A37	12/31/2011	DUE FROM/TO FUND 800	205-00-17000-800-000 205	8,666.08	
A37	12/31/2011	TREASURER'S CASH-UNRESTRICTED	800-00-11110-000-000 800	58,413.29	
A37	12/31/2011	DUE FROM/TO FUND 100	800-00-17000-100-000 800		58,413.29
To record county share of clerk of courts cash. REVERSE IN 2012					

Eau Claire CO

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Year End: December 31, 2011

Adjusting Journal Entries

Date: 1/1/2011 To 12/31/2011

Prepared by CP 6/22/2012	In-Charge	Manager
Partner JRM 7/6/2012	Pre-issuance ARB 7/20/2012	Reviewed by

Number	Date	Name	Account No	Debit	Credit
A38	12/31/2011	BUILDINGS	602-00-18300-000-000 602	3,938,299.00	
A38	12/31/2011	BUILDINGS	602-00-18300-000-000 602	96,376.00	
A38	12/31/2011	ACCUM DEPRECIATION RESERVE	602-00-18390-000-000 602		1,066,046.00
A38	12/31/2011	LAND IMPROVEMENTS	602-00-18400-000-000 602	106,098.00	
A38	12/31/2011	CONSTRUCTION WORK IN PROG.	602-00-18700-000-000 602	23,961.00	
A38	12/31/2011	CONTRIBUTIONS - FEDERAL	602-00-47332-000-000 602		3,938,299.00
A38	12/31/2011	CONTRIBUTIONS - FEDERAL	602-00-47332-000-000 602		106,098.00
A38	12/31/2011	CONTRIBUTIONS - FEDERAL	602-00-47332-000-000 602		14,333.00
A38	12/31/2011	AIRPORT/ DEPRECIATION	602-34-53610-540-000 602	1,066,046.00	
A38	12/31/2011	AIRPORT/ OTHER CAPITAL IMPROV.	602-34-53610-829-000 602		82,043.00
A38	12/31/2011	AIRPORT/ OTHER CAPITAL IMPROV.	602-34-53610-829-000 602		23,961.00
To record airport fixed assets.					
A39	12/31/2011	CASH HELD BY DEPTS-RESTRICTED	800-00-11710-000-000 800		1,646.36
A39	12/31/2011	HUMAN SVCS-REP PAYEE	800-00-23500-000-000 800	1,646.36	
To adjust representative payee cash and related liability to actual at year end.					
A40	12/31/2011	ACCTS REC. - PRIOR YEAR	100-00-13101-000-000 100	1,882.75	
A40	12/31/2011	ACCTS REC. - PRIOR YEAR	100-00-13101-000-000 100	3,107.32	
A40	12/31/2011	ACCTS REC. - PRIOR YEAR	100-00-13101-000-000 100	2,095.00	
A40	12/31/2011	ACCTS REC. - PRIOR YEAR	100-00-13101-000-000 100	3,736.46	
A40	12/31/2011	ACCTS REC. - PRIOR YEAR	100-00-13101-000-000 100	12,014.35	
A40	12/31/2011	ACCTS REC. - PRIOR YEAR	100-00-13101-000-000 100	4,542.02	
A40	12/31/2011	ACCTS REC. - PRIOR YEAR	100-00-13101-000-000 100	12,823.00	
A40	12/31/2011	ACCTS REC. - PRIOR YEAR	100-00-13101-000-000 100	5,060.00	
A40	12/31/2011	DISTRICT ATTORNEY	100-12-43516-000-000 100		12,823.00
A40	12/31/2011	REAL ESTATE TRF FEES	100-14-41230-000-000 100		970.32
A40	12/31/2011	REGISTER OF DEEDS FEES	100-14-46130-000-000 100		1,279.00
A40	12/31/2011	COUNTY SHARE LAND RECORDS FEES	100-14-46131-000-000 100		396.00
A40	12/31/2011	LAND RCDS FEE/INFO SYSTEMS	100-14-46132-000-000 100		132.00
A40	12/31/2011	REDACTION FUNDS	100-14-46134-000-000 100		330.00
A40	12/31/2011	STATE AID EMERGENCY GOVT	100-15-43524-000-000 100		5,060.00
A40	12/31/2011	PROCESS FEES	100-17-46210-000-000 100		1,882.75
A40	12/31/2011	PROCESS FEES	100-17-46210-000-000 100		2,095.00
A40	12/31/2011	BOARD OF PRISONERS-OTHER AGENCY	100-17-46243-000-000 100		7,403.54
A40	12/31/2011	ELECTRONIC MONITOR FEES	100-17-46246-000-000 100		4,610.81
A40	12/31/2011	INMATE PHONE SYSTEM REV	100-17-48503-000-000 100		3,736.46
A40	12/31/2011	EXPO RENT	100-21-46740-000-000 100		551.90
A40	12/31/2011	EXPO UTILITIES	100-21-46744-000-000 100		3,200.12
A40	12/31/2011	EDUCATIONAL PROGRAMS - UWE	100-21-46774-000-000 100		790.00
A40	12/31/2011	ACCOUNTS RECEIVABLE	212-00-13100-000-000 212	12,578.00	
A40	12/31/2011	ACCOUNTS RECEIVABLE	212-00-13100-000-000 212	20,821.96	
A40	12/31/2011	ANTI-DRUG GRANT REVENUE	212-17-43524-000-000 212		12,578.00
A40	12/31/2011	DRUG FORFEITURE FUNDS APPLIED	212-17-48502-000-000 212		20,821.96
A40	12/31/2011	RECEIVABLE GOOD/SERV	602-00-13100-000-000 602	948.86	

Eau Claire CO

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Year End: December 31, 2011

Adjusting Journal Entries

Date: 1/1/2011 To 12/31/2011

Prepared by CP 6/22/2012	In-Charge	Manager
Partner JRM 7/6/2012	Pre-issuance ARB 7/20/2012	Reviewed by

Number	Date	Name	Account No	Debit	Credit
A40	12/31/2011	RECEIVABLE GOOD/SERV	602-00-13100-000-000 602	1,425.36	
A40	12/31/2011	RECEIVABLE GOOD/SERV	602-00-13100-000-000 602	1,156.68	
A40	12/31/2011	RECEIVABLE GOOD/SERV	602-00-13100-000-000 602	12,904.13	
A40	12/31/2011	RECEIVABLE GOOD/SERV	602-00-13100-000-000 602	81,142.35	
A40	12/31/2011	RECEIVABLE GOOD/SERV	602-00-13100-000-000 602	20,765.15	
A40	12/31/2011	RECEIVABLE GOOD/SERV	602-00-13100-000-000 602	7,115.16	
A40	12/31/2011	RECEIVABLE GOOD/SERV	602-00-13100-000-000 602	1,120.80	
A40	12/31/2011	FUEL FLOWAGE	602-00-46340-000-575 602		9,022.24
A40	12/31/2011	FUEL FLOWAGE	602-00-46340-000-575 602		6,825.69
A40	12/31/2011	HANGARS	602-00-46340-000-576 602		568.72
A40	12/31/2011	HANGARS	602-00-46340-000-576 602		135.75
A40	12/31/2011	HANGARS	602-00-46340-000-576 602		301.79
A40	12/31/2011	LANDING	602-00-46340-000-577 602		3,321.96
A40	12/31/2011	PARKING	602-00-46340-000-578 602		151.66
A40	12/31/2011	PARKING	602-00-46340-000-578 602		1,467.30
A40	12/31/2011	PARKING	602-00-46340-000-578 602		81,142.35
A40	12/31/2011	PARKING	602-00-46340-000-578 602		1,595.26
A40	12/31/2011	RENTAL CARS	602-00-46340-000-579 602		1,425.36
A40	12/31/2011	RESTAURANT	602-00-46340-000-580 602		2,000.00
A40	12/31/2011	PFC FEES	602-00-46340-000-582 602		6,841.94
A40	12/31/2011	PFC FEES	602-00-46340-000-582 602		7,115.16
A40	12/31/2011	UTILITY REVS	602-00-46340-000-583 602		79.29
A40	12/31/2011	OTHER REVENUE	602-00-46340-000-601 602		2,293.10
A40	12/31/2011	AIRPORT/ VEHICLE FUEL	602-34-53610-377-000 602		228.48
A40	12/31/2011	AIRPORT/ VEHICLE FUEL	602-34-53610-377-000 602		941.64
A40	12/31/2011	AIRPORT/ VEHICLE FUEL	602-34-53610-377-000 602		1,120.80

Client journal entry to record receivables. (Check and see if this entry was already posted during the audit fieldwork. You don't want to do it twice.) REVERSE IN 2012.

A41	12/31/2011	INSURANCE ESCROW FUND DEPOSIT	703-00-17510-000-000 703		43,390.65
A41	12/31/2011	ACCRUED CLAIMS	703-00-21700-001-000 703		83,147.00
A41	12/31/2011	WC SELF INS/ LOSSES	703-09-51980-740-000 703	83,147.00	
A41	12/31/2011	WC SELF INS/ LOSSES	703-09-51980-740-000 703	43,390.65	

Client entry to adjust year end WMMIC related account balances. (Check and see if this entry was already posted during the audit fieldwork. You don't want to do it twice.)

A42	12/31/2011	CASH HELD BY DEPTS-RESTRICTED	800-00-11710-000-000 800	123,780.62	
A42	12/31/2011	COURTS	800-00-23300-000-000 800		123,780.62

To adjust COC's agency fund investments and liability to actual at year-end.

A43	12/31/2011	ACCTS REC. - PRIOR YEAR	100-00-13101-000-000 100	52,147.67	
A43	12/31/2011	SOIL & WATER CONSERVATION	100-15-43582-000-000 100		52,147.67

To record receivable for SWRM.

Eau Claire CO

Year End: December 31, 2011

Adjusting Journal Entries

Date: 1/1/2011 To 12/31/2011

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Prepared by CP 6/22/2012	In-Charge	Manager
Partner JRM 7/6/2012	Pre-issuance ARB 7/20/2012	Reviewed by

Number	Date	Name	Account No	Debit	Credit
REVERSE IN 2012.					
A44	12/31/2011	ACCTS REC. - PRIOR YEAR	100-00-13101-000-000 100	61,425.00	
A44	12/31/2011	HOUSING AUTHORITY	100-15-47580-000-000 100		61,425.00
To record receivable for 4th quarter 2011 from Housing Authority. REVERSE IN 2012.					
A45	12/31/2011	RECEIVABLE GOOD/SERV	602-00-13100-000-000 602	131.26	
A45	12/31/2011	RECEIVABLE GOOD/SERV	602-00-13100-000-000 602	5,385.25	
A45	12/31/2011	AIR TERMINAL	602-00-46340-000-572 602		2,350.97
A45	12/31/2011	F A A	602-00-46340-000-573 602		1,013.33
A45	12/31/2011	LANDING	602-00-46340-000-577 602		1,380.12
A45	12/31/2011	PFC FEES	602-00-46340-000-582 602		39.40
A45	12/31/2011	PFC FEES	602-00-46340-000-582 602		91.86
A45	12/31/2011	PFC FEES	602-00-46340-000-582 602		640.83
To record receivables for #45011, #45017, #45487 per Charity; also record receivable for PFC portion of receipt #44996 and #45254. REVERSE IN 2012.					
A46	12/31/2011	TREASURER'S CASH/ GEN'L FUND	100-00-11110-000-000 100	93,700.00	
A46	12/31/2011	ADVANCE TO SELF INSURANCE FUND	100-00-15700-000-000 100		93,700.00
A46	12/31/2011	TREASURER'S CASH/WORKERS COMP FD	703-00-11110-000-000 703		93,700.00
A46	12/31/2011	ADVANCE DUE TO GENERAL FUND	703-00-25100-000-000 703	93,700.00	
To adjust advances to actual - a portion of prior year reclassifying entry 5 should have been an adjusting journal entry.					
A47	12/31/2011	ACCTS REC. - PRIOR YEAR	100-00-13101-000-000 100	43,425.69	
A47	12/31/2011	WILD LIFE DAMAGES	100-15-43587-000-000 100		43,425.69
A47	12/31/2011	ACCOUNTS RECEIVABLE	207-00-13100-000-000 207	70,037.81	
A47	12/31/2011	LAND & WATER RESOURCE MGMT GRT	207-15-43587-003-000 207		70,037.81
To record receivable for receipt #45481 and #45416 related to land conservation. REVERSE IN 2012.					
A48	12/31/2011	MACHINERY & EQUIP	702-00-18500-000-000 702	31,346.50	
A48	12/31/2011	MACHINERY & EQUIP	702-00-18500-000-000 702		17,280.00
A48	12/31/2011	ACCUM DEPR RES EQUIPMENT	702-00-18590-000-000 702	17,280.00	
A48	12/31/2011	ACCUM DEPR RES EQUIPMENT	702-00-18590-000-000 702		12,492.00
A48	12/31/2011	AUTO FLT/ DEPRECIATION & AMORT	702-09-53630-540-000 702	12,492.00	
A48	12/31/2011	AUTO FLT/ AUTOMOTIVE EQUIPMENT	702-09-53630-811-000 702		31,346.50
To record current year activity in fleet capital assets.					

Eau Claire CO

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Year End: December 31, 2011

Adjusting Journal Entries

Date: 1/1/2011 To 12/31/2011

Prepared by CP 6/22/2012	In-Charge	Manager
Partner JRM 7/6/2012	Pre-issuance ARB 7/20/2012	Reviewed by

Number	Date	Name	Account No	Debit	Credit
A49	12/31/2011	ACCOUNTS RECEIVABLE	703-00-13100-000-000 703	51,317.00	
A49	12/31/2011	PREMIUM DIVIDEND	703-00-48200-000-000 703		36,590.00
A49	12/31/2011	OPERATING DIVIDEND	703-00-48210-000-000 703		14,727.00
<p>To record receivable for 2011 capital and operating dividends - receipt #45397. REVERSE IN 2012.</p>					
A50	12/31/2011	ACCOUNTS RECEIVABLE	211-00-13100-000-000 211	24,465.35	
A50	12/31/2011	RECYCLING OTHER REVENUE	211-15-46430-000-000 211		21,407.18
A50	12/31/2011	CLEAN SWEEP CHARGES	211-15-47587-000-000 211		3,058.17
<p>To record receivable for receipt #45176. REVERSE IN 2012.</p>					
A51	12/31/2011	ACCTS REC. - PRIOR YEAR	100-00-13101-000-000 100	118,995.60	
A51	12/31/2011	ACCTS REC. - PRIOR YEAR	100-00-13101-000-000 100	11,344.69	
A51	12/31/2011	LOCAL SEVERANCE TIMBERSALES	100-00-24360-000-000 100		13,031.67
A51	12/31/2011	LOCAL SEVERANCE TIMBERSALES	100-00-24360-000-000 100		4,813.92
A51	12/31/2011	SNOW TRAILS	100-22-43571-000-000 100		1,717.08
A51	12/31/2011	ATV TRAIL AIDS	100-22-43572-000-000 100		9,627.61
A51	12/31/2011	TOWER RIDGE-VIOLATIONS	100-22-46735-002-000 100		25.00
A51	12/31/2011	TIMBER SALES	100-22-46810-000-000 100		73,846.11
A51	12/31/2011	FIREWOOD SALES	100-22-46812-000-000 100		27,278.90
<p>To record portions of receipts #45387 and #45309 in accounts receivable. REVERSE IN 2012.</p>					
A52	12/31/2011	ADMINISTRATION COST REIMB.	100-19-43561-000-000 100	2,083.00	
A52	12/31/2011	PERFORMANCE BASED FUNDING	100-19-43561-001-000 100		1,226.00
A52	12/31/2011	STATE GENERAL PURPOSE REVENUE	100-19-43561-002-000 100		857.00
<p>Client entry to adjust 4th quarter 2011 child support revenue (from Karen T.).</p>					
A53	12/31/2011	TREASURER'S CASH/ GEN'L FUND	100-00-11110-000-000 100		6,507.60
A53	12/31/2011	MARKET SECURITIES	100-00-11320-000-000 100	402.73	
A53	12/31/2011	FINANCE/ CONTRACT SVCS	100-10-51970-200-000 100	6,104.87	
<p>To adjust cash to actual at year end - unlocated difference(s).</p>					
A54	12/31/2011	ACCOUNTS RECEIVABLE	212-00-13100-000-000 212	28,896.00	
A54	12/31/2011	ANTI-DRUG GRANT REVENUE	212-17-43524-000-000 212		28,896.00
<p>To record receipt #45755 in accounts receivable. This was issued by the state on 12/5/11 and not receipted by the county until 4/5/12. REVERSE IN 2012.</p>					

Eau Claire CO

Year End: December 31, 2011

Adjusting Journal Entries

Date: 1/1/2011 To 12/31/2011

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Prepared by CP 6/22/2012	In-Charge	Manager
Partner JRM 7/6/2012	Pre-issuance ARB 7/20/2012	Reviewed by

Number	Date	Name	Account No	Debit	Credit
A55	12/31/2011	VOUCHERS PAYABLE-PRIOR PERIOD	100-00-21200-000-000 100		16,358.58
A55	12/31/2011	TRF SP RV/ TRANS OR INTERFUND	100-10-59220-920-000 100	16,358.58	
To record payable to Beaver Creek. REVERSE IN 2012.					
A56	12/31/2011	EDC LOAN FUND	100-00-15701-000-000 100		50,000.00
A56	12/31/2011	OTHER DEFERRED REVENUE	100-00-26900-000-000 100	50,000.00	
To write off loan to Curt Manufacturing.					
A57	12/31/2011	GROUP HOME RECEIVABLE	100-00-13108-000-000 100		405.00
A57	12/31/2011	GROUP HOME WRITE OFFS	100-04-46644-000-000 100	405.00	
To adjust group home receivables to actual at year end.					
A58	12/31/2011	DUE TO/FROM FUND 203	215-00-17000-203-000 215	50.00	
A58	12/31/2011	ADRC/OPERATING SUPPLIES	215-42-55015-360-000 215		50.00
To clear out due to/from. There is not a matching due to/from for entry #130116.					
A59	12/31/2011	DETENTION CHARGES - BAD DEBTS A/R	209-00-13500-000-000 209		71,475.00
A59	12/31/2011	CLIENT FEE W/O	209-04-46642-000-000 209	71,475.00	
To write off 2011 juvenile detention bad debts.					
A60	12/31/2011	HRA Payable	100-00-21710-000-000 100		196,023.00
A60	12/31/2011	CIR COURT/ HOS & HEALTH INS	100-02-51210-154-000 100	2,537.00	
A60	12/31/2011	CLK CTS/ HOS & HEALTH INS	100-02-51220-154-000 100	15,319.00	
A60	12/31/2011	REG PROB/ HOSP & HEALTH INS	100-03-51230-154-000 100	1,000.00	
A60	12/31/2011	JUV DIV/ HOS & HEALTH INS	100-04-51260-154-000 100	13,905.00	
A60	12/31/2011	ADMIN/ HOS & HEALTH INS	100-05-51310-154-000 100	2,917.00	
A60	12/31/2011	CLERK/ HOS & HEALTH INS	100-06-51410-154-000 100	2,000.00	
A60	12/31/2011	PERSNL/ HOS & HEALTH INS	100-07-51430-154-000 100	1,141.00	
A60	12/31/2011	RECORDS CENTER/ HOS & HEALTH INS	100-08-51480-154-000 100	8,924.00	
A60	12/31/2011	PURCHASE/ HOS & HEALTH INS	100-09-51550-154-000 100	3,278.00	
A60	12/31/2011	FINANCE/ HOS & HEALTH INS	100-10-51510-154-000 100	5,785.00	
A60	12/31/2011	CO TREAS/ HOS & HEALTH INS	100-11-51560-154-000 100	3,658.00	
A60	12/31/2011	D A/ HOS & HELTH INS	100-12-51610-154-000 100	6,329.00	
A60	12/31/2011	CORP COUN/ HOS & HEALTH INS	100-13-51640-154-000 100	3,850.00	
A60	12/31/2011	REG DEEDS/ HOS & HEALTH INS	100-14-51710-154-000 100	3,640.00	
A60	12/31/2011	P & D/ HOS & HEALTH INS	100-15-51820-154-000 100	9,870.00	
A60	12/31/2011	LAND CONS/ HEALTH INSURANCE	100-15-57410-154-000 100	5,244.00	
A60	12/31/2011	COURTHOUS/ HOS & HEALTH INS	100-16-51940-154-000 100	11,022.00	

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Year End: December 31, 2011

Adjusting Journal Entries

Date: 1/1/2011 To 12/31/2011

Prepared by CP 6/22/2012	In-Charge	Manager
Partner JRM 7/6/2012	Pre-issuance ARB 7/20/2012	Reviewed by

Number	Date	Name	Account No	Debit	Credit
A60	12/31/2011	CRIME & COMM CARETKG / HEALTH INS	100-17-52300-154-000 100	6,705.00	
A60	12/31/2011	JAIL SECURE/ HEALTH INS	100-17-52310-154-000 100	26,041.00	
A60	12/31/2011	JAIL HUBER/ HEALTH INS	100-17-52320-154-000 100	26,041.00	
A60	12/31/2011	INVESTIGATIVE/ HEALTH INSURANCE	100-17-52350-154-000 100	6,705.00	
A60	12/31/2011	TRAFFIC CONTR & ENF/ HEALTH INSURANCE	100-17-52360-154-000 100	20,120.00	
A60	12/31/2011	VETS/ HOSPITAL & HEALTH INS	100-20-55500-154-000 100	1,000.00	
A60	12/31/2011	UW EXT/ HOSPITAL & HEALTH INS	100-21-56700-154-000 100	149.00	
A60	12/31/2011	PARKS ADMIN/ HEALTH INS	100-22-56500-154-000 100	8,843.00	
A60	12/31/2011	HRA Payable	602-00-21710-000-000 602		2,682.00
A60	12/31/2011	AIRPORT/ HOS & HEALTH INS	602-34-53610-154-000 602	2,682.00	
A60	12/31/2011	HRA PAYABLE	703-00-21710-000-000 703		1,000.00
A60	12/31/2011	RISK MGMT/ HOS & HEALTH INS	703-09-51542-154-000 703	1,000.00	

To record 2011 HRA payables.

A61	12/31/2011	HRA Payable	100-00-21710-000-000 100		3,219.19
A61	12/31/2011	CHILD SUP/ HOSP & HEALTH INS	100-19-55400-154-000 100	2,962.99	
A61	12/31/2011	CHILD SUP MIXED/ HOSP & HEALTH INS	100-19-55400-154-060 100	256.20	
A61	12/31/2011	HRA Payable	215-00-21710-000-000 215		8,490.35
A61	12/31/2011	IIIB/HOS & HEALTH INS	215-42-55002-154-240 215	739.90	
A61	12/31/2011	ADRC/ HOSP & HEALTH INS	215-42-55015-154-000 215	6,068.20	
A61	12/31/2011	IIIC-1/HOS & HEALTH INS	215-42-55630-154-252 215	1,682.25	

To record HRA expense for amounts
child support and ADRC reported for reimbursement during 2011.

A62	12/31/2011	DOG LICENSE FUNDS	100-00-23140-000-000 100	43,965.00	
A62	12/31/2011	DOGS AND CATS	100-00-44230-000-000 100		42,765.00
A62	12/31/2011	CLERK'S FEES	100-06-46110-000-000 100		1,200.00

To adjust dog licenses to actual
at
year end.

A63	12/31/2011	FINES & FORFEITURES	100-00-24241-000-000 100		21,003.85
A63	12/31/2011	PENLTY ASSMT SURCHARGE	100-00-24242-000-000 100	21,003.85	

To reclassify February 2011
payment to the
state for fines to the correct liability account.

A64	12/31/2011	RECEIVABLES GOOD/SER	205-00-13100-000-000 205	31,595.81	
A64	12/31/2011	RECEIVABLES GOOD/SER	205-00-13100-000-000 205	49,211.93	
A64	12/31/2011	RECEIVABLES GOOD/SER	205-00-13100-000-000 205		3,292.25
A64	12/31/2011	RECEIVABLES GOOD/SER	205-00-13100-000-000 205	239,533.00	
A64	12/31/2011	RECEIVABLES GOOD/SER	205-00-13100-000-000 205	312,552.00	
A64	12/31/2011	RECEIVABLES GOOD/SER	205-00-13100-000-000 205	5,106.00	
A64	12/31/2011	RECEIVABLES CONTROL	205-00-13100-000-100 205	120,076.06	
A64	12/31/2011	VOUCHERS PAYABLE - PRIOR YR	205-00-21200-000-000 205		3,529.10

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Year End: December 31, 2011

Adjusting Journal Entries

Date: 1/1/2011 To 12/31/2011

Prepared by CP 6/22/2012	In-Charge	Manager
Partner JRM 7/6/2012	Pre-issuance ARB 7/20/2012	Reviewed by

Number	Date	Name	Account No	Debit	Credit
A64	12/31/2011	VOUCHERS PAYABLE - PRIOR YR	205-00-21200-000-000 205		1,344.00
A64	12/31/2011	OTHER ACCOUNTS PAYABLE	205-00-21900-000-000 205		2,807.52
A64	12/31/2011	COMMUNITY AIDS	205-00-43560-000-260 205		49,211.93
A64	12/31/2011	COMMUNITY AIDS	205-00-43560-000-260 205		239,533.00
A64	12/31/2011	STATE YOUTH AIDS	205-00-43560-000-265 205		312,552.00
A64	12/31/2011	STATE YOUTH AIDS	205-00-43560-000-265 205		10,727.76
A64	12/31/2011	ELDER ABUSE GRANT	205-00-43560-002-000 205		5,106.00
A64	12/31/2011	WPS CLTS REVENUE	205-00-46530-100-000 205		31,595.81
A64	12/31/2011	WPS CLTS REVENUE	205-00-46530-100-000 205		77,890.99
A64	12/31/2011	PRIOR PERIOD TRANSACTIONS	205-00-48525-000-100 205	3,292.25	
A64	12/31/2011	CSP CASE MGMT ADULT MI	205-52-45604-001-268 205		3,904.67
A64	12/31/2011	CSP CASE MGMT ADULT MI	205-52-45604-001-268 205		3,318.84
A64	12/31/2011	CASE MGMT 0-3 CHILD DD	205-52-45604-001-378 205		2,082.04
A64	12/31/2011	CASE MGMT ADULT MI	205-52-45604-004-285 205		121.82
A64	12/31/2011	CASE MGMT CHILD DD	205-52-45604-005-285 205		227.26
A64	12/31/2011	CASE MGMT CHILD MI	205-52-45604-006-285 205		1,091.76
A64	12/31/2011	CSP CM (CHP)	205-52-46530-001-260 205		1,929.30
A64	12/31/2011	CSP CM (CHP)	205-52-46530-001-260 205		7,292.40
A64	12/31/2011	REPPAYEE - CHP	205-52-46530-005-260 205		1,887.00
A64	12/31/2011	REPPAYEE - CHP	205-52-46530-005-260 205		2,109.00
A64	12/31/2011	Inpatient Drug Court (Arbor)	205-53-55503-798-260 205	5,950.00	
A64	12/31/2011	PNPT AA - DRUG COURT (LSS)	205-53-55503-860-260 205		5,950.00
A64	12/31/2011	Managed Care (YES) DD CLTS/CA (LSS)	205-54-42609-890-340 205	2,807.52	
A64	12/31/2011	RESPIRE DD CLTS/FS	205-54-50103-663-504 205		334.80
A64	12/31/2011	NURSING CONSULT 0-3 (HEALTH DEPT)	205-54-50603-945-378 205	1,137.39	
A64	12/31/2011	SERVICE COORD CA (HEALTH DEPT)	205-54-50604-945-260 205	2,391.71	
A64	12/31/2011	CBRF CA (NEW HOPE HALLIE)	205-56-42456-563-260 205		500.00
A64	12/31/2011	CSP PSYCH. IND. (MIDELFORT)	205-56-42457-585-268 205		181.62
A64	12/31/2011	CSP PSYCH. IND. (MIDELFORT)	205-56-42457-585-268 205		204.31
A64	12/31/2011	AFH CRS (LIFESTYLES)	205-56-42522-709-286 205		2,602.03
A64	12/31/2011	CBTI - FARNAM (TCHCC)	205-56-42556-644-260 205		150.96
A64	12/31/2011	CBTI - FARNAM (TCHCC)	205-56-42556-644-260 205		186.42
A64	12/31/2011	CBTI - FARNAM (TCHCC)	205-56-42556-644-260 205		165.56
A64	12/31/2011	CSP PSYCH (CHP)	205-56-42557-585-268 205		551.65
A64	12/31/2011	MENTORING MI CLTS/CA (LSS)	205-56-50110-862-340 205	1,344.00	
A64	12/31/2011	GRP FC FED ALPHA	205-62-42524-569-260 205		11.87
A64	12/31/2011	FC FV/REFUND/PROVIDER	205-64-42523-556-260 205		1,348.00
A64	12/31/2011	F.C.-FM-VOL.	205-64-42523-557-260 205		1,256.00

Human Services journal entries
(provided by Tammy).

A65	12/31/2011	DEL & POSTPONED RE TAXES	100-00-12210-000-000 100		2,524,543.37
A65	12/31/2011	TAX CERT REAL ESTATE	100-00-12310-000-000 100	2,524,543.37	
A65	12/31/2011	TAX CERT REAL ESTATE	100-00-12310-000-000 100	15,441.84	
A65	12/31/2011	TAX CERT REAL ESTATE	100-00-12310-000-000 100		241,459.14
A65	12/31/2011	SPECIAL ASSMT CERTIFICATES	100-00-12315-000-000 100	10,834.69	
A65	12/31/2011	SPECIAL ASSMT CERTIFICATES	100-00-12315-000-000 100		15,441.84
A65	12/31/2011	CITY OF ALTOONA SPCLS PURCHASED	100-00-12316-000-000 100		716.18
A65	12/31/2011	TN WASH SPCLS PURCHASED	100-00-12318-000-000 100	11,011.89	

Eau Claire CO

Year End: December 31, 2011

Adjusting Journal Entries

Date: 1/1/2011 To 12/31/2011

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Prepared by CP 6/22/2012	In-Charge	Manager
Partner JRM 7/6/2012	Pre-issuance ARB 7/20/2012	Reviewed by

Number	Date	Name	Account No	Debit	Credit
A65	12/31/2011	DELINQ PERSONAL PTY TAXES FR STATE	100-00-12320-000-000 100		431.44
A65	12/31/2011	TX CERT S/A TN UNION	100-00-12321-000-000 100		166.11
A65	12/31/2011	TX CERT S/A TN WASHINGTON	100-00-12322-000-000 100		9,324.85
A65	12/31/2011	TX CERT S/A V FAIRCHILD	100-00-12323-000-000 100		8,249.43
A65	12/31/2011	TX CERT S/A V FALL CREEK	100-00-12324-000-000 100		1,981.38
A65	12/31/2011	TX CERT S/A C AUGUSTA	100-00-12326-000-000 100		618.49
A65	12/31/2011	TN OF FAIRCHILD/SPECIALS	100-00-12331-000-000 100		358.70
A65	12/31/2011	PROPERTY TAXES	100-00-41110-000-000 100	241,459.14	
To adjust delinquent taxes receivable to actual.					
A66	12/31/2011	ADVANCE TAX COLLECTIONS	100-00-26200-000-000 100		17,010.82
A66	12/31/2011	OTHER DEFERRED REVENUE	100-00-26900-000-000 100	17,010.82	
To reclassify December 2011 credit card receipts for advance tax collections out of deferred revenue and into advance tax collections.					
A67	12/31/2011	RECEIVABLE GOOD/SERV	602-00-13100-000-000 602		2,000.00
A67	12/31/2011	RESTAURANT	602-00-46340-000-580 602	2,000.00	
To remove portion of receipt #45189 from account receivable. This is the restaurant receipt that is really for 2012 and should not be in accounts receivable. REVERSE IN 2012.					
A68	12/31/2011	RECEIVABLE GOOD/SERV	602-00-13100-000-000 602	6,002.00	
A68	12/31/2011	OTHER REVENUE	602-00-46340-000-601 602		4,000.00
A68	12/31/2011	AIRPORT/ ATTORNEY FEES	602-34-53610-212-000 602		2,002.00
To record receivable for portion of receipt #45564 related to Neo Ventures reimbursement for 2011 work. REVERSE IN 2012.					
A69	12/31/2011	RECEIVABLE GOOD/SERV	602-00-13100-000-000 602	13,093.44	
A69	12/31/2011	AIRPORT GRANTS	602-00-43619-000-000 602		13,093.44
To record portion of receipt #45192 from DOT for crack sealing reimbursement to accounts receivable. REVERSE IN 2012.					
A70	12/31/2011	TREASURER'S CASH/ GEN'L FUND	100-00-11110-000-000 100	1,636,930.00	
A70	12/31/2011	TRANSFER FR SPCL REV FUND	100-00-49220-000-000 100		1,636,930.00
A70	12/31/2011	TREASURER'S CASH/HUMAN SERVICE	205-00-11110-000-000 205		1,636,930.00
A70	12/31/2011	TRANSFER TO GENERAL FUND	205-15-59280-920-000 205	1,636,930.00	

Eau Claire CO

Year End: December 31, 2011

Adjusting Journal Entries

Date: 1/1/2011 To 12/31/2011

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Prepared by CP 6/22/2012	In-Charge	Manager
Partner JRM 7/6/2012	Pre-issuance ARB 7/20/2012	Reviewed by

Number	Date	Name	Account No	Debit	Credit
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To record transfer from DHS to
general fund per board minutes.

A71	12/31/2011	TREASURER'S CASH/ GEN'L FUND	100-00-11110-000-000 100	16,956.93	
A71	12/31/2011	FLEXIBLE BENEFIT DEDUCTIONS	100-00-21563-000-000 100		29,152.51
A71	12/31/2011	FLEXIBLE BENEFIT DEDUCTIONS	100-00-21563-000-000 100		16,956.93
A71	12/31/2011	CLK CTS/ HOS & HEALTH INS	100-02-51220-154-000 100	2,540.37	
A71	12/31/2011	JUV DIV/ HOS & HEALTH INS	100-04-51260-154-000 100	481.86	
A71	12/31/2011	RECORDS CENTER/ HOS & HEALTH INS	100-08-51480-154-000 100	467.32	
A71	12/31/2011	PURCHASE/ HOS & HEALTH INS	100-09-51550-154-000 100	25.14	
A71	12/31/2011	FINANCE/ HOS & HEALTH INS	100-10-51510-154-000 100	1,878.50	
A71	12/31/2011	FINANCE/ HEALTH INS.	100-10-51970-154-000 100	3,680.15	
A71	12/31/2011	CO TREAS/ HOS & HEALTH INS	100-11-51560-154-000 100	791.75	
A71	12/31/2011	D A/ HOS & HELTH INS	100-12-51610-154-000 100	1,447.55	
A71	12/31/2011	P & D/ HOS & HEALTH INS	100-15-51820-154-000 100	2,749.58	
A71	12/31/2011	LAND CONS/ HEALTH INSURANCE	100-15-57410-154-000 100	182.90	
A71	12/31/2011	HOUS AUTH/ HEALTH INSURANCE	100-15-57610-154-000 100	637.35	
A71	12/31/2011	COURTHOUS/ HOS & HEALTH INS	100-16-51940-154-000 100	2,087.74	
A71	12/31/2011	CRIME & COMM CARETKG / HEALTH INS	100-17-52300-154-000 100	1,422.99	
A71	12/31/2011	JAIL SECURE/ HEALTH INS	100-17-52310-154-000 100	3,875.34	
A71	12/31/2011	JAIL HUBER/ HEALTH INS	100-17-52320-154-000 100	3,576.22	
A71	12/31/2011	CRTHOUSE SECURITY / HEALTH INSUR	100-17-52330-154-000 100	282.22	
A71	12/31/2011	INVESTIGATIVE/ HEALTH INSURANCE	100-17-52350-154-000 100	296.87	
A71	12/31/2011	TRAFFIC CONTR & ENF/ HEALTH INSURANCE	100-17-52360-154-000 100	1,158.47	
A71	12/31/2011	SWAT / HEALTH INSURANCE	100-17-52370-154-000 100	28.66	
A71	12/31/2011	VETS/ HOSPITAL & HEALTH INS	100-20-55500-154-000 100	237.20	
A71	12/31/2011	BEAVER CRK/ HOSP & HEALTH INS	100-21-56130-154-000 100	1,000.00	
A71	12/31/2011	UW EXT/ HOSPITAL & HEALTH INS	100-21-56700-154-000 100	304.33	
A71	12/31/2011	TREASURER'S CASH/HUMAN SERVICE	205-00-11110-000-000 205		12,122.30
A71	12/31/2011	SALARIES PAYABLE	205-00-21700-000-000 205	12,122.30	
A71	12/31/2011	TREASURER'S CASH/ AIRPORT	602-00-11110-000-000 602		307.98
A71	12/31/2011	AIRPORT/ HOS & HEALTH INS	602-34-53610-154-000 602	307.98	
A71	12/31/2011	TREASURER'S CASH/ HIGHWAY	701-00-11110-000-000 701		4,526.65
A71	12/31/2011	SALARIES PAYABLE	701-00-21700-000-000 701	4,526.65	

To record June 2011 HRA to expense
accounts.

A72	12/31/2011	SALARIES PAYABLE	100-00-21700-000-000 100		11,997.00
A72	12/31/2011	CLK CTS/ EMPL RET PD BY CO	100-02-51220-153-000 100	2,418.00	
A72	12/31/2011	CLERK/ EMPL RET PD BY CO	100-06-51410-153-000 100	2,232.00	
A72	12/31/2011	CO TREAS/ EMPL RET PD BY CO	100-11-51560-153-000 100	2,232.00	
A72	12/31/2011	REG DEEDS/ EMPL RET PD BY CO	100-14-51710-153-000 100	2,234.00	
A72	12/31/2011	CRIME & COMM CARETKG / EMPL RET PD B'	100-17-52300-153-000 100	2,881.00	

To record 2011 WRS payments to
elected officials. REVERSE IN 2012.

A73	12/31/2011	DEFERRED REVENUE	703-00-26000-000-000 703		27,950.00
A73	12/31/2011	WELLNESS GRANT FROM WCAGHT	703-09-47322-000-000 703	27,950.00	

Eau Claire CO
Year End: December 31, 2011
Adjusting Journal Entries
Date: 1/1/2011 To 12/31/2011

TB.2-17

Prepared by CP 6/22/2012	In-Charge	Manager
Partner JRM 7/6/2012	Pre-issuance ARB 7/20/2012	Reviewed by

Number	Date	Name	Account No	Debit	Credit
To record 2012 Wellness Grant received in December 2011 in deferred revenue. REVERSE IN 2012.					
A74	12/31/2011	CENTRAL STORES	100-00-16101-000-000 100	6,151.15	
A74	12/31/2011	CENTRAL STORES	100-00-16101-000-000 100		864.62
A74	12/31/2011	DUPLICATING	100-00-16103-000-000 100	27,262.23	
A74	12/31/2011	INVENTORIES & SUPPLIES	100-00-34120-000-000 100	3,645.52	
A74	12/31/2011	FUND BALANCE - UNRESERVED	100-00-34200-000-000 100		3,645.52
A74	12/31/2011	PURCHASING/CENTRAL DUPL CHARGES	100-09-47211-000-000 100		27,262.23
A74	12/31/2011	PURCHASING/CENTRAL DUPL CHARGES	100-09-47211-000-000 100	864.62	
A74	12/31/2011	CENTRAL STORES - CONTROL	100-09-51461-100-000 100		6,151.15
Client adjustments for central printing, stores, and duplicating accounts.					
A75	12/31/2011	RECEIVABLES GOOD/SER	205-00-13100-000-000 205	19,376.45	
A75	12/31/2011	RECEIVABLES CONTROL	205-00-13100-000-100 205		19,376.45
To correct client JE 9059. Per discussion with Tammy Stelter on 6/11/2012 - she has requested Finance Department make this GJE, so be sure it has not been posted in 2012.					
A76	12/31/2011	DEFERRED TAX REVENUE	100-00-26100-000-000 100		278.42
A76	12/31/2011	PROPERTY TAXES	100-00-41110-000-000 100	278.42	
To adjust deferred revenue to actual based on change in tax certificates.					
A77	12/31/2011	RECEIVABLES GOOD/SER	205-00-13100-000-000 205	132,332.71	
A77	12/31/2011	EDS CM DEFICIT REDUCTION	205-00-46530-001-000 205		34,084.37
A77	12/31/2011	EDS CSP DEFICIT REDUCTION	205-00-46530-002-000 205		98,248.34
To post back 2012 receipt as 2011 revenue (post-back missed by Finance Department). REVERSE IN 2012.					
A78	12/31/2011	RECEIVABLES GOOD/SER	205-00-13100-000-000 205		7,293.05
A78	12/31/2011	PRIOR PERIOD TRANSACTIONS	205-00-48525-000-100 205	7,293.05	
To correct A10; Tammy had already corrected receivables side of this reversal via portion of entry A64 (\$3,292.25 net).					
A79	12/31/2011	FUND BALANCE-UNRESERVED	205-00-34200-000-000 205		1,899.31
A79	12/31/2011	MISCELLANEOUS REVENUE	205-00-48525-000-000 205	1,899.31	
To post a portion of 2010 audit entry A19.					

Eau Claire CO

Year End: December 31, 2011

Adjusting Journal Entries

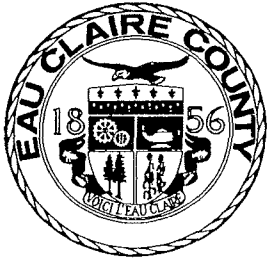
Date: 1/1/2011 To 12/31/2011

TB.2-18

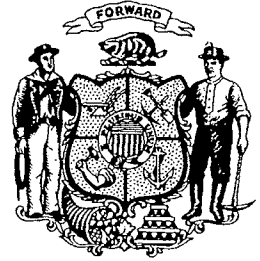
Prepared by CP 6/22/2012	In-Charge	Manager
Partner JRM 7/6/2012	Pre-issuance ARB 7/20/2012	Reviewed by

Number	Date	Name	Account No	Debit	Credit
A80	12/31/2011	RECEIVABLES GOOD/SER	205-00-13100-000-000 205	114,876.00	
A80	12/31/2011	COMMUNITY AIDS	205-00-43560-000-260 205		114,876.00
To record A/R for final 2011 CARS state revenue. (Final DHS entry - Prepared by Tammy). REVERSE in 2012.					
				20,947,895.42	20,947,895.42

Net Income (Loss) 2,173,517.80



Eau Claire County
721 Oxford Avenue
Eau Claire, WI 54703-5481



July 30, 2012

Baker Tilly Virchow Krause, LLP
2519 N. Hillcrest Parkway, Suite 203
Altoona, WI 54720

Dear Auditors:

We are providing this letter in connection with your audit of the financial statements of Eau Claire County, Wisconsin as of December 31, 2011 and for the year then ended for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Eau Claire County and the respective changes in financial position and cash flows, where applicable, in conformity with accounting principles generally accepted in the United States of America. We confirm that we are responsible for the fair presentation of the previously mentioned financial statements in conformity with accounting principles generally accepted in the United States of America. We are also responsible for adopting sound accounting policies, establishing and maintaining internal control, and preventing and detecting fraud.

We confirm, to the best of our knowledge and belief, the following representations made to you during your audit.

1. The financial statements referred to above are fairly presented in conformity with accounting principles generally accepted in the United States of America. We have engaged you to advise us in fulfilling that responsibility. The financial statements include all properly classified funds of the oversight unit and all component units required by accounting principles generally accepted in the United States of America to be included in the financial reporting entity, except as disclosed in the notes to financial statements.
2. We have made available to you all –
 - a. Financial records and related data and all audit or relevant monitoring reports, if any, received from funding sources.
 - b. Minutes of the meetings of the County Board or summaries of actions of recent meetings for which minutes have not yet been prepared.
3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
4. There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements or the schedule of expenditures of federal and state awards.
5. We believe the effects of the uncorrected financial statement misstatements summarized in the attached schedule are immaterial, both individually and in the aggregate, to the basic financial statements taken as a whole. In addition, you have recommended adjusting journal entries, and we are in agreement with those adjustments.

6. We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud.
7. We have no knowledge of any fraud or suspected fraud affecting the entity involving:
 - a. Management,
 - b. Employees who have significant roles in internal control, or
 - c. Others where the fraud could have a material effect on the financial statements.
8. We have no knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, analysts, regulators, or others.
9. We have a process to track the status of audit findings and recommendations.
10. We have identified to you any previous financial audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
11. We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for our report.
12. Eau Claire County has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or fund equity.
13. The following, if any, have been properly recorded or disclosed in the financial statements:
 - a. Related party transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties.
 - b. Guarantees, whether written or oral, under which the county is contingently liable.
 - c. All accounting estimates that could be material to the financial statements including the key factors and significant assumptions underlying those estimates and measurements. We believe the estimates and measurements are reasonable in the circumstances, consistently applied, and adequately disclosed.
14. We are responsible for compliance with federal, state, and local laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and we have identified and disclosed to you all federal, state, and local laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.

15. There are no –
 - a. Violations or possible violations of budget ordinances, provisions of contracts and grant agreements, federal, state, and local laws or regulations including those pertaining to adopting and amending budgets, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, or for reporting on noncompliance.
 - b. Unasserted claims or assessments that our lawyer has advised us are probable of assertion and must be disclosed in accordance with generally accepted accounting principles.
 - c. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by generally accepted accounting principles.
 - d. Nonspendable, restricted, committed, or assigned fund balances that were not properly authorized and approved.
 - e. Rates being charged to customers other than the rates as authorized by the applicable authoritative body.
 - f. Violations of restrictions placed on revenues as a result of bond resolution covenants such as revenue distribution or debt service funding.
16. Eau Claire County has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
17. Eau Claire County has complied with all aspects of contractual agreements that would have a material effect on the financial statement in the event of noncompliance.
18. We have followed all applicable laws and regulations in adopting, approving, and amending budgets.
19. The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations, except as disclosed in the notes to financial statements.
20. The financial statements properly classify all funds and activities.
21. All funds that meet the quantitative criteria in GASB Statement No. 34 and No. 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
22. Components of net assets (invested in capital assets, net of related debt; restricted; and unrestricted) and equity amounts are properly classified and, if applicable, approved.
23. Provisions for uncollectible receivables have been properly identified and recorded.
24. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
25. Revenues are appropriately classified in the statement of activities within program revenues and general revenues.

26. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
27. Deposits and investment securities are properly classified as to risk, and investments are properly valued.
28. Capital assets, including infrastructure assets, are properly capitalized, reported, and, if applicable, depreciated.
29. We have appropriately disclosed Eau Claire County's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available and have determined that net assets were properly recognized under the policy. We have also disclosed our policy regarding how restricted and unrestricted fund balance is used when an expenditure is incurred for which both restricted and unrestricted fund balance is available, including the spending hierarchy for committed, assigned, and unassigned amounts.
30. We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
31. We acknowledge our responsibility for presenting the budgetary comparison schedules and combining financial statements in accordance with accounting principles generally accepted in the United States of America, and we believe the budgetary comparison schedules and combining financial statements, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the budgetary comparison schedules and combining financial statements have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
32. We assume responsibility for, and agree with, the findings of specialists in evaluating the County's liability for other post-employment benefits and have adequately considered the qualifications of the specialists in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had impact on the independence or objectivity of the specialists.
33. In regards to the nonattest services performed by you listed below, we have 1) made all management decisions and performed all management functions; 2) designated an individual with suitable skill, knowledge, or experience to oversee the services; 3) evaluated the adequacy and results of the services performed, and 4) accepted responsibility for the results of the services.
 - a. Financial statement preparation
 - b. Adjusting journal entries
 - c. Schedule of expenditures of federal and state awards preparation
 - d. Human resources consulting

34. With respect to federal and state award programs –

- a. We are responsible for understanding and complying with and have complied with the requirements of the Single Audit Act Amendments of 1996, OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, the *State Single Audit Guidelines*, including requirements relating to preparation of the schedule of expenditures of federal and state awards.
- b. We have, in accordance with OMB Circular A-133, identified in the schedule of expenditures of federal and state awards, expenditures made during the audit period for all awards provided by federal and state agencies in the form of grants, federal and state cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, food commodities, direct appropriations, insurance and other assistance received for the purpose of administering federal and state programs. We have also made records available to you relating to such financial awards received directly, as well as indirectly, as pass-through awards.
- c. We acknowledge our responsibility for presenting the schedule of expenditures of federal awards (SEFSA) in accordance with the requirements of OMB Circular A-133 §310.b and the *State Single Audit Guidelines*, and we believe the SEFSA, including its form and content, is fairly presented in accordance with the Circular. The methods of measurement and presentation of the SEFSA have not changed from those used in the prior period and we have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the SEFSA.
- d. If the SEFSA is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditors' report thereon.
- e. We have identified and disclosed to you all of our government programs and related activities subject to OMB Circular A-133 and the *State Single Audit Guidelines*.
- f. We are responsible for understanding and complying with, and have complied with in all material respects, the requirements of laws, regulations, and the provisions of contracts and grant agreements related to each of our federal and state programs and have identified and disclosed to you the requirements of laws, regulations, and the provisions of contracts and grant agreements that are considered to have a direct and material effect on each major federal and state program.
- g. We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance requirements applicable to federal and state programs that provide reasonable assurance that we are administering our federal and state awards in compliance with laws, regulations, and the provisions of contracts and grant agreements that could have a material effect on our federal and state programs. We believe the internal control system is adequate and is functioning as intended. Also, no changes have been made in the internal control over compliance or other factors to the date of this letter that might significantly affect internal control, including any corrective action taken with regard to control deficiencies reported in the schedule of findings and questioned costs.
- h. We have made available to you all contracts and grant agreements (including amendments, if any) and any other correspondence relevant to the programs and related activities subject to the governmental audit requirement.

34. (cont.)

- i. We have received no requests from a federal or state agency to audit one or more specific programs as a major program.
- j. We have complied with the direct and material compliance requirements, including when applicable, those set forth in the OMB Circular A-133 Compliance Supplement and the *State Single Audit Guidelines*, relating to federal and state awards and have identified and disclosed to you all amounts questioned and any known noncompliance with the requirements of federal and state awards.
- k. We have disclosed any communications from grantors and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, if any, including communications received from the end of the period covered by the compliance audit to the date of the auditors' report.
- l. We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation agreements, and internal or external monitoring that directly relate to the objectives of the compliance audit, if any, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditors' report.
- m. Amounts claimed or used for matching were determined in accordance with relevant guidelines in OMB Circular A-87, *Cost Principles for State, Local, and Tribal Governments*, and OMB's *Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments*.
- n. We have disclosed to you our interpretation of compliance requirements that are subject to varying interpretations, if any.
- o. We have made available to you all documentation related to the compliance with the direct and material compliance requirements, including information related to federal and state program financial reports and claims for advances and reimbursements.
- p. We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.
- q. We are not aware of any instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditors' report.
- r. No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies in internal control over compliance (including material weaknesses in internal control over compliance) have occurred subsequent to the date as of which compliance was audited.
- s. Federal and state program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.
- t. The copies of federal and state program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal and state agency or pass-through entity, as applicable.
- u. We have monitored subrecipients to determine that they have expended pass-through assistance in accordance with applicable laws and regulations and have met the requirements of OMB Circular A-133 and the *State Single Audit Guidelines*.

34. (cont.)

- v. We have taken appropriate action, including issuing management decisions, on a timely basis after receipt of subrecipients' auditors' reports that identified noncompliance with laws, regulations, or the provisions of contracts or grant agreements to ensure that subrecipients have taken the appropriate and timely corrective action on findings.
- w. We have considered the results of subrecipient audits and made any necessary adjustments to our books and records.
- x. We have charged costs to federal and state awards in accordance with applicable cost principles.
- y. We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by OMB Circular A-133 and the *State Single Audit Guidelines* and we have provided you with all information on the status of the follow-up on prior audit findings by federal and state awarding agencies and pass-through entities, including all management decisions.
- z. We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by OMB Circular A-133.
- aa. We are responsible for preparing and implementing a corrective action plan for each audit finding.

We have evaluated and classified any subsequent events as recognized or unrecognized through the date of this letter. To the best of our knowledge and belief, no events, including instances of noncompliance, have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements or in the schedule of findings and questioned costs.

Sincerely,

EAU CLAIRE COUNTY

Signed: J. Thomas Melarty, County Administrator

Signed: Scott Peterson, Director of Finance

Date: 7/30/2012