

**UNITED CEREBRAL PALSY OF  
GREATER DANE COUNTY, INC.**  
Madison, Wisconsin

**FINANCIAL STATEMENTS**  
and  
**REPORT OF INDEPENDENT  
CERTIFIED PUBLIC ACCOUNTANTS**

For the Years Ended December 31, 2017 and 2016



**UNITED CEREBRAL PALSY OF GREATER DANE COUNTY, INC.**  
Madison, Wisconsin

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## REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors  
United Cerebral Palsy of Greater Dane County, Inc.  
Madison, Wisconsin

### **Report on the Financial Statements**

We have audited the accompanying financial statements of United Cerebral Palsy of Greater Dane County, Inc. (UCP), which comprise the statements of financial position as of December 31, 2017 and 2016, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



***Opinion***

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of United Cerebral Palsy of Greater Dane County, Inc. as of December 31, 2017 and 2016, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

***Other Matters***

Our audits were conducted for the purpose of forming an opinion on the financial statements of United Cerebral Palsy of Greater Dane County, Inc. as a whole. The accompanying schedule of revenue and expenses by funding source and by program and by contract, schedule of final agency expense report by program, and the schedule of expenditures of federal and state awards are presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the *State Single Audit Guidelines*, issued by the State of Wisconsin Department of Administration and State Single Audit Committee, and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2018, on our consideration of United Cerebral Palsy of Greater Dane County, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering United Cerebral Palsy of Greater Dane County, Inc.'s internal control over financial reporting and compliance.

Madison, Wisconsin  
June 19, 2018

*Smith & Gesteland, LLP*  
SMITH & GESTELAND, LLP

**UNITED CEREBRAL PALSY OF GREATER DANE COUNTY, INC.**

Madison, Wisconsin

**STATEMENTS OF FINANCIAL POSITION**

December 31

	<u>2017</u>	<u>2016</u>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 582,550	\$ 494,669
Accounts receivable	53,446	88,379
Pledges receivable	8,627	13,234
Prepaid expenses	<u>64,635</u>	<u>43,348</u>
Total current assets	<u>709,258</u>	<u>639,630</u>
Equipment		
Furniture and equipment	72,016	72,016
Software	<u>8,700</u>	<u>8,700</u>
	80,716	80,716
Less accumulated depreciation	<u>80,716</u>	<u>78,100</u>
Net equipment	<u>          </u>	<u>2,616</u>
Other assets		
Investments	757,305	679,729
Beneficial interest in assets held by the Madison Community Foundation	<u>19,552</u>	<u>16,686</u>
Total other assets	<u>776,857</u>	<u>696,415</u>
Total assets	<u>\$ 1,486,115</u>	<u>\$ 1,338,661</u>

The accompanying notes are an integral part of the financial statements.

	<u>2017</u>	<u>2016</u>
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities		
Accounts payable	\$ 89,479	\$ 42,105
Accounts payable - Dane County	239,339	136,443
Accrued expenses	<u>59,445</u>	<u>106,121</u>
Total liabilities	<u>388,263</u>	<u>284,669</u>
Net assets		
Unrestricted		
Board designated - information referral and advocacy	46,820	49,033
Board designated - Madison Community Foundation	19,552	16,686
Undesignated	<u>998,730</u>	<u>952,563</u>
Total unrestricted	1,065,102	1,018,282
Temporarily restricted	<u>32,750</u>	<u>35,710</u>
Total net assets	<u>1,097,852</u>	<u>1,053,992</u>
Total liabilities and net assets	<u>\$ 1,486,115</u>	<u>\$ 1,338,661</u>

**UNITED CEREBRAL PALSY OF GREATER DANE COUNTY, INC.**

Madison, Wisconsin

**STATEMENTS OF ACTIVITIES**

For the Years Ended December 31

	<u>2017</u>	<u>2016</u>
<b>CHANGES IN UNRESTRICTED NET ASSETS</b>		
Public support and revenue:		
Dane County Department of Human Services	\$ 3,599,978	\$ 3,528,504
Program service fees and therapy reimbursements	285,730	292,989
Contributions	108,794	189,712
Special events	74,213	89,461
Interest income	411	554
Net investment income	77,576	13,188
Increase in beneficial interest in assets held by the Madison Community Foundation	2,866	870
Net assets released from restrictions:		
Programs	<u>35,710</u>	<u>20,025</u>
 Total public support and revenue	 <u>4,185,278</u>	 <u>4,135,303</u>
 Expenses:		
Program services:		
Birth to Three Connections	1,393,476	1,262,424
Youth Resources/Respite	1,862,469	1,869,225
Adult Brokering	482,612	519,767
Assessment and Planning	142,783	174,509
Community Connecting	53,084	55,139
Community Outreach	9,786	9,503
Information, referral, and advocacy	44,437	65,112
Public education	<u>60,023</u>	<u>59,245</u>
 Total program services expenses	 <u>\$ 4,048,670</u>	 <u>\$ 4,014,924</u>

The accompanying notes are an integral part of the financial statements.



	<u>2017</u>	<u>2016</u>
<b>CHANGES IN UNRESTRICTED NET ASSETS (continued)</b>		
Administrative and supporting services:		
Management and general	\$ 25,343	\$ 10,797
Fund-raising	<u>64,445</u>	<u>60,549</u>
Total administrative and supporting services expenses	<u>89,788</u>	<u>71,346</u>
Total expenses	<u>4,138,458</u>	<u>4,086,270</u>
Change in unrestricted net assets	<u>46,820</u>	<u>49,033</u>
<b>CHANGES IN TEMPORARILY RESTRICTED NET ASSETS</b>		
Contributions	32,750	25,710
Net assets released from restrictions	<u>(35,710)</u>	<u>(20,025)</u>
Change in temporarily restricted net assets	<u>(2,960)</u>	<u>5,685</u>
Change in net assets	43,860	54,718
Net assets - beginning	<u>1,053,992</u>	<u>999,274</u>
Net assets - ending	<u>\$ 1,097,852</u>	<u>\$ 1,053,992</u>

**UNITED CEREBRAL PALSY OF GREATER DANE COUNTY, INC.**

Madison, Wisconsin

**STATEMENTS OF CASH FLOWS**

For the Years Ended December 31

	<u>2017</u>	<u>2016</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ 43,860	\$ 54,718
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	2,616	8,133
(Gain) loss on investments	(47,242)	7,087
Reinvested income on investments	(30,334)	(20,275)
Change in beneficial interest in assets held by the Madison Community Foundation	(2,866)	(870)
Changes in assets and liabilities:		
Accounts receivable	34,933	1,370
Pledges receivable	4,607	14,631
Prepaid expenses	(21,287)	13,196
Accounts payable	47,374	(25,230)
Accounts payable - Dane County	102,896	(19,693)
Accrued expenses	(46,676)	(7,799)
Deferred compensation	<u>                    </u>	<u>(20,000)</u>
 Net cash provided by operating activities	 <u>87,881</u>	 <u>5,268</u>
 Net increase in cash and cash equivalents	 87,881	 5,268
 Cash and cash equivalents - beginning	 <u>494,669</u>	 <u>489,401</u>
 Cash and cash equivalents - ending	 <u><u>\$ 582,550</u></u>	 <u><u>\$ 494,669</u></u>

The accompanying notes are an integral part of the financial statements.

**UNITED CEREBRAL PALSY OF GREATER DANE COUNTY, INC.**

Madison, Wisconsin

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES**

**NATURE OF ACTIVITIES**

United Cerebral Palsy of Greater Dane County, Inc. (UCP) provides services to persons with developmental disabilities and delays and their families in designated portions of southern Wisconsin.

UCP operates under an affiliation agreement with United Cerebral Palsy Association Incorporated (UCPA, Inc.). This agreement provides that a small part of the public support (less than 0.6%) be paid to the national organization.

UCP is exempt from federal and state income tax pursuant to the provisions of Section 501(c)(3) of the Internal Revenue Code.

A summary of UCP's significant accounting policies follows:

**A. BASIS OF PRESENTATION**

UCP reports information regarding its financial position and activities according to the following three classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors:

Unrestricted net assets - Net assets that are not restricted by donors. Designations are voluntary board-approved segregations of unrestricted net assets for specific purposes, projects, or investments.

Temporarily restricted net assets - Net assets whose use has been limited by donor-imposed time restrictions or purpose restrictions.

Permanently restricted net assets - Net assets that have been restricted by donors to be maintained in perpetuity. UCP does not have any permanently restricted net assets.

**B. USE OF ESTIMATES**

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**C. STATEMENTS OF CASH FLOWS**

For purposes of the statements of cash flows, UCP considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents, excluding funds invested with Johnson Bank Wealth Management.

**UNITED CEREBRAL PALSY OF GREATER DANE COUNTY, INC.**

Madison, Wisconsin

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES**

(continued)

**D. INVESTMENTS**

Investments are carried at fair value, with realized and unrealized gains and losses reflected in the statement of activities.

Investment securities are exposed to various risks including, but not limited to, interest rate and market and credit risks. Due to the level of risks associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term.

**E. RECEIVABLES AND ALLOWANCE FOR BAD DEBTS**

Accounts receivable are stated at face value, net of allowance for bad debts.

The allowance for bad debts is maintained at a level that is management's best estimate of probable bad debts incurred as of the statement of financial position date. Management's determination of the adequacy of the allowance is based on an evaluation of the receivables, past collection experience, current economic conditions, volume, growth and composition of the receivables, and other relevant factors. Provisions for bad debts charged against income increase the allowance. There was no allowance for the years ended December 31, 2017 and 2016, as management feels that all accounts receivable are fully collectible.

**F. EQUIPMENT**

Equipment is stated at cost. See Note 6 regarding purchases made with government funds. Acquisitions of equipment in excess of \$5,000 are capitalized at cost. Depreciation is provided using the straight-line method over the estimated useful lives of the assets, which range from three to five years.

**G. CONTRIBUTIONS**

Contributions are recognized as revenue when received or unconditionally pledged. All contributions are considered available for unrestricted use unless specifically restricted by the donor. Contributions received with donor stipulations that limit the use of the donated assets are reported as restricted support. When a donor restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions.

# UNITED CEREBRAL PALSY OF GREATER DANE COUNTY, INC.

Madison, Wisconsin

## NOTES TO FINANCIAL STATEMENTS

### NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### H. DONATED SERVICES AND MATERIALS

During 2017 and 2016, the organization received advertising, printing, and goods for the Celebrity Banquet, the estimated value of contributed services and materials was \$2,582 and \$4,453, respectively. The contributions were recorded as a contribution and expense in the year received. In addition to any recorded donated services and materials, many individuals volunteer their time and perform a variety of tasks that assist UCP.

#### I. FUNCTIONAL EXPENSES

The costs of providing program services and supporting activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the program services and supporting activities benefited.

#### J. FAIR VALUE MEASUREMENTS

ASC 820, "Fair Value Measurements and Disclosures" defines fair value, establishes a framework for measuring fair value under generally accepted accounting principles and enhances disclosures about fair value measurements. Fair value is defined under ASC 820 as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value under ASC 820 must maximize the use of observable inputs and minimize the use of unobservable inputs.

The standard describes a fair value hierarchy based on three levels of inputs, of which the first two are considered observable and the last unobservable, that may be used to measure fair value which are the following:

- Level One - Quoted prices in active markets for identical assets or liabilities.
- Level Two - Inputs other than Level One that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are not observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level Three - Unobservable inputs that are supported by little or no market activity and are significant to the fair value of the assets or liabilities.

**UNITED CEREBRAL PALSY OF GREATER DANE COUNTY, INC.**

Madison, Wisconsin

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES**

(continued)

UCP holds all its investments with Johnson Bank. The following tables summarize those assets measured at fair value in accordance with ASC 820 as of December 31:

	2017			
	Fair Value	Level One	Level Two	Level Three
Money market funds	\$ 3,971	\$	\$ 3,971	\$
Fixed income funds	450,061	450,061		
Equity mutual funds	303,273	303,273		
Beneficial interest in assets held by MCF	19,552			19,552
	<u>\$ 776,857</u>	<u>\$ 753,334</u>	<u>\$ 3,971</u>	<u>\$ 19,552</u>
	2016			
	Fair Value	Level One	Level Two	Level Three
Money market funds	\$ 5,147	\$	\$ 5,147	\$
Fixed income funds	402,866	402,866		
Equity mutual funds	271,716	271,716		
Beneficial interest in assets held by MCF	16,686			16,686
	<u>\$ 696,415</u>	<u>\$ 674,582</u>	<u>\$ 5,147</u>	<u>\$ 16,686</u>

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2017 and 2016.

Fixed income funds and equity mutual funds are carried at fair value based on quoted market prices (Level One measurements). Money market funds are valued at the net asset value of shares held by the organization at year end (Level Two measurements). The organization's investment in beneficial interest in assets held by MCF is based on inputs used by the trustees of that organization to value the beneficial interest's underlying assets.

**UNITED CEREBRAL PALSY OF GREATER DANE COUNTY, INC.**

Madison, Wisconsin

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES**

(continued)

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain instruments could result in a different fair value measurement at the reporting date.

The following table presents the organization's activity for assets measured at fair value on a recurring basis using significant unobservable inputs (Level Three) as defined in ASC 820 as of December 31:

	<u>2017</u>	<u>2016</u>
Beginning balance	\$ 16,686	\$ 15,816
Investment results, net of fees	3,046	1,029
Administrative fees	<u>(180)</u>	<u>(159)</u>
Ending balance	<u>\$ 19,552</u>	<u>\$ 16,686</u>

**NOTE 2 - INVESTMENTS**

Investment fees for the years ended December 31, 2017 and 2016, were \$7,102 and \$6,748, respectively.

Net investment income consisted of the following:

	<u>2017</u>	<u>2016</u>
Earnings on investments	\$ 30,334	\$ 20,275
Realized and unrealized gains (losses), net of investment fees	<u>47,242</u>	<u>(7,087)</u>
	<u>\$ 77,576</u>	<u>\$ 13,188</u>

**UNITED CEREBRAL PALSY OF GREATER DANE COUNTY, INC.**

Madison, Wisconsin

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 3 - ASSETS HELD BY THE MADISON COMMUNITY FOUNDATION**

The Madison Community Foundation held investments of \$19,552 and \$16,686 at December 31, 2017 and 2016, respectively, for the benefit of UCP and annually distributes a percentage of the fair value of these assets annually to UCP. As of December 31, 2017 and 2016, this percentage was 4.5% and 4.75%, respectively. Additional distributions may be requested by UCP. However, such distributions will be made only if they are deemed by the Madison Community Foundation to benefit UCP, advance their charitable and exempt purposes, and benefit the community. Upon a change in the exempt status or termination of UCP, UCP has a right to advise the Madison Community Foundation on suggestions for distributions; however, the final decision on all such distributions rests with the Madison Community Foundation. The investment is recorded in the statement of financial position as a beneficial interest in assets held by the Madison Community Foundation.

**NOTE 4 - LINE OF CREDIT**

The organization's \$400,000 line of credit expired on February 25, 2018, and was subsequently renewed. The interest rate is variable at prime, with a 4.50% floor. The line is secured by the organization's securities account. As of December 31, 2017 and 2016, the line did not have any outstanding balance. The line of credit has a maturity date of February 25, 2019.

**NOTE 5 - SUPPORT FROM GOVERNMENTAL UNIT**

UCP receives a substantial amount of its support from the Dane County Department of Human Services under an annual funding contract. UCP has a signed funding contract for the year ending December 31, 2018. A significant reduction in the level of this support, if this were to occur, may have a significant effect on UCP's programs and activities.

The County allows certain assets costing more than \$5,000 to be expensed to the funding contract when purchased. These assets would become the property of the County upon termination or non-renewal of this contract.



**UNITED CEREBRAL PALSY OF GREATER DANE COUNTY, INC.**

Madison, Wisconsin

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 6 - LEASES**

The organization leases space for its administrative offices under an operating lease that expires in June 2018. Subsequent to year end, the organization signed a new lease effective as of May 1, 2018 and will expire April 30, 2023, for a different office space at their current location. The organization has three renewal options of five years each. Total rent expense, including charges for common area maintenance; under this operating lease was \$134,052 in 2017 and \$130,437 in 2016.

Future minimum lease payments under this operating lease as of December 31, 2017, are as follows:

2018	\$	99,394
2019		88,147
2020		91,069
2021		93,991
2022		96,913
Thereafter		<u>32,629</u>
Total	\$	<u>502,143</u>

**NOTE 7 - TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets are comprised of the following as of December 31:

	<u>2017</u>	<u>2016</u>
Program restricted:		
Youth resources	\$ 14,000	\$ 10,000
Connections		10,000
Special events	<u>18,750</u>	<u>15,710</u>
	<u>\$ 32,750</u>	<u>\$ 35,710</u>

Temporarily restricted net assets were released from donor restrictions or time restrictions and expended for the following programs during 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Youth resources	\$ 10,000	\$ 15,145
Connections	10,000	
Special events	<u>15,710</u>	<u>4,880</u>
	<u>\$ 35,710</u>	<u>\$ 20,025</u>

**UNITED CEREBRAL PALSY OF GREATER DANE COUNTY, INC.**

Madison, Wisconsin

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 8 - TAX DEFERRED ANNUITY PLAN**

UCP has a tax deferred annuity plan for its employees that allows for both employee and employer contributions. Employees are eligible for an employer contribution after two years of service, attainment of age 21, and working 1,000 hours annually. The employer contribution was \$74,696 in 2017 and \$29,301 in 2016.

**NOTE 9 - DEFERRED COMPENSATION**

The organization had a deferred compensation agreement with a management employee. The employee became fully vested in the deferred compensation benefit on December 31, 2016, at which time the benefits were paid to the employee and the agreement ended.

Deferred compensation expense totaled \$20,000 for the year ended December 31, 2016.

**NOTE 10 - PAYMENTS TO NATIONAL PROGRAMS**

Payments to national programs were allocated among the various functions of UCP. Total payments to national programs were \$16,307 and \$18,636 in 2017 and 2016, respectively.

**NOTE 11 - CONCENTRATION OF CREDIT RISK**

UCP maintains deposits in financial institutions which, at times, exceed federally insured limits. UCP believes it is not exposed to any significant credit risk on uninsured amounts.

**NOTE 12 - SUBSEQUENT EVENTS**

Management has evaluated subsequent events through June 19, 2018, the date which the financial statements were available for issue. No events have occurred that would influence the reader's opinion of the financial statements for the year ended December 31, 2017.

**SUPPLEMENTAL INFORMATION**

**UNITED CEREBRAL PALSY OF GREATER DANE COUNTY, INC.**

Madison, Wisconsin

**SCHEDULE OF REVENUE AND EXPENSES BY FUNDING SOURCE AND BY PROGRAM AND BY CONTRACT**

Year Ended December 31, 2017

	Youth Resources								
	Birth to Three Connections			Youth Resources and Respite			Adult Brokering		
	Program:			Program:			Program:		
Funding Source:	Dane County	Other	Total	Dane County	Other	Total	Dane County	Other	Total
Total revenue	\$ 1,336,592	\$ 56,884	\$ 1,393,476	\$ 528,770	\$ 1,353,379	\$ 1,882,149	\$ 482,612	\$	\$ 482,612
Expenses									
Program expenses									
Personnel	1,004,615		1,004,615	267,522	1,282,054	1,549,576	377,583		377,583
Operating	77,848	54,084	131,932	125,552	4,817	130,369	33,745		33,745
Space	50,227		50,227	30,964		30,964	15,518		15,518
Special costs				22,459	17,736	40,195	1,675		1,675
Other expenses	106,708		106,708	27,990		27,990	14,478		14,478
Total program expenses	1,239,398	54,084	1,293,482	474,487	1,304,607	1,779,094	442,999		442,999
Administrative expenses									
Personnel	72,936		72,936	40,178	29,092	69,270	29,380		29,380
Operating	19,765	2,800	22,565	12,494		12,494	6,354		6,354
Space	4,493		4,493	1,611		1,611	3,879		3,879
Special costs									
Other expenses									
Total administrative expenses	97,194	2,800	99,994	54,283	29,092	83,375	39,613		39,613
Total expenses	1,336,592	56,884	1,393,476	528,770	1,333,699	1,862,469	482,612		482,612
Subtotal					19,680	19,680			
Net income from investments									
Net benefit (deficiency)	\$	\$	\$	\$	\$ 19,680	\$ 19,680	\$	\$	\$

**UNITED CEREBRAL PALSY OF GREATER DANE COUNTY, INC.**

Madison, Wisconsin

**SCHEDULE OF REVENUE AND EXPENSES BY FUNDING SOURCE AND BY PROGRAM AND BY CONTRACT**

(Continued)

Year Ended December 31, 2017

	Assessment and Planning			Community	Community	Information,	Public Education	Management,	Total
	Dane County	Other	Total	Connecting	Outreach	Referral and Advocacy	Other	Development and General	
Program:				Other	Other	Other	Other	Other	
Funding Source:				Other	Other	Other	Other	Other	
Total revenue	\$ 142,783	\$	\$ 142,783	\$ 59,421	\$	\$ 411	\$	\$ 143,983	\$ 4,104,835
Expenses									
Program expenses									
Personnel	104,148		104,148	48,964	7,849	13,588	54,601		3,160,924
Operating	6,652		6,652	3,115	1,937	12,524	5,422		325,696
Space	7,049		7,049	1,005		18,325			123,088
Special costs	(436)		(436)						41,434
Other expenses	5,792		5,792						154,968
Total program expenses	123,205		123,205	53,084	9,786	44,437	60,023		3,806,110
Administrative expenses									
Personnel	14,489		14,489					64,093	250,168
Operating	4,108		4,108					25,695	71,216
Space	981		981						10,964
Special costs									
Other expenses									
Total administrative expenses	19,578		19,578					89,788	332,348
Total expenses	142,783		142,783	53,084	9,786	44,437	60,023	89,788	4,138,458
Subtotal				6,337	(9,786)	(44,026)	(60,023)	54,195	(33,623)
Net income from investments								80,443	80,443
Net benefit (deficiency)	\$	\$	\$	\$ 6,337	\$ (9,786)	\$ (44,026)	\$ (60,023)	\$ 134,638	\$ 46,820

DANE COUNTY DEPARTMENT OF HUMAN SERVICES

PROVIDER AGENCY EXPENSE REPORT THROUGH:

Fourth Quarter 2016

Provider Name: United Cerebral Palsy of Greater Dane County, Inc.		Contract #: 83718		*Provider Certified By:		
Program Name: Birth to Three Connections		Program Group #: 6018		Date		
	1 Approved County-Funded Budget	2 YTD County-Funded Admin Expense	3 YTD County-Funded Program Expense	4 YTD County-Funded Expense Total (= Col. 2 + 3)	5 YTD County-Funded Budget	6 YTD % Variance from Budget
<b>A. PERSONNEL</b>						
Salaries	899,083	60,856	838,227	899,083	899,083	
Taxes	67,808	4,590	63,218	67,808	67,808	
Benefits	110,660	7,490	103,170	110,660	110,660	
<b>Subtotal A</b>	<b>1,077,551</b>	<b>72,936</b>	<b>1,004,615</b>	<b>1,077,551</b>	<b>1,077,551</b>	<b>0.00%</b>
<b>B. OPERATING</b>						
Insurance	7,323	4,394	2,929	7,323	7,323	
Professional Fees	29,047	9,048	19,999	29,047	29,047	
Audit	7,091	7,091		7,091	7,091	
Data Processing Fees						
Postage, Office, and Program Supplies	20,318	2,032	18,286	20,318	20,318	
Equipment/Furnishings						
Depreciation						
Telephone	13,052		13,052	13,052	13,052	
Training/Conference	1,248		1,248	1,248	1,248	
Food/Household Supplies						
Auto Allowance	67,225		67,225	67,225	67,225	
Vehicle Costs						
Other1: Mbrshp/Recruit	9,193		9,193	9,193	9,193	
Other2:						
<b>Subtotal B</b>	<b>154,497</b>	<b>22,565</b>	<b>131,932</b>	<b>154,497</b>	<b>154,497</b>	<b>0.00%</b>
<b>C. SPACE</b>						
Rent	54,720	4,493	50,227	54,720	54,720	
Utilities						
Maintenance						
Mortgage Interest, Depreciation,						
Property Taxes						
<b>Subtotal C</b>	<b>54,720</b>	<b>4,493</b>	<b>50,227</b>	<b>54,720</b>	<b>54,720</b>	<b>0.00%</b>
<b>D. SPECIAL COSTS</b>						
Assistance to Individuals						
<b>Subtotal D</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>E. OTHER</b>						
Other3: Community Staff	106,708		106,708	106,708	106,708	
Other4:						
<b>Subtotal E</b>	<b>106,708</b>	<b>0</b>	<b>106,708</b>	<b>106,708</b>	<b>106,708</b>	<b>0.00%</b>
<b>This section for Adult - DD only.</b>						
<b>F. OFF-SETTING REVENUE</b>						
<b>Show as negative numbers:</b>						
MA/Insurance	(43,932)	(2,800)	(41,132)	(43,932)	(43,932)	
Private Pay (Trust Funds, etc.)						
Cost Share						
Other: Fundraising	(12,952)		(12,952)	(12,952)	(12,952)	
<b>Subtotal F</b>	<b>(56,884)</b>	<b>(2,800)</b>	<b>(54,084)</b>	<b>(56,884)</b>	<b>(56,884)</b>	<b>0.00%</b>
<b>TOTAL A THROUGH F</b>	<b>1,336,592</b>	<b>97,194</b>	<b>1,239,398</b>	<b>1,336,592</b>	<b>1,336,592</b>	<b>0.00%</b>

DANE COUNTY DEPARTMENT OF HUMAN SERVICES

PROVIDER AGENCY EXPENSE REPORT THROUGH: Fourth Quarter 2016

Provider Name: United Cerebral Palsy of Greater Dane County, Inc.		Contract #: 83718		*Provider Certified By:		
Program Name: Youth Resources & DD Child		Program Group #: 10100		Date		
	1 Approved County-Funded Budget	2 YTD County-Funded Admin Expense	3 YTD County-Funded Program Expense	4 YTD County-Funded Expense Total (= Col. 2 + 3)	5 YTD County-Funded Budget	6 YTD % Variance from Budget
<b>A. PERSONNEL</b>						
Salaries	1,220,340	60,337	1,160,003	1,220,340	1,220,340	
Taxes	94,935	4,694	90,241	94,935	94,935	
Benefits	85,745	4,239	81,506	85,745	85,745	
<b>Subtotal A</b>	<b>1,401,020</b>	<b>69,270</b>	<b>1,331,750</b>	<b>1,401,020</b>	<b>1,401,020</b>	<b>0.00%</b>
<b>B. OPERATING</b>						
Insurance	29,351	1,451	27,900	29,351	29,351	
Professional Fees	41,591	2,056	39,535	41,591	41,591	
Audit	3,676	3,676		3,676	3,676	
Data Processing Fees						
Postage, Office, and Program Supplies	17,869	883	16,986	17,869	17,869	
Equipment/Furnishings						
Depreciation						
Telephone	6,217	307	5,910	6,217	6,217	
Training/Conference	7,090	351	6,739	7,090	7,090	
Food/Household Supplies						
Auto Allowance	7,118		7,118	7,118	7,118	
Vehicle Costs						
Other1:Mbrshp/Recruit	25,134	3,770	21,364	25,134	25,134	
Other2:						
<b>Subtotal B</b>	<b>138,046</b>	<b>12,494</b>	<b>125,552</b>	<b>138,046</b>	<b>138,046</b>	<b>0.00%</b>
<b>C. SPACE</b>						
Rent	32,575	1,611	30,964	32,575	32,575	
Utilities						
Maintenance						
Mortgage Interest, Depreciation,						
Property Taxes						
<b>Subtotal C</b>	<b>32,575</b>	<b>1,611</b>	<b>30,964</b>	<b>32,575</b>	<b>32,575</b>	<b>0.00%</b>
<b>D. SPECIAL COSTS</b>						
Assistance to Individuals	22,459		22,459	22,459	22,459	
<b>Subtotal D</b>	<b>22,459</b>	<b>0</b>	<b>22,459</b>	<b>22,459</b>	<b>22,459</b>	<b>0.00%</b>
<b>E. OTHER</b>						
Other3:Certification	27,990		27,990	27,990	27,990	
Other4:						
<b>Subtotal E</b>	<b>27,990</b>	<b>0</b>	<b>27,990</b>	<b>27,990</b>	<b>27,990</b>	<b>0.00%</b>
<b>This section for Adult - DD only.</b>						
<b>F. OFF-SETTING REVENUE</b>						
<b>Show as negative numbers:</b>						
TPA	(1,093,320)	(29,092)	(1,064,228)	(1,093,320)	(1,093,320)	
Parent Fees						
Service Revenue Billings						
Other: Fundraising						
<b>Subtotal F</b>	<b>(1,093,320)</b>	<b>(29,092)</b>	<b>(1,064,228)</b>	<b>(1,093,320)</b>	<b>(1,093,320)</b>	<b>0.00%</b>
<b>TOTAL A THROUGH F</b>	<b>528,770</b>	<b>54,283</b>	<b>474,487</b>	<b>528,770</b>	<b>528,770</b>	<b>0.00%</b>

DANE COUNTY DEPARTMENT OF HUMAN SERVICES

PROVIDER AGENCY EXPENSE REPORT THROUGH: Fourth Quarter 2016

Provider Name: United Cerebral Palsy of Greater Dane County, Inc.		Contract #: 82960		*Provider Certified By:		Date
Program Name: Case Management/Brokering		Program Group #: 1154				
	1 Approved County-Funded Budget	2 YTD County-Funded Admin Expense	3 YTD County-Funded Program Expense	4 YTD County-Funded Expense Total (= Col. 2 + 3)	5 YTD County-Funded Budget	6 YTD % Variance from Budget
<b>A. PERSONNEL</b>						
Salaries	333,781	24,097	309,684	333,781	333,781	
Taxes	24,437	1,764	22,673	24,437	24,437	
Benefits	48,745	3,519	45,226	48,745	48,745	
<b>Subtotal A</b>	<b>406,963</b>	<b>29,380</b>	<b>377,583</b>	<b>406,963</b>	<b>406,963</b>	<b>0.00%</b>
<b>B. OPERATING</b>						
Insurance	2,666		2,666	2,666	2,666	
Professional Fees	9,241	3,050	6,191	9,241	9,241	
Audit	2,892	2,892	0	2,892	2,892	
Data Processing Fees						
Postage, Office, and Program Supplies	6,213	412	5,801	6,213	6,213	
Equipment/Furnishings						
Depreciation	2,900		2,900	2,900	2,900	
Telephone	2,619		2,619	2,619	2,619	
Training/Conference	249		249	249	249	
Food/Household Supplies						
Auto Allowance	8,868		8,868	8,868	8,868	
Vehicle Costs						
Other1:Mbrshp/Recruit	4,451		4,451	4,451	4,451	
Other2:						
<b>Subtotal B</b>	<b>40,099</b>	<b>6,354</b>	<b>33,745</b>	<b>40,099</b>	<b>40,099</b>	<b>0.00%</b>
<b>C. SPACE</b>						
Rent	19,397	3,879	15,518	19,397	19,397	
Utilities						
Maintenance						
Mortgage Interest, Depreciation,						
Property Taxes						
<b>Subtotal C</b>	<b>19,397</b>	<b>3,879</b>	<b>15,518</b>	<b>19,397</b>	<b>19,397</b>	<b>0.00%</b>
<b>D. SPECIAL COSTS</b>						
Assistance to Individuals	1,675		1,675	1,675	1,675	
<b>Subtotal D</b>	<b>1,675</b>	<b>0</b>	<b>1,675</b>	<b>1,675</b>	<b>1,675</b>	<b>0.00%</b>
<b>E. OTHER</b>						
Other3: Certification Fee	14,478		14,478	14,478	14,478	
Other4:						
<b>Subtotal E</b>	<b>14,478</b>	<b>0</b>	<b>14,478</b>	<b>14,478</b>	<b>14,478</b>	<b>0.00%</b>
<b>This section for Adult - DD only.</b>						
<b>F. OFF-SETTING REVENUE</b>						
<b>Show as negative numbers:</b>						
Government Benefits (SSI, SSDI, etc.)						
Private Pay (Trust Funds, etc.)						
Cost Share						
Other: Fundraising						
<b>Subtotal F</b>						<b>0.00%</b>
<b>TOTAL A THROUGH F</b>	<b>482,612</b>	<b>39,613</b>	<b>442,999</b>	<b>482,612</b>	<b>482,612</b>	<b>0.00%</b>



DANE COUNTY DEPARTMENT OF HUMAN SERVICES

PROVIDER AGENCY EXPENSE REPORT THROUGH: Fourth Quarter 2016

Provider Name: United Cerebral Palsy of Greater Dane County, Inc.		Contract #: 83354		*Provider Certified By:		Date
Program Name: Assessment and Planning		Program Group #: 1155				
	1 Approved County-Funded Budget	2 YTD County-Funded Admin Expense	3 YTD County-Funded Program Expense	4 YTD County-Funded Expense Total (= Col. 2 + 3)	5 YTD County-Funded Budget	6 YTD % Variance from Budget
<b>A. PERSONNEL</b>						
Salaries	100,290	12,248	88,042	100,290	100,290	
Taxes	7,933	969	6,964	7,933	7,933	
Benefits	10,414	1,272	9,142	10,414	10,414	
<b>Subtotal A</b>	<b>118,637</b>	<b>14,489</b>	<b>104,148</b>	<b>118,637</b>	<b>118,637</b>	<b>0.00%</b>
<b>B. OPERATING</b>						
Insurance	1,067	131	936	1,067	1,067	
Professional Fees	3,108	3,030	78	3,108	3,108	
Audit	841	841		841	841	
Data Processing Fees						
Postage, Office, and Program Supplies	865	106	759	865	865	
Equipment/Furnishings						
Depreciation						
Telephone	715		715	715	715	
Training/Conference	12		12	12	12	
Food/Household Supplies						
Auto Allowance	2,723		2,723	2,723	2,723	
Vehicle Costs						
Other1:Mbrshp/Recruit	1,429		1,429	1,429	1,429	
Other2:						
<b>Subtotal B</b>	<b>10,760</b>	<b>4,108</b>	<b>6,652</b>	<b>10,760</b>	<b>10,760</b>	<b>0.00%</b>
<b>C. SPACE</b>						
Rent	8,030	981	7,049	8,030	8,030	
Utilities				0		
Maintenance						
Mortgage Interest, Depreciation,						
Property Taxes						
<b>Subtotal C</b>	<b>8,030</b>	<b>981</b>	<b>7,049</b>	<b>8,030</b>	<b>8,030</b>	<b>0.00%</b>
<b>D. SPECIAL COSTS</b>						
Assistance to Individuals	(436)		(436)	(436)	(436)	
<b>Subtotal D</b>	<b>(436)</b>	<b>0</b>	<b>(436)</b>	<b>(436)</b>	<b>(436)</b>	<b>100.00%</b>
<b>E. OTHER</b>						
Other3: Certification	5,792		5,792	5,792	5,792	
Other4:						
<b>Subtotal E</b>	<b>5,792</b>	<b>0</b>	<b>5,792</b>	<b>5,792</b>	<b>5,792</b>	<b>0.00%</b>
<b>This section for Adult - DD only.</b>						
<b>F. OFF-SETTING REVENUE</b>						
<b>Show as negative numbers:</b>						
Government Benefits (SSI, SSDI, etc.)						
Private Pay (Trust Funds, etc.)						
Cost Share						
Other: Fundraising						
<b>Subtotal F</b>						<b>0.00%</b>
<b>TOTAL A THROUGH F</b>	<b>142,783</b>	<b>19,578</b>	<b>123,205</b>	<b>142,783</b>	<b>142,783</b>	<b>0.00%</b>

**UNITED CEREBRAL PALSY OF GREATER DANE COUNTY, INC.**

Madison, Wisconsin

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**

For the Year Ended December 31, 2017

Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
<b>FEDERAL AWARDS</b>			
<b>U.S. Department of Health and Human Services</b>			
Pass-through Dane County Department of Human Services			
Medical Assistance Program	93.778	83354/83405	\$ 974,047
<b>U.S. Department of Education</b>			
Pass-through Dane County Department of Human Services			
Special Education - Grants for Infants and Families with Disabilities	84.181	83354	<u>157,936</u>
Total expenditures of federal awards			<u>\$ 1,131,983</u>
<b>STATE AWARDS</b>			
		State Identifying Number	
<b>Wisconsin Department of Health Services</b>			
Pass-through Dane County Department of Human Services			
Community Integration Program 1A (CIP 1A)	CARS 580	83354	\$ 7,257
Community Integration Program 1B (CIP 1B)	564	83354	226,225
Community Integration Program II (CIP II)	348	83354	3,386
Birth to Three Initiative (BIRTH - 3)	550	83354	154,995
Children's Long Term Support (CLTS)	450	83405	453,445
Community Options Program (COP)	367	83354	<u>105,807</u>
Total expenditures of state awards			<u>\$ 951,115</u>

See Notes to Schedule of Expenditures of Federal and State Awards

**UNITED CEREBRAL PALSY OF GREATER DANE COUNTY, INC.**

Madison, Wisconsin

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**

For the Year Ended December 31, 2017

**NOTE 1 - BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal and state awards includes the federal and state grant activity of United Cerebral Palsy of Greater Dane County, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the *State Single Audit Guidelines*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**NOTE 2 - MAJOR PROGRAM DETERMINATION**

The Uniform Guidance and the *State Single Audit Guidelines* establish certain criteria for the identification of major programs. Under the Uniform Guidance and the *State Single Audit Guidelines*, tests of compliance with certain types of compliance requirements are required for each major program of United Cerebral Palsy of Greater Dane County, Inc. The major programs identified in the accompanying schedule of findings and questioned costs have been determined in accordance with the requirements of the Uniform Guidance and the *State Single Audit Guidelines*.

**NOTE 3 - FEDERAL AND STATE EXPENDITURES**

Expenditures consist of direct and indirect costs. Direct costs are those that can be directly identified with an individual federal or state award. Unlike direct costs, indirect costs cannot directly be identified with an individual federal or state award program. Indirect costs are the costs of services and resources that benefit many award programs as well as other activities.

**NOTE 4 - INDIRECT COST RATE**

United Cerebral Palsy of Greater Dane County, Inc. has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

**NOTE 5 - CONTINGENCY**

All federal and state awards are subject to review and audit by grantor agencies. Such audits could lead to requests for reimbursement by the grantor agency for costs disallowed under the terms of the award. It is the opinion of management that all costs charged against federal and state awards are allowable under the regulations of those programs.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED  
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors  
United Cerebral Palsy of  
Greater Dane County, Inc.  
Madison, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of United Cerebral Palsy of Greater Dane County, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2017, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 19, 2018.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered United Cerebral Palsy of Greater Dane County, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of United Cerebral Palsy of Greater Dane County, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of United Cerebral Palsy of Greater Dane County, Inc.'s internal control.

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



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

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether United Cerebral Palsy of Greater Dane County, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

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

Madison, Wisconsin  
June 19, 2018

*Smith & Gesteland, LLP*  
SMITH & GESTELAND, LLP

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND THE *STATE SINGLE AUDIT GUIDELINES***

To the Board of Directors  
United Cerebral Palsy of  
Greater Dane County, Inc.  
Madison, Wisconsin

**Report on Compliance for Each Major Program**

We have audited United Cerebral Palsy of Greater Dane County, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2017. We have also audited United Cerebral Palsy of Greater Dane County, Inc.'s compliance with types of compliance requirements described in the *State Single Audit Guidelines*, issued by the State of Wisconsin Department of Administration and State Single Audit Committee, that could have a direct and material effect on each of United Cerebral Palsy of Greater Dane County, Inc.'s major state programs for the year ended December 31, 2017. United Cerebral Palsy of Greater Dane County, Inc.'s major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of United Cerebral Palsy of Greater Dane County, Inc.'s major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and the *State Single Audit Guidelines*, issued by the State of Wisconsin Department of Administration and Single Audit Committee. Those standards, the Uniform Guidance, and the *State Single Audit Guidelines* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about United Cerebral Palsy of Greater Dane County, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.



We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of United Cerebral Palsy of Greater Dane County, Inc.'s compliance.

### ***Opinion on Each Major Program***

In our opinion, United Cerebral Palsy of Greater Dane County, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2017.

### **Report on Internal Control over Compliance**

Management of United Cerebral Palsy of Greater Dane County, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered United Cerebral Palsy of Greater Dane County, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and the *State Single Audit Guidelines*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of United Cerebral Palsy of Greater Dane County, Inc.'s internal control over compliance.

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

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

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

Madison, Wisconsin  
June 19, 2018

*Smith & Gesteland, LLP*  
SMITH & GESTELAND, LLP

**UNITED CEREBRAL PALSY OF GREATER DANE COUNTY, INC.**

Madison, Wisconsin

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

Year Ended December 31, 2017

**SECTION I - SUMMARY OF INDEPENDENT AUDITOR'S RESULTS**

***Financial Statements***

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified not considered to be material weakness(es)?	None reported
Noncompliance material to financial statements noted?	No

***Federal Awards***

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified not considered to be material weakness(es)?	None reported
Type of auditor's report issued on compliance with major program	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Section 200.516 of the Uniform Guidance?	No

Identification of major federal programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>	<u>Amount Expended</u>
93.778	Medical Assistance Program	\$974,047
Dollar threshold used to distinguish between Type A and Type B programs		\$750,000
Auditee qualified as low-risk auditee?		Yes



**UNITED CEREBRAL PALSY OF GREATER DANE COUNTY, INC.**

Madison, Wisconsin

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

(Continued)

Year Ended December 31, 2017

***State Awards***

Internal control over major programs:

Material weakness(es) identified?	No
Significant deficiency(ies) identified not considered to be material weakness(es)?	None reported
Type of auditor's report issued on compliance with major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the <i>State Single Audit Guidelines</i> ?	No

Identification of major state programs:

<u>State Identifying Number(s)</u>	<u>Name of State Program</u>	<u>Amount Expended</u>
450	Children's Long Term Support (CLTS)	\$453,445
	Dollar threshold used to distinguish between Type A and Type B programs	\$250,000
	Auditee qualified as low-risk auditee?	Yes

**SECTION II - FINANCIAL STATEMENT FINDINGS**

None

**SECTION III - FEDERAL AND STATE AWARD FINDINGS AND QUESTIONED COSTS**

None

**SECTION IV - OTHER ISSUES**

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

Does the audit report show audit issues (i.e., material noncompliance, non-material noncompliance, questioned costs, material weakness, reportable condition, management letter comment) related to grants/contracts with funding agencies that require audits to be in accordance with the *State Single Audit Guidelines*? No

Was a management letter or other document conveying audit comments issued as a result of this audit? Yes

Signature of Partner in Charge:

*Kevin Baugartner*

Date of report: June 19, 2018