

STATE OF MINNESOTA

Office of the State Auditor



Rebecca Otto
State Auditor

MANAGEMENT AND COMPLIANCE REPORT

RAMSEY COUNTY
SAINT PAUL, MINNESOTA

FOR THE YEAR ENDED DECEMBER 31, 2013

Description of the Office of the State Auditor

The mission of the Office of the State Auditor is to oversee local government finances for Minnesota taxpayers by helping to ensure financial integrity and accountability in local governmental financial activities.

Through financial, compliance, and special audits, the State Auditor oversees and ensures that local government funds are used for the purposes intended by law and that local governments hold themselves to the highest standards of financial accountability.

The State Auditor performs approximately 160 financial and compliance audits per year and has oversight responsibilities for over 3,300 local units of government throughout the state. The office currently maintains five divisions:

Audit Practice - conducts financial and legal compliance audits of local governments;

Government Information - collects and analyzes financial information for cities, towns, counties, and special districts;

Legal/Special Investigations - provides legal analysis and counsel to the Office and responds to outside inquiries about Minnesota local government law; as well as investigates allegations of misfeasance, malfeasance, and nonfeasance in local government;

Pension - monitors investment, financial, and actuarial reporting for approximately 730 public pension funds; and

Tax Increment Financing - promotes compliance and accountability in local governments' use of tax increment financing through financial and compliance audits.

The State Auditor serves on the State Executive Council, State Board of Investment, Land Exchange Board, Public Employees Retirement Association Board, Minnesota Housing Finance Agency, and the Rural Finance Authority Board.

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**RAMSEY COUNTY
SAINT PAUL, MINNESOTA**

For the Year Ended December 31, 2013



Management and Compliance Report

**Audit Practice Division
Office of the State Auditor
State of Minnesota**

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**RAMSEY COUNTY
SAINT PAUL, MINNESOTA**

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**RAMSEY COUNTY
SAINT PAUL, MINNESOTA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: **Unmodified**

Internal control over financial reporting:

- Material weaknesses identified? **Yes**
- Significant deficiencies identified? **No**

Noncompliance material to the financial statements noted? **No**

Federal Awards

Internal control over major programs:

- Material weaknesses identified? **No**
- Significant deficiencies identified? **No**

Type of auditor's report issued on compliance for major programs: **Unmodified**

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133? **No**

The major programs are:

State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	CFDA #10.561
Temporary Assistance for Needy Families (TANF)	CFDA #93.558
Child Support Enforcement	CFDA #93.563
Foster Care Title IV-E	CFDA #93.658
Block Grant for Prevention and Treatment of Substance Abuse	CFDA #93.959

The threshold for distinguishing between Types A and B programs was \$2,279,400.

Ramsey County qualified as a low-risk auditee? **No**

II. FINDINGS RELATED TO FINANCIAL STATEMENTS AUDITED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

INTERNAL CONTROL

ITEM ARISING THIS YEAR

Finding 2013-001

Audit Adjustment and Prior Period Restatement

Criteria: A deficiency in internal control over financial reporting 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 of the financial statements on a timely basis. Clarified Auditing Standards AU-C Section 265 defines a material weakness as 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.

Condition: In preparing the 2013 financial statements, the County identified a material misstatement in the 2012 financial statements. During our audit, we identified a material adjustment that resulted in a significant change to the County's financial statements.

Context: The County internally prepares and reports appropriate government-wide and fund financial statements, including the related notes to the financial statements. The inability to detect material misstatements in the financial statements increases the likelihood that the financial statements would not be fairly presented.

Effect: The 2012 financial statements of the Lake Owasso Residence Enterprise Fund were restated to report a receivable and revenue in the proper period. An audit adjustment was necessary to properly present a deferred inflow of resources - unavailable revenue and intergovernmental revenue. Deferred inflow of resources - unavailable revenue was increased and intergovernmental revenue was decreased by \$4,815,396 in the Workforce Solutions Special Revenue Fund. The audit adjustment was reviewed and approved by appropriate County staff and is reflected in the financial statements.

Cause: The reimbursement from the State of Minnesota for November 2012 expenses due to the Lake Owasso Residence was delayed past year end. The Residence typically receives that month's reimbursement before the end of the year. The receivable and the revenue were not reported in 2012. The County typically receives payment of its year-end receivables from other governmental units recorded in the Workforce Solutions Special Revenue Fund within 60 days of year-end and would not need to record a

deferred inflow of resources - unavailable revenue. For 2013, however, payments related to the receivable were not received within 60 days of year-end. The financial statements prepared by the County and submitted to the auditors recorded the receivable at December 31, 2013, as revenue.

Recommendation: We recommend that the County review its policies and procedures for the preparation of its financial statements to ensure that all adjusting year-end entries are properly recorded in the County's financial statements in accordance with generally accepted accounting principles.

Client's Response:

County staff in the two units mentioned have been sensitized to the impact of late payments and will be ensuring that payments from the State are scrutinized more closely at year end. In one case, staff will make sure that the anticipated payments are received when expected by observation of 12 months of payments and the actual receipt. The subsequent journal entry to recognize the receivable will be based on what the State pays versus what we have in the billing system before the State adjustments to what they will ultimately pay. The latter situation was created by the later than expected reimbursement by the State. Staff in this area will be aware of the possibility outside of their normal expectation of receipt within the 60 days for revenue recognition. Central Finance will also be incorporating a data variance analysis to identify situations that we will need further review to verify revenue balances. Finance is going to work on training for all departments that prepare their financial statements as well as employing a new Query which will help direct staff to review anomalies throughout the year.

Both departments have updated their procedures to recognize when revenue is actually received to take appropriate actions to properly handle the revenue. Both circumstances will have the departments verifying when revenues have been received and if in the rare occurrence that payment is not received when expected in the same calendar year and the other not within the 60 days of year end. Further, prior to next year end the Finance Department will conduct a review of this and other pertinent topics for the preparation of the annual financial reports for all participants in the process.

PREVIOUSLY REPORTED ITEM RESOLVED

Audit Adjustment (2012-001)

During our audit, we proposed a material audit adjustment to the Regional Railroad Authority Capital Projects Fund, which was reviewed and approved by the appropriate staff and was reflected in the financial statements. By definition, however, independent external auditors cannot be considered part of the County's internal control.

Resolution

No material audit adjustments were necessary in order for the Ramsey County Regional Railroad Authority's financial statements to be fairly presented for the year ended December 31, 2013.

III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARD PROGRAMS

PREVIOUSLY REPORTED ITEMS RESOLVED

Procurement and Suspension and Debarment (CFDA No. 93.959) (2012-002)

The contracts for the Community Human Services Department's Chemical Dependency Case Management and Treatment Support Program, one of the programs funded with Block Grant for Prevention and Treatment of Substance Abuse Funds, did not include a clause pertaining to the suspended and debarred federal requirements, nor did the County check the Excluded Parties List System website.

Resolution

In 2011, the County began including the standard language which requires contractors to certify that they have not been previously suspended or debarred by the federal government when entering into contracts with the County whose expenditures will be reimbursed by the federal government. In the case of the contract that was reviewed in 2012, the contract was prepared before the standard language was included in the County's contracts. During the 2013 audit, no contracts were noted that did not include the standard clause requiring the contractor to inform the County that they have been suspended or debarred from entering contracts that involve the payment of funds that will be reimbursed from the federal government.

Davis-Bacon Act (CFDA No. 81.128) (2012-003)

The Environmental Health Division of the Public Health Department applied for a grant under the U.S. Department of Energy's Energy Efficiency and Conservation Block Grant Program - ARRA that was managed by the County's Property Management Department. The department had no documented monitoring process for determining compliance with the Davis-Bacon Act, which required the County to pay prevailing wage rates not less than those established by the U.S. Department of Labor on projects funded by federal dollars. The County did not require the contractors and subcontractors to submit weekly certified payrolls.

Resolution

During 2013, the County did not expend any federal awards under the U.S. Department of Energy's Energy Efficiency and Conservation Block Grant Program - ARRA.



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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*

Independent Auditor's Report

Board of County Commissioners
Ramsey County

We have audited, 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, the financial statements of governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Ramsey County, Minnesota, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 27, 2014.

Internal Control Over Financial Reporting

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

Our consideration of internal control over financial reporting 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 financial reporting that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified a deficiency in internal control over financial reporting that we consider to be a material weakness.

A deficiency in internal control over financial reporting 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 combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs as item 2013-001 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Ramsey County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

Minnesota Legal Compliance

The *Minnesota Legal Compliance Audit Guide for Political Subdivisions*, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65, contains seven categories of compliance to be tested in connection with the audit of the County's financial statements: contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, miscellaneous provisions, and tax increment financing. Our audit considered all of the listed categories, except that we did not test for compliance with the provisions for tax increment financing because Ramsey County does not use tax increment financing.

In connection with our audit, nothing came to our attention that caused us to believe that Ramsey County failed to comply with the provisions of the *Minnesota Legal Compliance Audit Guide for Political Subdivisions*. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the County's noncompliance with the above referenced provisions.

Ramsey County's Response to Finding

Ramsey County's response to the internal control finding identified in our audit has been included in the Schedule of Findings and Questioned Costs. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control over financial reporting, compliance, and the provisions of the *Minnesota Legal Compliance Audit Guide for Political Subdivisions* and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance. Accordingly, this communication is not suitable for any other purpose.

/s/Rebecca Otto

REBECCA OTTO
STATE AUDITOR

/s/Greg Hierlinger

GREG HIERLINGER, CPA
DEPUTY STATE AUDITOR

June 27, 2014

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REBECCA OTTO
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REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Independent Auditor's Report

Board of County Commissioners
Ramsey County

Report on Compliance for Each Major Federal Program

We have audited Ramsey 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* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2013. Ramsey County's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Ramsey County's basic financial statements include the operations of the Ramsey County Regional Railroad Authority component unit, which expended \$29,680,112 in federal awards during the year ended December 31, 2013, which are not included in the Schedule of Expenditures of Federal Awards. Our audit, described below, did not include the operations of the Ramsey County Regional Railroad Authority because it had a separate single audit in accordance with OMB Circular A-133.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Ramsey County's major federal 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; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

Those standards and OMB Circular A-133 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 program occurred. An audit includes examining, on a test basis, evidence about Ramsey County'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 program. However, our audit does not provide a legal determination of the County's compliance with those requirements.

Opinion on Each Major Federal Program

In our opinion, Ramsey County 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 programs for the year ended December 31, 2013.

Report on Internal Control Over Compliance

Management of Ramsey County 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 the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal 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 program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Ramsey County as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We have issued our report thereon dated June 27, 2014, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards (SEFA) is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the SEFA is fairly stated in all material respects in relation to the basic financial statements as a whole.

Purpose of This Report

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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

/s/Rebecca Otto

REBECCA OTTO
STATE AUDITOR

/s/Greg Hierlinger

GREG HIERLINGER, CPA
DEPUTY STATE AUDITOR

June 27, 2014

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**RAMSEY COUNTY
SAINT PAUL, MINNESOTA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

Federal Grantor Pass-Through Agency Grant Program Title	Federal CFDA Number	Expenditures	Passed Through to Subrecipients
U.S. Department of Agriculture			
Passed Through Minnesota Department of Education			
Child Nutrition Cluster			
School Breakfast Program	10.553	\$ 36,801	\$ -
National School Lunch Program	10.555	63,857	-
Passed Through Minnesota Department of Health			
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)			
	10.557	3,248,915	-
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program			
	10.561	5,028,055	-
Passed Through Minnesota Department of Agriculture			
WIC Farmers Market Nutrition Program (FMNP)			
	10.572	<u>6,099</u>	<u>-</u>
Total U.S. Department of Agriculture		<u>\$ 8,383,727</u>	<u>\$ -</u>
U.S. Department of Housing and Urban Development			
Direct			
Community Development Block Grants (CDBG) Entitlement Grants (Total CDBG/Entitlement Grants - 14.218 - \$1,281,822)			
	14.218	\$ 1,213,404	\$ 939,188
Supportive Housing Program			
	14.235	643,316	643,316
Passed Through City of Saint Paul			
CDBG/Entitlement Grants (Total CDBG/Entitlement Grants - 14.218 - \$1,281,822)			
	14.218	68,418	-
Passed Through Minnesota Housing Finance Agency			
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii			
	14.228	181,560	-
Passed Through Dakota County Community Development Agency			
Home Investment Partnerships Program			
	14.239	1,384,743	-
Passed Through Minnesota Department of Health			
Asthma Interventions in Public and Assisted Multifamily Housing Grant Program			
	14.914	29,079	-

**RAMSEY COUNTY
SAINT PAUL, MINNESOTA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Continued)**

Federal Grantor Pass-Through Agency Grant Program Title	Federal CFDA Number	Expenditures	Passed Through to Subrecipients
U.S. Department of Housing and Urban Development (Continued)			
Passed Through Hennepin County			
Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900	372,570	-
Total U.S. Department of Housing and Urban Development		\$ 3,893,090	\$ 1,582,504
U.S. Department of Justice			
Direct			
Part E - Developing, Testing, and Demonstrating Promising New Programs			
State Criminal Alien Assistance Program	16.541	\$ 313,297	\$ -
Second Chance Act Prisoner Reentry Initiative	16.606	127,147	-
	16.812	106,478	-
Passed Through Minnesota Department of Public Safety			
Juvenile Accountability Block Grants	16.523	55,907	3,979
Public Safety Partnership and Community Policing Grants	16.710	2,210	-
JAG Program Cluster			
Edward Byrne Memorial Justice Assistance Grant Program (Total Edward Byrne Memorial Justice Assistance Grant Program - 16.738 - \$211,139)	16.738	113,288	-
Edward Byrne Memorial Justice Assistance Grant Program/Grants to States and Territories - ARRA	16.803	9,860	-
Passed Through City of Saint Paul			
JAG Program Cluster			
Edward Byrne Memorial Justice Assistance Grant Program (Total Edward Byrne Memorial Justice Assistance Grant Program - 16.738 - \$211,139)	16.738	97,851	-
Total U.S. Department of Justice		\$ 826,038	\$ 3,979
U.S. Department of Labor			
Passed Through Minnesota Department of Employment and Economic Development			
Workforce Investment Act (WIA) Cluster			
WIA Adult Programs	17.258	\$ 663,051	\$ 422,579
WIA Youth Activities	17.259	1,173,267	585,841
WIA Dislocated Worker Formula Grants	17.278	643,566	-
Incentive Grants - Workforce Investment Act Section 503	17.267	28,626	-
Total U.S. Department of Labor		\$ 2,508,510	\$ 1,008,420

The notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

**RAMSEY COUNTY
SAINT PAUL, MINNESOTA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Continued)**

Federal Grantor Pass-Through Agency Grant Program Title	Federal CFDA Number	Expenditures	Passed Through to Subrecipients
U.S. Department of Transportation			
Passed Through Minnesota Department of Transportation			
Highway Planning and Construction	20.205	\$ 1,680,005	\$ -
Passed Through Minnesota Department of Public Safety			
State and Community Highway Safety	20.600	233,352	-
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	455,937	-
Total U.S. Department of Transportation		\$ 2,369,294	\$ -
U.S. Environmental Protection Agency			
Direct			
Brownfields Assessment and Cleanup Cooperative Agreements	66.818	\$ 23,150	\$ -
U.S. Department of Health and Human Services			
Direct			
Family Planning Services	93.217	\$ 431,999	\$ -
Adoption Opportunities	93.652	292,451	-
Child Abuse and Neglect Discretionary Activities	93.670	90,623	-
Passed Through Minnesota Department of Human Services			
Guardianship Assistance	93.090	237,772	-
Projects for Assistance in Transition from Homelessness	93.150	177,857	-
Promoting Safe and Stable Families	93.556	337,587	234,418
Temporary Assistance for Needy Families (TANF) (Total TANF - 93.558 - \$17,684,338)	93.558	16,689,605	8,095,034
Child Support Enforcement	93.563	10,670,620	-
Refugee and Entrant Assistance - State-Administered Programs	93.566	96,050	-
Child Care and Development Block Grant	93.575	1,148,812	-
Community Based Child Abuse Prevention Grants	93.590	150,294	-
Chafee Education and Training Vouchers Program	93.599	22,478	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	51,584	-
Foster Care Title IV-E	93.658	4,544,159	-
Adoption Assistance	93.659	821,328	-
Social Services Block Grant	93.667	3,534,985	-
Child Abuse and Neglect State Grants	93.669	1,769	-
Chafee Foster Care Independence Program	93.674	45,841	-
Children's Health Insurance Program	93.767	1,715	-

**RAMSEY COUNTY
SAINT PAUL, MINNESOTA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

(Continued)

Federal Grantor Pass-Through Agency Grant Program Title	Federal CFDA Number	Expenditures	Passed Through to Subrecipients
U.S. Department of Health and Human Services			
Passed Through Minnesota Department of Human Services (Continued)			
Medical Assistance Program	93.778	11,717,566	-
Block Grant for Community Mental Health Services	93.958	117,794	-
Block Grant for Prevention and Treatment of Substance Abuse	93.959	1,153,989	-
Passed Through Minnesota Department of Health			
Public Health Emergency Preparedness	93.069	648,102	-
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	21,336	-
Affordable Care Act (ACA) Abstinence Education Program	93.235	161,146	-
Universal Newborn Hearing Screening	93.251	15,975	-
Immunization Grants	93.268	159,480	-
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283	10,527	-
Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Visiting Program	93.505	1,030,703	-
Temporary Assistance for Needy Families (TANF) (Total TANF - 93.558 - \$17,684,338)	93.558	994,733	-
Refugee and Entrant Assistance Discretionary Grants	93.576	21,416	-
PPHF 2012: Breast and Cervical Cancer Screening Opportunities for States, Tribes, and Territories Solely Financed by 2012 Prevention and Public Health Funds	93.744	564	-
Cooperative Agreements for State-Based Comprehensive Breast and Cervical Cancer Early Detection Programs	93.919	1,128	-
HIV Prevention Activities - Health Department Based	93.940	89,155	-
Preventive Health Services - Sexually Transmitted Diseases Control Grants	93.977	32,064	-
Maternal and Child Health Services Block Grant to the States	93.994	847,680	-
Passed Through National Association of County and City Health Officials			
Medical Reserve Corps Small Grant Program	93.008	4,000	-
Total U.S. Department of Health and Human Services		\$ 56,374,887	\$ 8,329,452

**RAMSEY COUNTY
SAINT PAUL, MINNESOTA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Continued)**

Federal Grantor Pass-Through Agency Grant Program Title	Federal CFDA Number	Expenditures	Passed Through to Subrecipients
U.S. Department of Homeland Security			
Direct			
Law Enforcement Officer Reimbursement Agreement Program	97.090	\$ 17,617	\$ -
Passed Through Minnesota Department of Public Safety			
Emergency Management Performance Grants	97.042	192,663	-
Port Security Grant Program	97.056	64,863	-
Homeland Security Grant Program	97.067	1,074,487	181,283
(Total Homeland Security Grant Program - 97.067 - \$1,237,579)			
Passed Through Minnesota Department of Natural Resources			
Boating Safety Financial Assistance	97.012	83,376	-
Passed Through City of Saint Paul			
Homeland Security Grant Program	97.067	163,092	-
(Total Homeland Security Grant Program - 97.067 - \$1,237,579)			
Total U.S. Department of Homeland Security		\$ 1,596,098	\$ 181,283
Total Cash Federal Awards		\$ 75,974,794	\$ 11,105,638
Non-Cash Awards			
U.S. Department of Agriculture			
Commodity Supplemental Food Program	10.565	5,208	-
Total Federal Awards		\$ 75,980,002	\$ 11,105,638

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**RAMSEY COUNTY
SAINT PAUL, MINNESOTA**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

1. Reporting Entity

The Schedule of Expenditures of Federal Awards presents the activities of federal award programs expended by Ramsey County. The County's reporting entity is defined in Note I to the financial statements. It does not include \$29,680,112 in federal awards expended by the Regional Railroad Authority, a blended component unit of the County, which had a separate single audit.

2. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Ramsey County under programs of the federal government for the year ended December 31, 2013. The information in this schedule is presented in accordance with the requirements of Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of Ramsey County.

3. Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. The basis used for CFDA No. 10.565 is the dollar value of commodities received. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through grant numbers were not assigned by the pass-through agencies.

4. Clusters

Clusters of programs are groupings of closely related programs that share common compliance requirements. Total expenditures by cluster are:

Child Nutrition Cluster	\$	100,658
JAG Program Cluster		220,999
Workforce Investment Act (WIA) Cluster		2,479,884

**RAMSEY COUNTY
SAINT PAUL, MINNESOTA**

5. Reconciliation to Schedule of Intergovernmental Revenue

Federal grant revenue per Schedule of Intergovernmental Revenue	\$ 84,408,602
Non-cash awards	5,208
Grants received by blended component unit, not included	
Sustainable Communities Regional Planning Grant Program	(69,984)
Highway Planning and Construction	(786,495)
Surface Transportation - Discretionary Grants for Capital Investment - ARRA	(3,942,075)
High-Speed Rail Corridors and Intercity Passenger Rail Service - Capital Assistance Grants	(9,120,918)
Federal Transit Capital Investment Grants	(2,330,390)
Grants received more than 60 days after year-end, deferred in 2013	
Foster Care Title IV-E	443,447
Medical Assistance Program	1,810,043
Refugee and Entrant Assistance - State-Administered Programs	8,322
Temporary Assistance for Needy Families (TANF)	3,589,745
Workforce Investment Act (WIA) - Adult Programs	199,709
Workforce Investment Act (WIA) - Youth Activities	166,770
Workforce Investment Act (WIA) - Dislocated Worker Formula Grants	120,200
Lead Based Paint Hazard Control in Privately-Owned Housing	87,656
Edward Byrne Memorial Justice Assistance Grant Program	9,618
Childhood Home Visiting Program	333,174
Refugee and Entrant Assistance Discretionary Grants	1,488
Homeland Security Grant Programs	28,406
Child Support Enforcement	<u>1,017,476</u>
Expenditures Per Schedule of Expenditures of Federal Awards	<u>\$ 75,980,002</u>

6. American Recovery and Reinvestment Act

The American Recovery and Reinvestment Act of 2009 (ARRA) requires recipients to clearly distinguish ARRA funds from non-ARRA funding. In the schedule, ARRA funds are denoted by the addition of ARRA to the program name.