

# STATE OF MINNESOTA

## Office of the State Auditor



**Rebecca Otto**  
**State Auditor**

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MANAGEMENT AND COMPLIANCE REPORT  
PREPARED AS A RESULT OF THE AUDIT  
OF THE FINANCIAL AFFAIRS OF

**RAMSEY COUNTY**  
**SAINT PAUL, MINNESOTA**

FOR THE YEAR ENDED DECEMBER 31, 2009

## **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, 2009**



**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 1*

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

**I. SUMMARY OF AUDITOR'S RESULTS**

- A. Our report expresses unqualified opinions on the basic financial statements of Ramsey County.
- B. No matters involving internal control over financial reporting were reported in the "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*."
- C. No instances of noncompliance material to the financial statements of Ramsey County were disclosed during the audit.
- D. No matters involving internal control over compliance relating to the audit of the major federal award programs were reported in the "Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133."
- E. The Auditor's Report on Compliance for the major federal award programs for Ramsey County expresses an unqualified opinion.
- F. No findings were disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133.
- G. The major programs are:

Program for Women, Infants, and Children (WIC)	CFDA #10.557
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP) Cluster	
State Administrative Matching Grants for SNAP	CFDA #10.561
State Administrative Matching Grants for SNAP - ARRA	CFDA #10.561
CDBG – Entitlement Grants Cluster	
Community Development Block Grant - Entitlement Grants	CFDA #14.218
Community Development Block Grant - Entitlement Grants - ARRA	CFDA #14.253

**Schedule 1**  
***(Continued)***

WIA Cluster	
Workforce Investment Act (WIA) - Adult Programs	CFDA #17.258
Workforce Investment Act (WIA) - Adult Programs - ARRA	CFDA #17.258
Workforce Investment Act (WIA) - Youth Activities	CFDA #17.259
Workforce Investment Act (WIA) - Youth Activities - ARRA	CFDA #17.259
Workforce Investment Act (WIA) - Dislocated Workers	CFDA #17.260
Workforce Investment Act (WIA) - Dislocated Workers - ARRA	CFDA #17.260
Child Support Enforcement Cluster	
Child Support Enforcement	CFDA #93.563
Child Support Enforcement - ARRA	CFDA #93.563
Foster Care Title IV-E Cluster	
Foster Care Title IV-E	CFDA #93.658
Foster Care Title IV-E - ARRA	CFDA #93.658
Social Services Block Grant	CFDA #93.667

H. The threshold for distinguishing between Types A and B programs was \$2,480,034 (three percent of federal awards).

I. Ramsey County was determined to be a low-risk auditee.

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

**INTERNAL CONTROL**

**PREVIOUSLY REPORTED ITEMS RESOLVED**

**Internal Control Assessment and Documentation (07-1)**

The previous audit found Ramsey County had not completed the risk assessment process.

**Resolution**

The County is now performing risk assessments and monitoring its internal control. Also, the County Board has formed an audit committee to provide oversight.



**Prior Period Restatements (08-1)**

A prior period adjustment was made to the construction in progress account on the Statement of Net Assets. A second adjustment was made to the fund balance of the Regional Railroad Authority.

**Resolution**

There were no prior period adjustments in the 2009 audit.

**III. OTHER ITEM FOR CONSIDERATION**

GASB Statement 54

The Governmental Accounting Standards Board (GASB) recently issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The intention of this standard is to enhance the usefulness of information included in the financial report about fund balance through clearer fund balance classifications that can be more consistently applied, as well as to clarify existing governmental fund type definitions.

Fund Balance Reporting

Statement 54 establishes new fund balance classifications based on constraints imposed on how resources can be spent. The existing components of fund balance reserved, unreserved, designated, and undesignated are being replaced by nonspendable, restricted, committed, assigned, and unassigned as defined below:

- *Nonspendable* - amounts that cannot be spent because they are either not spendable form (for example, inventory or prepaid items) or legally or contractually required to be maintained intact (for example, corpus of a permanent fund).
- *Restricted* - amounts that can be spent only for specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
- *Committed* - amounts that can be used only for specific purposes determined by a formal action of a government's highest level of decision-making authority.

*Schedule 1*  
*(Continued)*

- *Assigned* - amounts a government intends to use for a specific purpose that do not meet the criteria to be classified as restricted or committed.
- *Unassigned* - spendable amounts not contained in the other classifications.

Governmental Fund Type Definitions

The definitions of the general fund, special revenue fund type, capital projects fund type, debt service fund type, and permanent fund type are clarified in Statement 54. Interpretations of certain terms within the definition of the special revenue fund type have been provided and, for some governments, those interpretations may affect the activities they choose to report in those funds. The capital projects fund type definition also was clarified for better alignment with the needs of preparers and users. Definitions of other governmental fund types also have been modified for clarity and consistency.

The requirements of GASB Statement 54 are effective for the County for the year ending December 31, 2011.



REBECCA OTTO  
STATE AUDITOR

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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***

Board of County Commissioners  
Ramsey County

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, 2009, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 21, 2010. We conducted our audit 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.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered Ramsey County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of 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.

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.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph of this section and would not necessarily identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Ramsey County'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*.

### Minnesota Legal Compliance

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the provisions of the *Minnesota Legal Compliance Audit Guide for Local Government*, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65. Accordingly, the audit included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

The *Minnesota Legal Compliance Audit Guide for Local Government* contains seven categories of compliance to be tested: contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, miscellaneous provisions, and tax increment financing. Our study included all of the listed categories, except tax increment financing because Ramsey County does not use tax increment financing.

The results of our tests indicate that, for the items tested, Ramsey County complied with the material terms and conditions of applicable legal provisions.

Also included in the Schedule of Findings and Questioned Costs is an other item for consideration. We believe this information to be of benefit to the County, and it is reported for that purpose.

This report is intended solely for the information and use of the Board of County Commissioners, audit committee, management, others within Ramsey County, and federal awarding agencies and pass-through entities and is not intended to be, and should not be, used by anyone other than those specified parties.

*/s/Rebecca Otto*

REBECCA OTTO  
STATE AUDITOR

*/s/Greg Hierlinger*

GREG HIERLINGER, CPA  
DEPUTY STATE AUDITOR

June 21, 2010

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REBECCA OTTO  
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# STATE OF MINNESOTA

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### **REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board of County Commissioners  
Ramsey County

#### Compliance

We have audited the compliance of Ramsey County with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2009. 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. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

Ramsey County's financial statements include the operations of the Ramsey County Regional Railroad Authority component unit, which expended \$514,206 in federal awards during the year ended December 31, 2009, which are not included in the Schedule of Expenditures of Federal Awards. Our audit, described below, did not include the operations of the Regional Railroad Authority because the Regional Railroad Authority had a separate single audit in accordance with OMB Circular A-133.

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. Our audit does not provide a legal determination on the County's compliance with those requirements.

In our opinion, Ramsey County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2009.

#### Internal Control Over Compliance

The management of Ramsey County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 control deficiency in internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control 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.

Our consideration of the 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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.



Schedule of Expenditures of Federal Awards

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, 2009, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 21, 2010. Our audit was performed for the purpose of forming opinions on Ramsey County's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards 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 has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Board of County Commissioners, audit committee, management and others within the County, and federal awarding agencies and pass-through entities and is not intended to be, and should not be, used by anyone other than those specified parties.

*/s/Rebecca Otto*

REBECCA OTTO  
STATE AUDITOR

*/s/Greg Hierlinger*

GREG HIERLINGER, CPA  
DEPUTY STATE AUDITOR

June 21, 2010

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**RAMSEY COUNTY  
SAINT PAUL, MINNESOTA**

Schedule 2

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2009**

<b>Federal Grantor Pass-Through Agency Grant Program Title</b>	<b>Federal CFDA Number</b>	<b>Expenditures</b>	<b>Passed Through to Subrecipients</b>
<b>U.S. Department of Agriculture</b>			
Direct			
Wildlife Habitat Incentive Program	10.914	\$ 2,559	\$ -
Passed Through Minnesota Department of Education			
Child Nutrition Cluster			
School Breakfast Program	10.553	51,195	-
National School Lunch Program	10.555	82,980	-
Passed Through Minnesota Department of Health			
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)			
	10.557	2,921,994	-
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP) Cluster			
State Administrative Matching Grants for SNAP	10.561	4,857,867	-
State Administrative Matching Grants for SNAP - ARRA	10.561	171,668	-
<b>Total U.S. Department of Agriculture</b>		<b>\$ 8,088,263</b>	<b>\$ -</b>
<b>U.S. Department of Housing and Urban Development</b>			
CDBG - Entitlement Grants Cluster			
Direct			
Community Development Block Grants/Entitlement Grants	14.218	\$ 1,445,002	\$ 800,200
Community Development Block Grants/Entitlement Grants - ARRA	14.253	116,454	-
Passed Through City of St. Paul			
Community Development Block Grants/Entitlement Grants	14.218	286,203	-
Direct			
Supportive Housing Program	14.235	411,484	411,484
Passed Through Dakota County Community Development Agency			
Home Investment Partnerships Program	14.239	652,207	-

**RAMSEY COUNTY  
SAINT PAUL, MINNESOTA**

Schedule 2  
(Continued)

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2009**

<b>Federal Grantor Pass-Through Agency Grant Program Title</b>	<b>Federal CFDA Number</b>	<b>Expenditures</b>	<b>Passed Through to Subrecipients</b>
<b>U.S. Department of Housing and Urban Development (Continued)</b>			
Passed Through Hennepin County			
Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900	390,287	-
Passed Through City of Minneapolis			
Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900	26,261	-
Healthy Homes Demonstration Grants	14.901	8,395	-
<b>Total U.S. Department of Housing and Urban Development</b>		<b>\$ 3,336,293</b>	<b>\$ 1,395,803</b>
<b>U.S. Department of Justice</b>			
Direct			
Supervised Visitation, Safe Haven for Children	16.527	\$ 60,175	\$ -
Edward Byrne Memorial Formula Grant Program	16.579	26,751	-
State Criminal Alien Assistance Program	16.606	489,247	-
Passed Through Minnesota Department of Public Safety			
Juvenile Accountability Block Grant	16.523	78,210	-
Crime Victim Assistance	16.575	118,129	-
Enforcing Underage Drinking Laws Program	16.727	3,300	-
Passed Through City of St. Paul			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	129,922	-
<b>Total U.S. Department of Justice</b>		<b>\$ 905,734</b>	<b>\$ -</b>
<b>U.S. Department of Labor</b>			
Passed Through Minnesota Department of Employment and Economic Development			
WIA Cluster			
Workforce Investment Act - Adult Programs	17.258	\$ 1,298,589	\$ 859,839
Workforce Investment Act - Adult Programs - ARRA	17.258	165,644	155,275
Workforce Investment Act - Youth Activities	17.259	1,577,539	727,549
Workforce Investment Act - Youth Activities - ARRA	17.259	1,381,239	877,314
Workforce Investment Act - Dislocated Workers	17.260	178,825	6,000
Workforce Investment Act - Dislocated Workers - ARRA	17.260	869,059	270,779
<b>Total U.S. Department of Labor</b>		<b>\$ 5,470,895</b>	<b>\$ 2,896,756</b>

**RAMSEY COUNTY  
SAINT PAUL, MINNESOTA**

*Schedule 2*  
*(Continued)*

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2009**

<b>Federal Grantor Pass-Through Agency Grant Program Title</b>	<b>Federal CFDA Number</b>	<b>Expenditures</b>	<b>Passed Through to Subrecipients</b>
<b>U.S. Department of Transportation</b>			
Highway Planning and Construction Cluster			
Passed Through Minnesota Department of Natural Resources Recreational Trails Program	20.219	\$ 22,372	\$ -
Passed Through Minnesota Department of Transportation Highway Planning and Construction	20.205	4,202,474	-
Passed Through Minnesota Department of Public Safety			
Highway Safety Cluster			
State and Community Highway Safety	20.600	77,817	-
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	90,323	-
Minimum Penalties for Repeat Offenders for DWI	20.608	138,703	-
		<b>\$ 4,531,689</b>	<b>\$ -</b>
<b>U.S. Environmental Protection Agency</b>			
Passed Through Minnesota Department of Health			
State Indoor Radon Grants	66.032	\$ 3,000	\$ -
<b>U.S. Department of Health and Human Services</b>			
Direct			
Family Planning Services	93.217	\$ 269,321	\$ -
Adoption Opportunities	93.652	300,650	-
Child Abuse and Neglect Discretionary Activities	93.670	314,802	-
Passed Through Minnesota Department of Human Services			
Promoting Safe and Stable Families	93.556	323,875	183,226
Temporary Assistance for Needy Families (TANF)	93.558	21,206,266	11,910,434
Child Support Enforcement Cluster			
Child Support Enforcement	93.563	9,678,109	-
Child Support Enforcement - ARRA	93.563	843,496	-

**RAMSEY COUNTY  
SAINT PAUL, MINNESOTA**

Schedule 2  
(Continued)

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2009**

<b>Federal Grantor Pass-Through Agency Grant Program Title</b>	<b>Federal CFDA Number</b>	<b>Expenditures</b>	<b>Passed Through to Subrecipients</b>
<b>U.S. Department of Health and Human Services</b>			
Passed Through Minnesota Department of Human Services (Continued)			
Refugee and Entrant Assistance	93.566	15,595	-
Child Care and Development Block Grant	93.575	1,120,495	-
Refugee and Entrant Assistance - Targeted Assistance Grants	93.584	61,788	-
Chafee Education and Training Vouchers Program	93.599	63,567	-
Child Welfare Services - State Grants	93.645	78,882	-
Foster Care Title IV-E Cluster			
Foster Care Title IV-E	93.658	5,957,671	-
Foster Care Title IV-E - ARRA	93.658	403,578	-
Adoption Assistance - ARRA	93.659	32,293	-
Social Services Block Grant	93.667	4,154,350	-
Child Abuse and Neglect State Grants	93.669	1,915	-
Chafee Foster Care Independence Program	93.674	75,450	-
Medicaid Infrastructure Grants to Support the Competitive			
Employment of People With Disabilities	93.768	8,642	8,642
Medical Assistance Program	93.778	9,290,074	-
Block Grant - Community Mental Health Services	93.958	864,608	-
Block Grant - Prevention/Treatment of Substance Abuse	93.959	984,764	-
Passed Through Minnesota Department of Health			
Public Health Emergency Preparedness	93.069	754,545	-
Project Grants and Cooperative Agreements for Tuberculosis			
Control Programs	93.116	4,998	-
Childhood Lead Poisoning Prevention Projects - State and			
Local Childhood Lead Poisoning Prevention and Surveillance			
of Blood Lead Levels in Children	93.197	15,000	-
Family Planning Services	93.217	2,709	-
Immunization Grants	93.268	128,761	-
Centers for Disease Control and Prevention - Investigations			
and Technical Assistance	93.283	833,205	-
Temporary Assistance for Needy Families (TANF)	93.558	994,766	-
Refugee and Entrant Assistance Discretionary Grants	93.576	15,000	-
Child Abuse and Neglect Discretionary Activities	93.670	5,038	-
Cooperative Agreements for State-Based Comprehensive			
Breast and Cervical Cancer Early Detection Programs	93.919	7,156	-
HIV Prevention Activities - Health Department Based	93.940	35,224	-
Preventive Health Services - Sexually Transmitted Diseases			
Control Grants	93.977	43,000	-
Maternal and Child Health Services Block Grant	93.994	851,991	-

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

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**RAMSEY COUNTY  
SAINT PAUL, MINNESOTA**

Schedule 2  
(Continued)

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2009**

<b>Federal Grantor Pass-Through Agency Grant Program Title</b>	<b>Federal CFDA Number</b>	<b>Expenditures</b>	<b>Passed Through to Subrecipients</b>
<b>U.S. Department of Health and Human Services (Continued)</b>			
Passed Through Hennepin County			
Centers for Research and Demonstration for Health Promotion and Disease Prevention	93.135	46,333	-
Special Projects of National Significance	93.928	6,703	-
Passed Through National Association of City and County Health Officers			
Medical Reserve Corps Small Grant Program	93.008	5,000	-
<b>Total U.S. Department of Health and Human Services</b>		<b>\$ 59,799,620</b>	<b>\$ 12,102,302</b>
<b>U.S. Department of Homeland Security</b>			
Direct			
Law Enforcement Officer Reimbursement Agreement Program	97.090	\$ 7,333	\$ -
Passed Through Minnesota Department of Public Safety			
Homeland Security Grant Program	97.067	420,592	14,692
Passed Through Minnesota Department of Natural Resources			
Boating Safety Financial Assistance	97.012	38,058	-
Passed Through City of Minneapolis			
Metropolitan Medical Response System	97.071	56,168	-
<b>Total U.S. Department of Homeland Security</b>		<b>\$ 522,151</b>	<b>\$ 14,692</b>
<b>Total Cash Federal Awards</b>		<b>\$ 82,657,645</b>	<b>\$ 16,409,553</b>
<b>Non-Cash Awards</b>			
<b>U.S. Department of Agriculture</b>			
Food Donation Program	10.550	10,158	-
<b>Total Federal Awards</b>		<b>\$ 82,667,803</b>	<b>\$ 16,409,553</b>

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**RAMSEY COUNTY  
SAINT PAUL, MINNESOTA**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2009**

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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 1 to the financial statements. The Regional Railroad Authority blended component unit is not included on the County's Schedule of Expenditures of Federal Awards because it has its own 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, 2009. 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 assets, 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. 10.550 is the dollar value of vouchers issued. 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. Reconciliation to Schedule of Intergovernmental Revenue

Federal grant revenue per Schedule of Intergovernmental Revenue	\$ 83,171,851
Non-cash awards	10,158
Grant received by blended component unit not included	
Federal Transit Capital Investment Grants	<u>(514,206)</u>
Expenditures Per Schedule of Expenditures of Federal Awards	<u>\$ 82,667,803</u>

**RAMSEY COUNTY  
SAINT PAUL, MINNESOTA**

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5. 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.