

# 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

**ANOKA COUNTY**  
**ANOKA, MINNESOTA**

FOR THE YEAR ENDED DECEMBER 31, 2010

## **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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**ANOKA COUNTY  
ANOKA, MINNESOTA**

**For the Year Ended December 31, 2010**



**Management and Compliance Report**

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

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**ANOKA COUNTY  
ANOKA, MINNESOTA**

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**ANOKA COUNTY  
ANOKA, MINNESOTA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2010**

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

- A. Our report expresses unqualified opinions on the basic financial statements of Anoka 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 Anoka 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 That Could Have a Direct and Material Effect on Each Major Program and on 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 Anoka 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:

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
Community Development Block Grants - Entitlement Grants Cluster	
Community Development Block Grants - Entitlement Grants	CFDA #14.218
Community Development Block Grants - Entitlement Grants - ARRA	CFDA #14.253

Workforce Investment Act (WIA) Cluster	
WIA Adult Program	CFDA #17.258
WIA Adult Program - ARRA	CFDA #17.258
WIA Youth Activities	CFDA #17.259
WIA Youth Activities - ARRA	CFDA #17.259
WIA Dislocated Workers	CFDA #17.260
WIA Dislocated Workers - ARRA	CFDA #17.260
Highway Planning and Construction Cluster	
Highway Planning and Construction	CFDA #20.205
Highway Planning and Construction - ARRA	CFDA #20.205
Energy Efficiency and Conservation Block Grant Program (EECBG) - ARRA	CFDA #81.128
Temporary Assistance for Needy Families (TANF) Cluster	
Temporary Assistance for Needy Families	CFDA #93.558
Emergency Contingency Fund for TANF State Program - ARRA	CFDA #93.714
Child Support Enforcement Cluster	
Child Support Enforcement	CFDA #93.563
Child Support Enforcement - ARRA	CFDA #93.563
Foster Care - Title IV-E	CFDA #93.658
Homeland Security Grant Program	CFDA #97.067

H. The threshold for distinguishing between Types A and B programs was \$1,694,735.

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

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

None.

**III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARD PROGRAMS**  
PREVIOUSLY REPORTED ITEMS RESOLVED

**Human Services Reporting (CFDA Nos. 10.561, 10.561 - ARRA, 93.563, 93.563 - ARRA, 93.658, and 93.658 - ARRA) (09-1)**

The salaries for two Human Services employees were erroneously reported twice as expenditures to the Minnesota Department of Human Services (DHS) for 2009, resulting in an overpayment from DHS of \$70,216.



### **Resolution**

The County promptly notified DHS of the error, and DHS reduced the next payment to the County by the amount of the overpayment. The County corrected the standard reporting form to prevent any future occurrences of double reporting; we noted no reporting errors in the current audit.

### **Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program - Grants to Units of Local Government - ARRA (CFDA No. 16.804) - Subrecipient Monitoring (09-2)**

The Memorandum of Understanding with each city receiving these grant funds did not include language identifying the city's responsibilities to comply with federal grant requirements. Furthermore, the County had no documented monitoring process to determine that its subrecipients had complied with the applicable requirements of the Edward Byrne Memorial JAG Program. Finally, the County provided no evidence that it had actually performed procedures to determine that subrecipients had complied with the applicable grant requirements.

### **Resolution**

The County has begun the process to include additional language regarding compliance with federal grant requirements in the standard Memorandum of Understanding documents. During 2010, the County monitored the cities' expenditures of the Edward Byrne Memorial JAG Grant to ensure funds were spent in accordance with grant requirements. The County created a checklist to assist in this process.

### **Energy Efficiency and Conservation Block Grant (EECBG) Program - ARRA (CFDA No. 81.128) - Davis-Bacon Act, and Procurement, Suspension, and Debarment (09-3)**

The County had no documented monitoring process for determining compliance with the Davis-Bacon Act, which requires 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, or the procurement, suspension, and debarment requirements. Furthermore, the County provided no evidence that it, or the grant administrator, had actually performed procedures to determine compliance with the Davis-Bacon Act or the procurement, suspension, and debarment requirements for the EECBG Program.

### **Resolution**

During 2010, the County began obtaining, reviewing, and monitoring the EECBG Program's contractors' and subcontractors' certified payrolls to verify that they are complying with the requirements of the Davis-Bacon Act. The County also began monitoring the procurement, suspension, and debarment requirements. We viewed appropriate documentation of these reviews.

## **IV. OTHER FINDINGS AND RECOMMENDATIONS**

### OTHER ITEM FOR CONSIDERATION

#### GASB Statement 54

The Governmental Accounting Standards Board's (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, is effective for Anoka County for the year ending December 31, 2011. The standard's objectives are to enhance the usefulness of fund balance information included in the financial report through clearer fund balance classifications that can be consistently applied and 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 are reserved, unreserved-designated, and unreserved-undesignated. Statement 54 replaces these components with 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 (such as the 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.
- *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.

Anoka County should begin the process for implementing the new fund balance classifications. A key step in successfully implementing the new fund balance requirements is to plan ahead. The County can start with the following steps:

- review the requirements of GASB Statement 54;
- review current fund balances and compare to the new classifications;
- reclassify January 1, 2011, fund balance using the new classifications;
- review/update/prepare a comprehensive fund balance policy;
- prepare appropriate Board resolutions to commit fund balance; and
- if the Board of County Commissioners intends to delegate authority to assign fund balance, prepare the resolutions delegating that authority.

#### 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 the new standard. The new definition for a special revenue fund could have significant impact on the County's current fund classifications.

GASB Statement 54 provides a new and clearer description of when it is appropriate to account for an activity using a special revenue fund. Special revenue funds are used to report specific revenue sources restricted or committed to specified purposes other than debt service and capital projects, where the restricted or committed revenue sources comprise a substantial portion of the fund's resources, and are expected to continue to do so in the future. The standard does not define substantial portion; however, most recommendations are generally that the restricted or committed revenues should comprise at least 35 to 50 percent of total fund revenues. Under this definition, it is possible that some current special revenue funds will no longer meet the requirements for special revenue fund treatment. Anoka County's management should review the County's special revenue funds to ensure these funds continue to warrant treatment as special revenue funds.

The County's management should perform the following steps prior to December 31, 2011:

- prepare a list of the County's special revenue funds;
- determine the sources of revenues for each of those funds;
- identify whether any of those revenues are restricted or committed;
- determine if these restricted or committed revenues represent a substantial portion of the fund's revenues and are expected to continue to be a substantial source of revenues;
  - if yes, the fund may continue to be classified as a special revenue fund;
  - if not, determine whether the County will combine that fund with the General Fund or with a similar purpose special revenue fund that meets the new definition;
- code revenues in the general ledger by source constraints--restricted, committed, assigned, or unassigned; and
- determine if there needs to be a restatement of beginning fund balances.

Additional implementation steps could include: informing any component units that they also will need to meet the requirements; deciding on how fund balance will be presented in the financials, for example, detailed vs. aggregate methods; and developing the potential note disclosures. Additional guidance on GASB Statement 54 can be found on the Office of the State Auditor's website at:

[http://www.auditor.state.mn.us/other/Statements/fundbalances\\_postGASB54\\_1012\\_state ment.pdf](http://www.auditor.state.mn.us/other/Statements/fundbalances_postGASB54_1012_state ment.pdf).



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  
Anoka 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 Anoka County as of and for the year ended December 31, 2010, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 10, 2011. 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 Anoka 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 first paragraph of this section and was not designed to 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 Anoka 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 Political Subdivisions*, 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 Political Subdivisions* 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 that we did not test for compliance in tax increment financing, as the cities administer the tax increment financing in Anoka County.

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

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 we are reporting it for that purpose.

This report is intended solely for the information and use of the Board of County Commissioners, Internal Audit Committee, management, others within Anoka 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 10, 2011



REBECCA OTTO  
STATE AUDITOR

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## **REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board of County Commissioners  
Anoka County

### Compliance

We have audited Anoka 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 its major federal programs for the year ended December 31, 2010. Anoka 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.

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 Anoka 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, Anoka County complied, in all material respects, with the 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, 2010.

#### Internal Control Over Compliance

Management of Anoka 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 to determine the 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 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.

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 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 Anoka County as of and for the year ended December 31, 2010, and have issued our report thereon dated June 10, 2011. Our audit was performed for the purpose of forming opinions on Anoka County's financial statements that collectively comprise the County's 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. The SEFA 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 SEFA 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 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 SEFA 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, Internal Audit Committee, management and others within Anoka 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 10, 2011

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**ANOKA COUNTY  
ANOKA, MINNESOTA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2010**

<b>Federal Grantor Pass-Through Agency Grant Program Title</b>	<b>Federal CFDA Number</b>	<b>Expenditures</b>
<b>U.S. Department of Agriculture</b>		
Passed through Minnesota Department of Education		
Child Nutrition Cluster		
School Breakfast Program	10.553	\$ 56,309
National School Lunch Program	10.555	93,897
Passed through Minnesota Department of Health		
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	1,233,952
Passed through Minnesota Department of Human Services		
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP) Cluster		
State Administrative Matching Grants for SNAP	10.561	2,634,431
State Administrative Matching Grants for SNAP - ARRA	10.561	<u>53,595</u>
<b>Total U.S. Department of Agriculture</b>		<b><u>\$ 4,072,184</u></b>
<b>U.S. Department of Housing and Urban Development</b>		
Direct		
Community Development Block Grants - Entitlement Grants Cluster		
Community Development Block Grants - Entitlement Grants	14.218	\$ 2,896,643
Community Development Block Grants - Entitlement Grants - ARRA	14.253	388,380
Passed through Minnesota Housing Finance Agency		
Community Development Block Grants - Entitlement Grants Cluster		
Community Development Block Grants - Entitlement Grants	14.218	1,920,391
Passed through Dakota County		
Home Investment Partnerships Program	14.239	<u>804,714</u>
<b>Total U.S. Department of Housing and Urban Development</b>		<b><u>\$ 6,010,128</u></b>
<b>U.S. Department of the Interior</b>		
Direct		
Coon Rapids Dam Restoration Project	15.AAT	<b><u>\$ 142,344</u></b>

**ANOKA COUNTY  
ANOKA, MINNESOTA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2010  
(Continued)**

<b>Federal Grantor Pass-Through Agency Grant Program Title</b>	<b>Federal CFDA Number</b>	<b>Expenditures</b>
<b>U.S. Department of Justice</b>		
Direct		
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	16.590	\$ 14,361
Bulletproof Vest Partnership Program	16.607	2,166
Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program - Grants to Units of Local Government - ARRA	16.804	103,671
Passed through Minnesota Department of Public Safety		
Juvenile Accountability Block Grants	16.523	23,930
Public Safety Partnership and Community Policing Grants - ARRA	16.710	1,872
Passed through City of Coon Rapids		
Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program - Grants to Units of Local Government - ARRA	16.804	<u>9,381</u>
<b>Total U.S. Department of Justice</b>		<b><u>\$ 155,381</u></b>
<b>U.S. Department of Labor</b>		
Passed through Minnesota Department of Employment and Economic Development		
Unemployment Insurance	17.225	\$ 26,745
Senior Community Service Employment Program Cluster		
Senior Community Service Employment Program	17.235	249,706
Senior Community Service Employment Program - ARRA	17.235	20,022
Workforce Investment Act (WIA) Cluster		
WIA Adult Program		
WIA Adult Program	17.258	221,904
WIA Adult Program - ARRA	17.258	198,477
WIA Youth Activities		
WIA Youth Activities	17.259	394,157
WIA Youth Activities - ARRA	17.259	141,569
WIA Dislocated Workers		
WIA Dislocated Workers	17.260	1,053,471
WIA Dislocated Workers - ARRA	17.260	1,102,368
Incentive Grants - WIA Section 503	17.267	16,413
WIA - Dislocated Worker National Reserve Demonstration Grants	17.280	14,797
Passed through Dakota County		
Workforce Investment Act (WIA) Cluster		
WIA Dislocated Workers	17.260	<u>19,764</u>
<b>Total U.S. Department of Labor</b>		<b><u>\$ 3,459,393</u></b>

**ANOKA COUNTY  
ANOKA, MINNESOTA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2010  
(Continued)**

<b>Federal Grantor Pass-Through Agency Grant Program Title</b>	<b>Federal CFDA Number</b>	<b>Expenditures</b>
<b>U.S. Department of Transportation</b>		
Passed through Minnesota Department of Transportation Highway Planning and Construction Cluster		
Highway Planning and Construction	20.205	\$ 12,153,277
Highway Planning and Construction - ARRA	20.205	6,893,280
Passed through Metropolitan Council		
Federal Transit Formula Grants	20.507	165,672
Job Access/Reverse Commute	20.516	52,864
Passed through the City of Coon Rapids		
Highway Safety Cluster		
State and Community Highway Safety	20.600	3,768
Occupant Protection Incentive Grants	20.602	333
Passed through Minnesota Department of Public Safety		
Highway Safety Cluster		
Alcohol Impaired Driving Countermeasures Incentive Grants	20.601	9,410
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	40,627
<b>Total U.S. Department of Transportation</b>		<b>\$ 19,319,231</b>
<b>U.S. Department of Energy</b>		
Direct		
Energy Efficiency and Conservation Block Grant Program (EECBG) - ARRA	81.128	<b>\$ 1,506,852</b>
<b>U.S. Department of Education</b>		
Passed through Centennial School District		
Title I Program for Neglected and Delinquent Children	84.013	\$ 474,037
Passed through Minnesota Department of Employment and Economic Development		
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	10,173
<b>Total U.S. Department of Education</b>		<b>\$ 484,210</b>
<b>U.S. Election Assistance Commission</b>		
Passed through Minnesota Secretary of State		
Help America Vote Act Requirements Payments	90.401	<b>\$ 77,639</b>

**ANOKA COUNTY  
ANOKA, MINNESOTA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2010  
(Continued)**

<b>Federal Grantor Pass-Through Agency Grant Program Title</b>	<b>Federal CFDA Number</b>	<b>Expenditures</b>
<b>U.S. Department of Health and Human Services</b>		
Passed through National Association of County and City Health Officials Medical Reserve Corps Small Grant Program	93.008	\$ 5,065
Passed through Metropolitan Area Agency on Aging National Family Caregiver Support, Title III, Part E	93.052	60,000
Passed through Minnesota Department of Human Services		
Projects for Assistance in Transition from Homelessness (PATH)	93.150	21,640
Promoting Safe and Stable Families	93.556	132,851
Temporary Assistance for Needy Families (TANF) Cluster		
Temporary Assistance for Needy Families	93.558	3,975,842
Child Support Enforcement Cluster		
Child Support Enforcement	93.563	5,395,480
Child Support Enforcement - ARRA	93.563	473,500
Refugee and Entrant Assistance - State-Administered Programs	93.566	15,299
Refugee and Entrant Assistance - Targeted Assistance Grants	93.584	80,569
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	358,230
Child Welfare Services - State Grants	93.645	14,434
Foster Care - Title IV-E	93.658	650,271
Social Service Block Grant	93.667	1,424,933
Chafee Foster Care Independence Program	93.674	34,088
Medical Assistance Program	93.778	4,878,104
Passed through Minnesota Department of Health		
Public Health Emergency Preparedness	93.069	371,105
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	5,000
Universal Newborn Hearing Screening	93.251	2,925
Immunization Cluster		
Immunization Grants	93.268	32,333
Immunization - ARRA	93.712	7,544
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283	179,156
Temporary Assistance for Needy Families (TANF) Cluster		
Temporary Assistance for Needy Families	93.558	345,163
Refugee and Entrant Assistance - Discretionary Grants	93.576	8,000
Child Abuse and Neglect Discretionary Activities	93.670	29,702
Maternal and Child Health Services Block Grant to the States	93.994	273,450
Passed through Anoka County Community Action Program		
Community Services Block Grant - ARRA	93.710	34,395

**ANOKA COUNTY  
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**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2010  
(Continued)**

<b>Federal Grantor Pass-Through Agency Grant Program Title</b>	<b>Federal CFDA Number</b>	<b>Expenditures</b>
<b>U.S. Department of Health and Human Services (Continued)</b>		
Passed through Minnesota Department of Employment and Economic Development Temporary Assistance for Needy Families (TANF) Cluster Emergency Contingency Fund for TANF State Program - ARRA	93.714	<u>225,740</u>
<b>Total U.S. Department of Health and Human Services</b>		<b>\$ <u>19,034,819</u></b>
<b>Corporation for National and Community Service</b>		
Direct Retired and Senior Volunteer Program	94.002	<b>\$ <u>37,736</u></b>
<b>U.S. Department of Homeland Security</b>		
Passed through Minnesota Department of Natural Resources Boating Safety Financial Assistance	97.012	\$ 16,979
Passed through Minnesota Department of Public Safety Emergency Management Performance Grants	97.042	114,906
Homeland Security Grant Program	97.067	1,847,520
Passed through Washington County Homeland Security Grant Program	97.067	<u>211,839</u>
<b>Total U.S. Department of Homeland Security</b>		<b>\$ <u>2,191,244</u></b>
<b>Total Federal Awards</b>		<b>\$ <u>56,491,161</u></b>

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**ANOKA COUNTY  
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**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2010**

1. Reporting Entity

The Schedule of Expenditures of Federal Awards presents the activities of federal award programs expended by Anoka County. The County's reporting entity is defined in Note 1.A. to the financial statements.

2. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Anoka County under programs of the federal government for the year ended December 31, 2010. 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 Anoka County, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Anoka County.

3. Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. 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	\$ 56,278,171
Grants received more than 120 days after year-end, deferred in 2010	
Title I Program for Neglected and Delinquent Children	159,660
Homeland Security Grant Program	90,922
Deferred in 2009, recognized as revenue in 2010	
Energy Efficiency and Conservation Block Grant Program (EECBG) - ARRA	(75,313)
Coon Rapids Dam Restoration Project	(39,918)
Federal grant recognized as revenue in 2006, spent during 2010	
Help America Vote Act Requirements Payments	77,639
Expenditures Per Schedule of Expenditures of Federal Awards	\$ 56,491,161

**ANOKA COUNTY  
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5. Subrecipients

Of the expenditures presented in the schedule, Anoka County provided federal awards to subrecipients as follows:

CFDA Number	Program Name	Amount Provided to Subrecipients
	Community Development Block Grants - Entitlement Grants Cluster	
14.218	Community Development Block Grants - Entitlement Grants	\$ 4,506,381
14.253	Community Development Block Grants - Entitlement Grants - ARRA	81,709
14.239	Home Investment Partnerships Program	731,095
16.804	Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program - Grants to Units of Local Government - ARRA	100,188
	Total	<u>\$ 5,419,373</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.