

STATE OF MINNESOTA

Office of the State Auditor



Rebecca Otto
State Auditor

MANAGEMENT AND COMPLIANCE REPORT

RAMSEY COUNTY
SAINT PAUL, MINNESOTA

YEAR ENDED DECEMBER 31, 2014

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 150 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 700 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**

Year Ended December 31, 2014



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, 2014**

I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

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

Internal control over financial reporting:

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

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
Highway Planning and Construction	CFDA #20.205
Child Support Enforcement	CFDA #93.563
Social Services Block Grant	CFDA #93.667
Medical Assistance Program	CFDA #93.778

The threshold for distinguishing between Types A and B programs was \$2,406,400.

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 2014-001

Financial Statement Preparation

Criteria: Management is responsible for preparing the County's Comprehensive Annual Financial Report (CAFR) in accordance with generally accepted accounting principles (GAAP). The CAFR preparation in accordance with GAAP requires internal control over preparing and reporting appropriate government-wide and fund financial statements, including the related notes to the financial statements. Since several amounts and account balances reported in various parts of the CAFR have to agree, coordination among the accounting staff is necessary to provide controls necessary to ensure accurate financial statements.

Condition: The information that was to be included in the County's CAFR submitted to the auditors required revisions affecting both the financial statements and the related notes.

Context: Preparation of information included in the County's CAFR is performed by numerous individuals in several County departments. That information is to be provided to the Financial Reporting Manager in time to allow the Manager to adequately review it, to submit the information for audit, and to finalize the CAFR in a timely manner.

Effect: Delay in providing the completed CAFR to the various organizations that use the information. Additional audit hours were necessary to determine the necessary corrections.

Cause: County staff responsible for preparing and reviewing a substantial portion of the CAFR retired. Accounting staff in various County departments were moved to cover vacancies in other departments, and consequently were preparing financial data in their new positions for the first time. In addition, communication between accounting staff was not sufficient to identify conflicting information.

Recommendation: We recommend County management instruct accounting staff to consult with each other so that personnel with access to the most accurate data are involved in assembling and reviewing the data for the CAFR. Then, the staff can provide completed summaries of data to the Financial Reporting Manager so that the Manager can focus on assembling the CAFR and spend less time correcting errors. We also recommend documenting the process of preparing the various parts of the CAFR so that turnover in accounting staff will not cause long delays.

Client's Response:

We agree with the recommendation and are striving to ensure that the Manager will have the time to review the departments' work. This year was unusual for a number of reasons, as summarized below:

- 1. Retirement/loss of experienced internal Finance Department staff;*
- 2. Loss/inter-department transfers of key staff that prepared financial statements;*
- 3. Hiring of replacement staff both internal to the Finance Department (especially the Financial Reporting area) and the County;*
- 4. Finance Department structure reorganization including separation of technical services in Aspen from operations;*
- 5. Discovery of depreciation calculation problems in the Capital Asset Management System late in the CAFR process;*
- 6. Key processes were not always documented as to unique methodologies and were labor intensive and time consuming to recreate them to provide consistency and reliability assurances for the numbers to be presented in the CAFR;*
- 7. Staff preparing financial statements level of understanding of Aspen and technical accounting knowledge need improvement;*
- 8. Multiple changes were needed to the financial package used to prepare the CAFR to deal with rounding problems by the unique work done by the staff preparing the initial financial statements.*

These changes in aggregate impacted the financial statements with 50 percent of the proprietary funds and one special revenue fund being directly impacted. Finance needed to assist, or in some cases prepare, financial statements for departments they had no direct experience in preparing. We do not anticipate these same challenges to repeat themselves in future years, but it also points out the importance of Financial Reporting within the County. Financial Reporting has become more technical and has year-round activity preparing for the production of the Comprehensive Annual Financial Report.

To address the above issues, we have undertaken a number of logistical areas to enhance staff knowledge and the work process.

- *Departments will have a full complement of staff to fill vacancies.*
- *Financial Reporting staff are meeting with senior accounting staff, both new and old, one on one, to walk through the final trial balances and journal entries from the previous year.*
- *New senior accounting staff are going to formal training conducted by Finance on Aspen financial system applications for their positions.*
- *Work has begun for planning the 2015 calendar year-end assignments for CAFR production with the intent of releasing it earlier so assigned staff can review and ask questions where needed.*
- *A financial statement preparation check list was sent out just before the CAFR last year and is going to be modified with our 2014 CAFR preparation experience.*
- *It is our intention to have informal training on or about November for those that are preparing financial statements.*
- *Our year-end scheduling will be updated with individuals assigned to do specific follow-up for those departments that prepare information related to the CAFR.*
- *Documents prepared for the CAFR are being reorganized so they may be utilized more efficiently for its review and production of the CAFR.*

All of these steps are being undertaken, or will begin soon, with the intent to provide more relief to the Financial Reporting Manager so that he can focus on the assembly and review of the data for the CAFR.

PREVIOUSLY REPORTED ITEM RESOLVED

Audit Adjustment and Prior Period Restatement (2013-001)

During our previous audit, we proposed a material audit adjustment for the Workforce Solutions Special Revenue Fund, and the County identified a material misstatement of the 2012 Lake Owasso Residence Enterprise Fund's net position which required a restatement. This adjustment was reviewed and approved by appropriate staff and was reflected in the 2013 financial statements, and the 2012 financial statements were restated to correct the misstatement.

Resolution

During the current year audit there were no material audit adjustments to the Workforce Solutions Special Revenue Fund and there were no restatements to the 2013 financial statements.

III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARD PROGRAMS

None.

IV. OTHER FINDINGS AND RECOMMENDATIONS

OTHER ITEM FOR CONSIDERATION

GASB Statement No. 68, Accounting and Financial Reporting for Pensions

The Governmental Accounting Standards Board (GASB) is the independent organization that establishes standards of accounting and financial reporting for state and local governments. Effective for your calendar year 2015 financial statements, the GASB changed those standards as they apply to employers that provide pension benefits.

GASB Statement 68 significantly changes pension accounting and financial reporting for governmental employers that prepare financial statements on the accrual basis by separating pension accounting methodology from pension funding methodology. Statement 68 requires employers to include a portion of the Public Employees Retirement Association (PERA) total employers' unfunded liability, called the "net pension liability" on the face of the County's government-wide statement of financial position. The County's financial position will be immediately impacted by its unfunded share of the pension liability.

Statement 68 changes the amount employers report as pension expense and defers some allocations of expenses to future years—deferred outflows or inflows of resources. It requires pension costs to be calculated by an actuary; whereas, in the past pension costs were equal to the amount of employer contributions sent to PERA during the year. Additional footnote disclosures and required supplementary information schedules are also required by Statement 68.

The net pension liability that will be reported in Ramsey County's financial statements is an accounting estimate of the proportionate share of PERA's unfunded liability at a specific point in time. That number will change from year to year, and is based on assumptions about the probability of the occurrence of events far into the future. Those assumptions include how long people will live, how long they will continue to work, projected salary increases, and how well pension trust investments will do. PERA has been proactive in taking steps toward implementation and will be providing most of the information needed by employers to report the net pension liability and deferred outflows/inflows of resources.



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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
Saint Paul, Minnesota

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 the 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, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated August 27, 2015.

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.

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. A significant deficiency is a deficiency, or combination of deficiencies, in internal control over financial reporting that is less severe than a material weakness, yet important enough to merit the attention of those charged with governance.

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. Given these limitations, during our audit, we did not identify any deficiencies in internal control over financial reporting that we consider to be a material weakness. However, material weaknesses may exist that have not been identified. We did identify a deficiency in internal control over financial reporting, described in the accompanying Schedule of Findings and Questioned Costs as item 2014-001, that we consider to be a significant deficiency.

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 the cities administer the tax increment financing districts in Ramsey County.

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.

Other Matters

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.

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

August 27, 2015

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REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY OMB CIRCULAR A-133

Independent Auditor's Report

Board of County Commissioners
Ramsey County
Saint Paul, Minnesota

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, 2014. 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.

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, 2014.

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, Minnesota, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We have issued our report thereon dated August 27, 2015, 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

August 27, 2015

/s/Greg Hierlinger

GREG HIERLINGER, CPA
DEPUTY STATE AUDITOR

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**RAMSEY COUNTY
SAINT PAUL, MINNESOTA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2014**

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	\$ 32,147	\$ -
National School Lunch Program	10.555	59,098	-
Passed Through Minnesota Department of Health			
Special Supplemental Nutrition Program for Women, Infants, and Children			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.557	3,242,022	-
Nutrition Assistance Program	10.561	6,607,869	-
Passed Through Minnesota Department of Agriculture			
WIC Farmers' Market Nutrition Program (FMNP)	10.572	6,100	-
Total U.S. Department of Agriculture		\$ 9,947,236	\$ -
U.S. Department of Housing and Urban Development			
Direct			
Community Development Block Grants/Entitlement Grants (Total Community Development Block Grants/Entitlement Grants CDFA 14.218 - \$966,290)	14.218	\$ 928,204	\$ 684,866
Supportive Housing Program	14.235	821,130	821,130
Passed Through City of Saint Paul			
Community Development Block Grants/Entitlement Grants (Total Community Development Block Grants/Entitlement Grants CDFA 14.218 - \$966,290)	14.218	38,086	-
Passed Through Minnesota Housing Finance Agency			
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	324,345	-
Passed Through Dakota County Community Development Agency			
HOME Investment Partnerships Program	14.239	196,447	-
Passed Through Minnesota Department of Health			
Asthma Interventions in Public and Assisted Multifamily Housing	14.914	8,299	-

**RAMSEY COUNTY
SAINT PAUL, MINNESOTA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2014
(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	229,222	-
Total U.S. Department of Housing and Urban Development		\$ 2,545,733	\$ 1,505,996
U.S. Department of Justice			
Direct			
Services for Trafficking Victims	16.320	\$ 9,999	\$ -
State Criminal Alien Assistance Program	16.606	91,281	-
Equitable Sharing Program	16.922	22,064	-
Passed Through Minnesota Department of Public Safety			
Juvenile Accountability Block Grants	16.523	45,771	-
Edward Byrne Memorial Justice Assistance Grant Program (Total Edward Byrne Memorial Justice Assistance Grant Program CFDA 16.738 - \$119,816)	16.738	40,269	-
Passed Through City of Saint Paul			
Edward Byrne Memorial Justice Assistance Grant Program (Total Edward Byrne Memorial Justice Assistance Grant Program CFDA 16.738 - \$119,816)	16.738	79,547	-
Passed Through Minnesota Trial Courts			
Drug Court Discretionary Grant Program	16.585	83,707	-
Total U.S. Department of Justice		\$ 372,638	\$ -
U.S. Department of Labor			
Passed Through Minnesota Department of Employment and Economic Development			
Workforce Investment Act (WIA) Cluster			
WIA/WIOA Adult Programs	17.258	\$ 1,010,146	\$ 443,112
WIA/WIOA Youth Activities	17.259	1,128,335	706,578
WIA/WIOA Dislocated Worker Formula Grants	17.278	573,884	-

**RAMSEY COUNTY
SAINT PAUL, MINNESOTA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2014
(Continued)**

Federal Grantor Pass-Through Agency Grant Program Title	Federal CFDA Number	Expenditures	Passed Through to Subrecipients
U.S. Department of Labor (Continued)			
Passed Through City of Minneapolis Program for Competitive Grants for Worker Training and Placement in High Growth and Emerging Industry Sectors	17.275	37,368	-
Total U.S. Department of Labor		\$ 2,749,733	\$ 1,149,690
U.S. Department of Transportation			
Passed Through Minnesota Department of Transportation Highway Planning and Construction	20.205	\$ 10,237,242	\$ -
Passed Through Metropolitan Council Federal Transit - Capital Investment Grants	20.500	216,962	-
Alternatives Analysis	20.522	265,355	-
Passed Through Minnesota Department of Public Safety State and Community Highway Safety	20.600	139,505	-
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	378,114	-
Total U.S. Department of Transportation		\$ 11,237,178	\$ -
U.S. Environmental Protection Agency			
Direct Brownfields Assessment and Cleanup Cooperative Agreements	66.818	\$ 99,412	\$ -
U.S. Department of Education			
Passed Through Minnesota Department of Employment and Economic Development Adult Education - Basic Grants to States	84.002	\$ 8,398	\$ -
U.S. Department of Health and Human Services			
Direct Family Planning - Services	93.217	\$ 432,000	\$ -
Passed Through Minnesota Department of Human Services Guardianship Assistance	93.090	179,920	-
Projects for Assistance in Transition from Homelessness (PATH)	93.150	160,297	-

**RAMSEY COUNTY
SAINT PAUL, MINNESOTA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2014
(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)			
Early Hearing Detection and Intervention Information System (EHDI-IS) Surveillance Program	93.314	75	-
Promoting Safe and Stable Families	93.556	233,693	140,641
Temporary Assistance for Needy Families (Total Temporary Assistance for Need Families CFDA 93.558 - \$16,799,682)	93.558	15,804,949	6,588,328
Child Support Enforcement	93.563	10,867,645	-
Refugee and Entrant Assistance - State-Administered Programs	93.566	21,012	-
Child Care and Development Block Grant	93.575	967,321	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	61,330	-
Foster Care - Title IV-E	93.658	3,790,495	-
Adoption Assistance	93.659	630,478	-
Social Services Block Grant	93.667	3,547,980	-
Child Abuse and Neglect State Grants	93.669	921	-
Chafee Foster Care Independence Program	93.674	25,584	-
Children's Health Insurance Program	93.767	655	-
Medical Assistance Program	93.778	10,952,798	-
Block Grants for Community Mental Health Services	93.958	16,879	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	847,429	-
Passed Through Minnesota Department of Health			
Public Health Emergency Preparedness	93.069	396,781	-
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	4,746	-
Affordable Care Act (ACA) Abstinence Education Program	93.235	125,708	-
Universal Newborn Hearing Screening	93.251	12,675	-
Immunization Cooperative Agreements	93.268	95,056	-
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283	4,425	-
Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program	93.505	1,546,981	-
Temporary Assistance for Needy Families (Total Temporary Assistance for Need Families CFDA 93.558 - \$16,799,682)	93.558	994,733	-
Refugee and Entrant Assistance Discretionary Grants	93.576	14,234	-

**RAMSEY COUNTY
SAINT PAUL, MINNESOTA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2014
(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 Health (Continued)			
Cooperative Agreements for State-Based Comprehensive Breast and Cervical Cancer Early Detection Programs	93.919	2,388	-
HIV Prevention Activities - Health Department Based	93.940	74,672	-
Preventive Health Services - Sexually Transmitted Diseases Control Grants	93.977	24,719	-
Maternal and Child Health Services Block Grant to the States	93.994	729,583	-
Passed Through National Association of County and City Health Officials Medical Reserve Corps Small Grant Program	93.008	<u>3,500</u>	<u>-</u>
Total U.S. Department of Health and Human Services		<u>\$ 52,571,662</u>	<u>\$ 6,728,969</u>
U.S. Department of Homeland Security			
Passed Through Minnesota Department of Public Safety			
Emergency Management Performance Grants	97.042	\$ 197,281	\$ -
Homeland Security Grant Program (Total Homeland Security Grant Program CFDA 97.067 - \$469,363)	97.067	384,633	70,600
Passed Through Minnesota Department of Natural Resources			
Boating Safety Financial Assistance	97.012	14,684	-
Passed Through City of Saint Paul			
Homeland Security Grant Program (Total Homeland Security Grant Program CFDA 97.067 - \$469,363)	97.067	<u>84,730</u>	<u>-</u>
Total U.S. Department of Homeland Security		<u>\$ 681,328</u>	<u>\$ 70,600</u>
Total Federal Awards		<u>\$ 80,213,318</u>	<u>\$ 9,455,255</u>

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**RAMSEY COUNTY
SAINT PAUL, MINNESOTA**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2014**

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.

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, 2014. 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. 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	\$ 91,245
Workforce Investment Act Cluster	2,712,365

**RAMSEY COUNTY
SAINT PAUL, MINNESOTA**

5. Reconciliation to Schedule of Intergovernmental Revenue

Federal grant revenue per Schedule of Intergovernmental Revenue	\$ 96,961,250
Grants received more than 60 days after year-end, unavailable in 2014	
Federal Railroad Administration - HS1PR	4,223,943
Federal Transit Capital Investment Grants	133,120
Alternatives Analysis	121,669
HIV Prevention Activities - Health Department Based	19,640
Grants unavailable in 2013, recognized as revenue in 2014	
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	(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)
Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program	(333,174)
Refugee and Entrant Assistance Discretionary Grants	(1,488)
Homeland Security Grant Programs	(28,406)
Child Support Enforcement	(1,017,476)
Sustainable Communities Regional Planning Grant Program	(300,050)
Highway Planning and Construction	(132,359)
Federal Railroad Administration - HS1PR	(12,381,225)
Federal Transit Capital Investment Grants	(616,616)
Expenditures Per Schedule of Expenditures of Federal Awards	<u>\$ 80,213,318</u>