

State of Minnesota



Office of the State Auditor

Julie Blaha
State Auditor

Clay County Moorhead, Minnesota

Management and Compliance Report

Year Ended December 31, 2021

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 100 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 Minnesota’s local 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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Clay County Moorhead, Minnesota

Year Ended December 31, 2021



Office of the State Auditor

Management and Compliance Report

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

**CLAY COUNTY
MOORHEAD, MINNESOTA**

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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
Clay County
Moorhead, 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 Clay County, Minnesota, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated September 28, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Clay County's internal control over financial reporting as a basis for designing 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 a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control over financial reporting that is less severe than a material weakness, yet important enough to merit attention by 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 material weaknesses. We identified a deficiency in internal control over financial reporting, described in the accompanying Schedule of Findings and Questioned Costs as item 2021-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Clay 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 financial statements. 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

In connection with our audit, nothing came to our attention that caused us to believe that Clay County failed to comply with the provisions of the contracting – bid laws, depositories of public funds and public investments, conflicts of interest, public indebtedness, claims and disbursements, and miscellaneous provisions sections of the *Minnesota Legal Compliance Audit Guide for Counties*, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65, insofar as they relate to accounting matters. 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, insofar as they relate to accounting matters.

Clay County's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on Clay County's response to the internal control finding identified in our audit and described in the accompanying Corrective Action Plan. 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 Counties* 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/Julie Blaha

JULIE BLAHA
STATE AUDITOR

/s/Dianne Syverson

DIANNE SYVERSON, CPA
DEPUTY STATE AUDITOR

September 28, 2022



**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 THE UNIFORM GUIDANCE**

Independent Auditor's Report

Board of County Commissioners
Clay County
Moorhead, Minnesota

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Clay County's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of Clay County's major federal programs for the year ended December 31, 2021. Clay County's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, Clay County complied, in all material respects, with the 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, 2021.

Basis for Opinion on Each Major Federal Program

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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Clay County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Clay County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Clay County's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Clay County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance, and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Clay County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit;
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Clay County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances; and
- obtain an understanding of Clay County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Clay County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance, and which is described in the accompanying Schedule of Findings and Questioned Costs as item 2021-002. Our opinion on each major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on Clay County's response to the noncompliance finding identified in our audit described in the accompanying Schedule of Findings and Questioned Costs. Clay County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance, and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a deficiency in internal control over compliance that we consider to be a significant deficiency.

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 a 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 a 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 attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2021-002, to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on Clay County's response to the internal control over compliance findings identified in our audit described in the accompanying Schedule of Findings and Questioned Costs. Clay County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of Clay County as of and for the year ended December 31, 2021, and have issued our report thereon dated September 28, 2022, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards (SEFA) is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the SEFA is fairly stated in all material respects in relation to the financial statements as a whole.

/s/Julie Blaha

JULIE BLAHA
STATE AUDITOR

September 28, 2022

/s/Dianne Syverson

DIANNE SYVERSON, CPA
DEPUTY STATE AUDITOR

**CLAY COUNTY
MOORHEAD, MINNESOTA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

I. SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with generally accepted accounting principles: **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? **Yes**

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **Yes**

The major federal programs are:

Assistance Listing Number	Name of Federal Program or Cluster
21.027	COVID-19 – Coronavirus State and Local Fiscal Recovery Funds
93.563	Child Support Enforcement
93.658	Foster Care – Title IV-E
93.778	Medicaid Cluster

The threshold for distinguishing between Types A and B programs was \$750,000.

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

**CLAY COUNTY
MOORHEAD, MINNESOTA**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2021

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

2021-001 Segregation of Duties

Prior Year Finding Number: 2020-001

Repeat Finding Since: 1996

Type of Finding: Internal Control Over Financial Reporting

Severity of Deficiency: Significant Deficiency

Criteria: Management is responsible for establishing and maintaining internal control. Adequate segregation of duties is a key internal control in preventing and detecting errors or irregularities. To protect County assets, proper segregation of the record-keeping, custody, and authorization functions should be in place, and where management decides segregation of duties may not be cost effective, compensating controls should be in place.

Condition: Due to the limited number of personnel within several Clay County offices, segregation of accounting duties necessary to ensure adequate internal accounting control is not possible. The smaller fee offices generally have one staff person who is responsible for billing, collecting, recording, and depositing receipts as well as reconciling bank accounts.

Context: This is not unusual in operations the size of Clay County; however, the County's management should constantly be aware of this condition and realize that the concentration of duties and responsibilities in a limited number of individuals is not desirable from an internal control point of view.

Effect: Inadequate segregation of duties could adversely affect the County's ability to detect misstatements in a timely period by employees in the normal course of performing their assigned functions.

Cause: The County informed us that collecting fees for services at individual departments provide a convenience for their customers. Paying at a single point of collection, such as the Treasurer's office, for services provided in several locations would be inconvenient. The staffing available in several of these smaller offices limits the potential for complete segregation of duties.

Recommendation: We recommend Clay County's officials and management be mindful that limited staffing increases the risks in safeguarding the County's assets and the proper recording of its financial activity and, where possible, implement oversight procedures to ensure that internal control policies and procedures are being followed by staff.

**CLAY COUNTY
MOORHEAD, MINNESOTA**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2021

View of Responsible Official: Concur

III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARD PROGRAMS

2021-002 Eligibility

Prior Year Finding Number: N/A

Repeat Finding Since: N/A

Type of Finding: Internal Control Over Compliance and Compliance

Severity of Deficiency: Significant Deficiency and Other Matter

Federal Agency: U.S. Department of Health and Human Services

Program: 93.778 Medical Assistance Program

Award Number and Year: 2105MN5ADM, 2021

Pass-Through Agency: Minnesota Department of Human Services (DHS)

Criteria: Title 2 U.S. *Code of Federal Regulations* § 200.303 states that the auditee must establish and maintain effective internal control over the federal award that provides reasonable assurance that the auditee is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

Condition: DHS maintains the computer system, MAXIS, which is used by the County to support the eligibility determination process. In the case files reviewed for eligibility, not all documentation was available to support participant eligibility. In a sample of 40 case files tested, three case files did not include documentation to support citizenship.

Questioned Costs: Not applicable. The County administers the program, but benefits to participants in this program are paid by the State of Minnesota.

Context: The sample size was based on the guidance from chapter 11 of the AICPA Audit Guide, *Government Auditing Standards and Single Audits*.

Effect: The lack of documented verification of information input into MAXIS increases the risk that a program participant will receive benefits when they are not eligible.

Cause: County program personnel responsible for entering case information into MAXIS did not ensure all required information was verified or updated properly.

**CLAY COUNTY
MOORHEAD, MINNESOTA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2021**

Recommendation: We recommend the County implement additional procedures to provide reasonable assurance that all necessary documentation to support eligibility determinations is obtained and properly updated in MAXIS. In addition, consideration should be given to providing additional training to program personnel.

View of Responsible Official: Acknowledge

COUNTY AUDITOR

LORI J. JOHNSON

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**REPRESENTATION OF CLAY COUNTY
MOORHEAD, MINNESOTA**

**CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED DECEMBER 31, 2021**

Finding Number: 2021-001

Finding Title: Segregation of Duties

Name of Contact Person Responsible for Corrective Action:

Lori Johnson, County Auditor-Treasurer

Corrective Action Planned:

Clay County is aware of the lack of segregation of duties in some of the smaller departments and has implemented oversight procedures to ensure that internal control policies and procedures are being implemented by staff.

Anticipated Completion Date:

December 2022

Finding Number: 2021-002

Finding Title: Eligibility

Program: Medical Assistance Program, (AL No. 93.778)

Name of Contact Person Responsible for Corrective Action:

Rhonda Porter, Director

Jamie Stewart, Financial Services Supervisor

Eligibility Workers

Corrective Action Planned:

1. All of the audit findings and case errors will be reviewed with the Eligibility Workers and strategies will be developed with the Supervisor and Eligibility Workers to eliminate errors from occurring in the future.
2. Citizenship requirements will be reviewed with staff and processes for documentation in the electronic case file and MAXIS will be reviewed with all Eligibility Workers.
3. Monthly case reviews will be done, and any errors will be addressed with all Eligibility Workers for correction and training purposes, and we will focus on citizenship documentation.

Anticipated Completion Date:

December 2022, ongoing.



**REPRESENTATION OF CLAY COUNTY
MOORHEAD, MINNESOTA**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2021**

Finding Number: 2020-001
Year of Finding Origination: 1996
Finding Title: Segregation of Duties

Summary of Condition: Due to the limited number of personnel within several Clay county offices, segregation of accounting duties necessary to ensure adequate internal accounting control is not possible. The smaller fee offices generally have one staff person who is responsible for billing, collecting, recording, and depositing receipts as well as reconciling bank accounts.

Summary of Corrective Action Previously Reported: Clay County is aware of the lack of segregation of duties in some of the smaller departments and has implemented oversight procedures are being implemented by staff.

Status: Not Corrected. Clay County is aware of the lack of segregation of duties in some of the smaller departments and has implemented oversight procedures to ensure that internal control policies and procedures are being implemented by staff.

Was corrective action taken significantly different than the action previously reported?

Yes _____ No X

**CLAY COUNTY
MOORHEAD, MINNESOTA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

Federal Grantor Pass-Through Agency Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Grant Numbers	Expenditures
U.S. Department of Agriculture			
Passed Through Minnesota Department of Education Child Nutrition Cluster			
School Breakfast Program	10.553	Not Provided	\$ 46,213
National School Lunch Program	10.555	Not Provided	88,659
Passed Through Partnership4Health Community Health Board Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	Not Provided	368,406
Passed Through Minnesota Department of Human Services SNAP Cluster			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	212MN101S2514	610,890
Total U.S. Department of Agriculture			\$ 1,114,168
U.S. Department of Justice			
Direct			
Bulletproof Vest Partnership Program	16.607		\$ 5,544
Passed Through Minnesota Department of Public Safety Crime Victim Assistance	16.575	A-CVS-2020-CLAYAO-157	38,992
Edward Byrne Memorial Justice Assistance Grant Program	16.738	A-JAG-2020-WCENTJUV-062	117,547
Total U.S. Department of Justice			\$ 162,083
U.S. Department of Transportation			
Passed Through Minnesota Department of Transportation Highway Planning and Construction Cluster			
Highway Planning and Construction	20.205	1030014	\$ 6,260
COVID-19 – Highway Planning and Construction (Total Highway Planning and Construction 20.205 \$245,247)	20.205	8821224	238,987
Passed Through City of Moorhead, Minnesota Highway Safety Cluster			
State and Community Highway Safety	20.600	A-ENFRC21-2021-MOORHDPD-00058	5,638
National Priority Safety Programs	20.616	A-ENFRC21-2021-MOORHDPD-00058	4,908
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	A-ENFRC21-2021-MOORHDPD-00058	1,466
Total U.S. Department of Transportation			\$ 257,259
U.S. Department of Treasury			
Direct			
Joint Law Enforcement Operation Task Force Project	21.U01		\$ 6,965
COVID-19 – Coronavirus State and Local Fiscal Recovery Funds	21.027		397,789
Passed Through Partnership4Health Community Health Board COVID-19 – Coronavirus Relief Fund	21.019	Not Provided	15,977
Total U.S. Department of Treasury			\$ 420,731

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

**CLAY COUNTY
MOORHEAD, MINNESOTA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2021
(Continued)**

Federal Grantor Pass-Through Agency Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Grant Numbers	Expenditures
U.S. Department of Education			
Passed Through Partnership4Health Community Health Board Special Education – Grants for Infants and Families	84.181	Not Provided	\$ 2,100
U.S. Department of Health and Human Services			
Passed Through Partnership4Health Community Health Board			
Public Health Emergency Preparedness	93.069	Not Provided	\$ 86,041
Early Hearing Detection and Intervention	93.251	Not Provided	450
COVID-19 – Immunization Cooperative Agreements	93.268	Not Provided	184,395
COVID-19 – Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	Not Provided	170,758
State Physical Activity and Nutrition (SPAN)	93.439	Not Provided	22,913
Temporary Assistance for Needy Families (Total Temporary Assistance for Needy Families 93.558 \$976,707)	93.558	Not Provided	119,320
Block Grants for Prevention and Treatment of Substance Abuse	93.959	Not Provided	43,240
Maternal and Child Health Services Block Grant to the States	93.994	Not Provided	80,029
Passed Through Polk-Norman-Mahnomen Community Health Board			
Maternal, Infant and Early Childhood Home Visiting Grant	93.870	Not Provided	78,606
Passed Through Minnesota Department of Human Services			
Promoting Safe and Stable Families	93.556	2101MNFPS	13,504
Temporary Assistance for Needy Families (Total Temporary Assistance for Needy Families 93.558 \$976,707)	93.558	2101MNTANF	857,387
Child Support Enforcement	93.563	2101MNCSES	220,625
Child Support Enforcement (Total Child Support Enforcement 93.563 \$1,341,280)	93.563	2001MNCES	1,120,655
Refugee and Entrant Assistance – State Administered Programs CCDF Cluster	93.566	2101MNRCA	1,205
Child Care and Development Block Grant	93.575	2101MNCDF	21,068
Community-Based Child Abuse Prevention Grants	93.590	1901MNBCAP	5,735
Stephanie Tubbs Jones Child Welfare Services Program	93.645	2001MNCWSS	7,487
COVID-19 - Stephanie Tubbs Jones Child Welfare Services Program (Total Stephanie Tubbs Jones Child Welfare Services Program 93.645 \$15,586)	93.645	2001MNCWC3	8,099
Foster Care – Title IV-E	93.658	2101MNFOS	1,030,746
Social Services Block Grant	93.667	2101MNSOSR	363,451
Child Abuse and Neglect State Grants	93.669	2101MNNCAN	3,037
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	2101MNCILP	42,690
COVID-19 – John H. Chafee Foster Care Program for Successful Transition to Adulthood (Total John H. Chafee Foster Care Program for Successful Transition to Adulthood 93.674 \$52,500)	93.674	2101MNCILC	9,810
Children's Health Insurance Program Medicaid Cluster	93.767	2105MN5021	2,558
Medical Assistance Program	93.778	2105MN5ADM	2,115,439
Medical Assistance Program (Total Medical Assistance Program 93.778 \$2,141,607)	93.778	2105MN5MAP	26,168
Total U.S. Department of Health and Human Services			\$ 6,635,416

**CLAY COUNTY
MOORHEAD, MINNESOTA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2021
(Continued)**

Federal Grantor Pass-Through Agency Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Grant Numbers	Expenditures
U.S. Department of Homeland Security			
Passed Through Minnesota Department of Public Safety			
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	Not Provided	\$ 120,094
Total Federal Awards			\$ 8,711,851

The County did not pass on any federal awards through to subrecipients during the year ended December 31, 2021.

Totals by Cluster			
Total expenditures for Child Nutrition Cluster			\$ 134,872
Total expenditures for SNAP Cluster			610,890
Total expenditures for Highway Planning and Construction Cluster			245,247
Total expenditures for Highway Safety Cluster			10,546
Total expenditures for CCDF Cluster			21,068
Total expenditures for Medicaid Cluster			2,141,607

**CLAY COUNTY
MOORHEAD, MINNESOTA**

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2021

1. Reporting Entity

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

2. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Clay County under programs of the federal government for the year ended December 31, 2021. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of Clay County, it is not intended to and does not present the financial position, changes in net position, or cash flows of Clay County.

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following, the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. De Minimis Cost Rate

Clay County has elected to not use the ten percent de minimis indirect cost rate allowed under the Uniform Guidance.

**CLAY COUNTY
MOORHEAD, MINNESOTA**

4. Reconciliation to Schedule of Intergovernmental Revenue

Federal grant revenue per Schedule of Intergovernmental Revenue	\$ 9,610,279
Grants received more than 60 days after year-end, deferred in 2021	
Highway Planning and Construction (AL No. 20.205)	42,178
Temporary Assistance for Needy Families (AL No. 93.558)	248,359
Community-Based Child Abuse Prevention Grants (AL No. 93.590)	954
Disaster Grants – Public Assistance (Presidentially Declared Disasters) (AL No. 97.036)	36,260
Children’s Health Insurance Program (AL No. 93.767)	1,739
Deferred in 2020, recognized as revenue in 2021	
Highway Planning and Construction (AL No. 20.205)	(934,815)
Temporary Assistance for Needy Families (AL No. 93.558)	(263,859)
Disaster Grants – Public Assistance (Presidentially Declared Disasters) (AL No. 97.036)	<u>(29,244)</u>
Expenditures Per Schedule of Expenditures of Federal Awards	<u>\$ 8,711,851</u>