

State of Minnesota



Office of the State Auditor

Julie Blaha
State Auditor

**Scott County
Shakopee, Minnesota**

Management and Compliance Report

Year Ended December 31, 2019

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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Scott County Shakopee, Minnesota

Year Ended December 31, 2019



Management and Compliance Report

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

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**SCOTT COUNTY
SHAKOPEE, MINNESOTA**

TABLE OF CONTENTS

	<u>Page</u>
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	1
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	4
Schedule of Findings and Questioned Costs	8
Corrective Action Plan	12
Summary Schedule of Prior Audit Findings	13
Schedule of Expenditures of Federal Awards	16
Notes to the Schedule of Expenditures of Federal Awards	19

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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
Scott County
Shakopee, 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 discretely presented component unit, each major fund, and the aggregate remaining fund information of Scott County, Minnesota, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated July 13, 2020. Our report includes a reference to other auditors who audited the financial statements of the Scott County Community Development Agency, the discretely presented component unit, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Scott 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. 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. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Scott 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

In connection with our audit, nothing came to our attention that caused us to believe that Scott County failed to comply with the provisions of the contracting and bidding, deposits and 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.

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

July 13, 2020

/s/Greg Hierlinger

GREG HIERLINGER, CPA
DEPUTY STATE AUDITOR

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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 THE UNIFORM GUIDANCE

Independent Auditor's Report

Board of County Commissioners
Scott County
Shakopee, Minnesota

Report on Compliance for Each Major Federal Program

We have audited Scott County's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *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, 2019. Scott County's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Scott County's basic financial statements include the operations of the Scott County Community Development Agency (CDA) component unit, which expended \$4,643,637 in federal awards during the year ended December 31, 2019, which are not included in the Schedule of Expenditures of Federal Awards. Our audit, described below, did not include the operations of the Scott County CDA because other auditors were engaged to perform a single audit in accordance with the Uniform Guidance.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Scott 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 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). Those standards and the Uniform Guidance 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 Scott 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.

Opinion on Each Major Federal Program

In our opinion, Scott 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, 2019.

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 2019-001. Our opinion on each major federal program is not modified with respect to this matter.

Scott County's response to the noncompliance finding identified in our audit is described in the accompanying Corrective Action Plan. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of Scott 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 the Uniform Guidance, 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 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, we did identify a deficiency in internal control over compliance, described in the accompanying Schedule of Findings and Questioned Costs as item 2019-001, that we consider to be a significant deficiency.

Scott County's response to the internal control over compliance finding identified in our audit is described in the accompanying Corrective Action Plan. The County's response was not subjected to the 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 the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Scott County, Minnesota, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We have issued our report thereon dated July 13, 2020, which contained unmodified opinions on those financial statements. We did not audit the financial statements of the Scott County CDA, the discretely presented component unit, which was audited by other auditors. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Scott County's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards (SEFA), as required by the Uniform Guidance, is presented for purposes of additional analysis 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. Such 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.

/s/Julie Blaha

JULIE BLAHA
STATE AUDITOR

/s/Greg Hierlinger

GREG HIERLINGER, CPA
DEPUTY STATE AUDITOR

July 13, 2020

**SCOTT COUNTY
SHAKOPEE, MINNESOTA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2019**

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? **None reported**

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:

Highway Planning and Construction Cluster	CFDA No. 20.205
Medicaid Cluster	CFDA No. 93.778

The threshold for distinguishing between Types A and B programs was \$905,885.

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

**SCOTT COUNTY
SHAKOPEE, MINNESOTA**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2019

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

None.

III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARD PROGRAMS

Finding Number: 2019-001

Prior Year Finding Number: 2017-003

Repeat Finding Since: 2017

Procurement – Uniform Guidance Written Policies and Procedures

Programs: U.S. Department of Transportation, Highway Planning and Construction (CFDA No. 20.205), Award Nos. 1030070 and 1033264, 2018 and 2019

Pass-Through Agency: Minnesota Department of Transportation

Criteria: Title 2 U.S. *Code of Federal Regulations* § 200.318 states that the non-federal entity must use its own documented procurement procedures which reflect applicable state, local, and tribal laws and regulations, provided that the procurements conform with applicable federal law and the standards identified in this regulation.

Condition: The County has documented a broad procurement policy that states, “Staff shall follow all Federal and State Procurement Laws and County procurement processes and requirements as defined in the *Procurement and Contract Guidelines...*” The County’s *Procurement and Contract Guidelines* document its procurement procedures that reflect applicable state laws. Some of these procedures also provide enough guidance that certain procurements, generally of large amounts, made in accordance with them may conform with applicable federal law. Beyond this, the County has asserted that its reference to federal law is adequate, and it will be up to individual staff to find and apply the most current federal procurement guidance. Examples of items not addressed in the County’s documented procurement procedures include:

**SCOTT COUNTY
SHAKOPEE, MINNESOTA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2019**

- identification of the documentation the County deems to be sufficient and maintained to detail the history of the procurement;
- identification of all the acceptable procurement methods (i.e.: micro-purchase and small purchase), the criteria applicable to them, and the documentation the County deems to be sufficient and maintained to support meeting the requirements associated with each of them; and
- reference to the Davis-Bacon Act, its requirements, and what the County deems to be sufficient and maintained to support compliance with the requirements.

Questioned Costs: None.

Context: This issue was discovered during the audit of the Highway Planning and Construction program; however, it impacts federal programs entity-wide. Written policies and procedures that reflect the specific components of federal regulations improve controls to help ensure compliance with federal award requirements.

Effect: Written policies and procedures that do not reflect specific Uniform Guidance procurement requirements could increase the risk of noncompliance with federal program requirements.

Cause: The County interpreted that the specific components of federal regulations in the Uniform Guidance did not need to be included in its own documented policies and procedures.

Recommendation: We recommend the County develop and implement written policies and procedures that can be consistently applied by all staff which, when followed, ensures compliance with Uniform Guidance procurement requirements. In addition, this should identify the documentation the County expects staff to maintain to be sufficient to support compliance.

View of Responsible Official: Acknowledged

**SCOTT COUNTY
SHAKOPEE, MINNESOTA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2019**

IV. PREVIOUSLY REPORTED ITEMS RESOLVED

- 2018-001 Audit Adjustment
- 2017-002 Eligibility (CFDA No. 93.778)
- 2017-004 Suspension and Debarment (CFDA No. 93.778)



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**REPRESENTATION OF SCOTT COUNTY
SHAKOPEE, MINNESOTA**

**CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED DECEMBER 31, 2019**

Finding Number: 2019-001

Finding Title: Procurement – Uniform Guidance Written Policies and Procedures

Program: Highway Planning and Construction (CFDA # 20.205)

Name of Contact Person Responsible for Corrective Action:

Daniel Lenz, Chief Financial Officer

Corrective Action Planned:

All of these items are currently included in the County's procurement policies and procedures.

Scott County will repeat the listing of acceptable procurement methods and the criteria applicable to them within its procurement procedures and outline the documentation to be maintained to detail the history of the procurement.

Scott County will repeat the reference to the Davis-Bacon Act and its requirements and will outline the documentation to be maintained to detail the history of the procurement in its procurement procedures.

Anticipated Completion Date:

September 1, 2020

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**REPRESENTATION OF SCOTT COUNTY
SHAKOPEE, MINNESOTA**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2019**

Finding Number: 2018-001

Finding Title: Audit Adjustment

Summary of Condition: A material audit adjustment was identified that resulted in significant changes to Scott County's financial statements.

Summary of Corrective Action Previously Reported: The transaction involved in this finding was a new transaction to Scott County and county staff had a misunderstanding on how this transaction should be classified and with the process of reviewing the financials. In the future when a new type of transaction occurs staff will conduct enough research to verify it is coded correctly so that financial statements are presented accurately.

Status: Fully Corrected. Corrective action was taken.

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

Yes _____ No X

Finding Number: 2017-002

Finding Title: Eligibility

Program: Medical Assistance Program (CFDA No. 93.778)

Summary of Condition: The Minnesota Department of Human Services (DHS) maintains the computer system, MAXIS, which is used by the County to support the eligibility determination process. The County has review procedures in place to review case files, which included Medical Assistance cases on a monthly basis. Reviews were performed in 2018 for the months of May, June, July, August, and October by one financial team, but no reviews were performed by the second team. When performing case file reviews for eligibility, it was noted that not all documentation was available to support participant eligibility. In other circumstances, information was input into MAXIS incorrectly. The following instances were noted in a sample of 40 cases tested:

- Five case files lacked documentation of availability of other health insurance requirements.
- Five case files did not have sufficient verification of assets and/or were incorrectly entered into MAXIS.
- Four case files did not have sufficient verification of income and/or were incorrectly entered into MAXIS.
- One case file application was not date stamped by the County indicating when it was received.
- Three case files lacked documentation of citizenship.

Summary of Corrective Action Previously Reported: Following the case file testing, the supervisor sent a detailed spreadsheet of issues and errors to the other supervisors and staff assigned to the cases. Staff were asked to review and send back corrections as soon as possible.

Going forward, supervisors will review this official finding with staff in detail at a unit meeting. At each application and renewal, the MAXIS STAT panels will be reviewed thoroughly to ensure that all other health insurance, asset verification, income and citizenship are up to date and accurate. Staff are required to enter detailed case notes regarding how income was calculated. The County has an established transfer-in case review procedure whereas all case files will be reviewed for complete documentation.

The date stamp issue is now obsolete as the document management system (CaseWorks) now has an automatic electronic date stamp.

Monthly case reviews will be conducted by Supervisors and/or Lead Workers, in conjunction with peer reviews. A spreadsheet has been created for supervisors to track assigned reviewer, assigned Eligibility Specialist, corrections needed and completion date.

Status: Fully Corrected. Corrective action was taken.

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

Yes _____ No X

Finding Number: 2017-003

Finding Title: Procurement – Uniform Guidance Written Policies and Procedures Program: Medical Assistance Program (CFDA No. 93.778), Highway Planning and Construction (CFDA No. 20.205)

Summary of Condition: The County has documented a broad procurement policy that states, “Staff shall follow all Federal and State Procurement Laws and County procurement processes and requirements as defined in the *Procurement and Contract Guidelines...*” Several items were not addressed in the County’s documented procurement procedures including references or cites

to any Uniform Guidance procurement regulations; identification of the acceptable procurement methods; identification of the documentation the County deems to be sufficient and maintained to detail the history of the procurement; reference to the Davis-Bacon Act, its requirements, and what the County deems to be sufficient and maintained to support compliance with the requirements.

Summary of Corrective Action Previously Reported: The County's Procurement Policy and Procedures fully comply with all local, State and Federal requirements both through specific policy and procedure requirements and through reference to State and Federal requirements. The policies and procedures were updated and approved specifically to meet Title 2 U.S. Code of Federal Regulations § 200.318 and are in full compliance. The items called out in the Federal Regulations for inclusion in the County's policies and procedures are included. The County also includes the entire Title 2 U.S. Code of Federal Regulations § 200.318 in its procurement procedures via reference. This finding only relates to the Auditor's interpretation for how County procedures should be displayed, and ignores that the entirety of the regulations are included in County procedures.

The County will explore additional inclusion of certain provisions of the Uniform Guidance in its procurement procedures, and will include language when it is determined that it will not increase the risk of violation of the Uniform Guidance due to the frequent nature of changes to the guidance.

Status: Not Corrected. The County disputes this finding, but will add specific language when deemed feasible.

Was corrective action taken significantly different than the action previously reported?
Yes _____ No X

Finding Number: 2017-004

Finding Title: Suspension and Debarment

Program: Medical Assistance Program (CFDA No. 93.778)

Summary of Condition: For one of the two contracts tested, verification procedures were not formed to determine that the contractor was not suspended or debarred before the contract was awarded.

Summary of Corrective Action Previously Reported: The County will update its procurement procedures to call out the three accepted verification approaches that can be utilized and will revise its standard contract template to include a condition stipulating the contractor cannot be suspended or debarred with relation to federal procurement requirements.

Status: Fully Corrected. Corrective action was taken.

Was corrective action taken significantly different than the action previously reported?
Yes _____ No X

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**SCOTT COUNTY
SHAKOPEE, MINNESOTA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2019**

Federal Grantor Pass-Through Agency Program or Cluster Title	Federal CFDA 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	1000006830	\$ 8,582
National School Lunch Program	10.555	1000006831	14,631
Passed Through Minnesota Department of Human Services			
SNAP Cluster			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	192MN101S2514	<u>687,982</u>
Total U.S. Department of Agriculture			<u>\$ 711,195</u>
U.S. Department of Justice			
Direct			
Drug Court Discretionary Grant Program	16.585	-	\$ 66,126
State Criminal Alien Assistance Program	16.606	-	<u>24,916</u>
Total U.S. Department of Justice			<u>\$ 91,042</u>
U.S. Department of Labor			
Passed Through Minnesota Department of Employment and Economic Development			
Senior Community Service Employment Program	17.235	Not provided	\$ 38,363
Passed Through Dakota-Scott Service Delivery Area #14			
Workforce Investment Act (WIOA) Cluster			
WIA Adult Program	17.258	Not provided	65,440
WIA Youth Activities	17.259	Not provided	72,387
WIA Dislocated Worker Formula Grants	17.278	Not provided	<u>130,394</u>
Total U.S. Department of Labor			<u>\$ 306,584</u>
U.S. Department of Transportation			
Passed Through Minnesota Department of Transportation			
Highway Planning and Construction Cluster			
Highway Planning and Construction	20.205	1030070	\$ 17,638,716
Highway Planning and Construction (Total Highway Planning and Construction 20.205 \$20,305,682)	20.205	1033264	2,666,966
Transit Services Programs Cluster			
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	Not provided	307,628

**SCOTT COUNTY
SHAKOPEE, MINNESOTA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2019
(Continued)**

Federal Grantor Pass-Through Agency Program or Cluster Title	Federal CFDA Number	Pass-Through Grant Numbers	Expenditures
U.S. Department of Transportation (Continued)			
Passed Through City of Shakopee, Minnesota			
Highway Safety Cluster			
State and Community Highway Safety	20.600	19-04-04	6,922
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	19-03-05	14,656
Highway Safety Cluster			
National Priority Safety Programs	20.616	19-02-05	<u>2,080</u>
Total U.S. Department of Transportation			<u>\$ 20,636,968</u>
U.S. Institute of Museum and Library Services			
Passed Through Minnesota Department of Education			
Grants to States	45.310	Not provided	<u>\$ 650</u>
U.S. Environmental Protection Agency			
Passed Through Minnesota Pollution Control Agency			
Nonpoint Source Implementation Grants	66.460	69592	<u>\$ 171,332</u>
U.S. Department of Education			
Passed Through Minnesota Department of Health			
Special Education – Grants for Infants and Families	84.181	12-7000-000097	<u>\$ 648</u>
U.S. Department of Health and Human Services			
Passed Through Dakota-Scott Service Delivery Area #14			
Maternal, Infant, and Early Childhood Home Visiting Grant	93.870	Not provided	\$ 126,437
Passed Through Minnesota Department of Health			
Public Health Emergency Preparedness	93.069	U90TP000529	96,996
Early Hearing Detection and Intervention	93.251	Not provided	2,775
Immunization Cooperative Agreements	93.268	5NH231P000707	1,950
Early Hearing Detection and Intervention Information System (EDHI-IS) Surveillance Program	93.314	Not provided	300
State Physical Activity and Nutrition (SPAN)	93.439	Not provided	1,500
PPHF Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance financed in part by Prevention and Public Health Funds	93.539	Not provided	6,200
TANF Cluster			
Temporary Assistance for Needy Families (Total Temporary Assistance for Needy Families 93.558 \$483,991)	93.558	1901MNTANF	83,011
Maternal and Child Health Services Block Grant to the States	93.994	Not provided	59,881
Passed Through Minnesota Department of Human Services			
Promoting Safe and Stable Families TANF Cluster	93.556	G-1801MNFPS	184,531
Temporary Assistance for Needy Families (Total Temporary Assistance for Needy Families 93.558 \$485,991)	93.558	1901MNTANF	400,980

**SCOTT COUNTY
SHAKOPEE, MINNESOTA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2019
(Continued)**

Federal Grantor Pass-Through Agency Program or Cluster Title	Federal CFDA Number	Pass-Through Grant Numbers	Expenditures
U.S. Department of Health and Human Services			
Passed Through Minnesota Department of Human Services (Continued)			
Child Support Enforcement	93.563	1901MNCSES	524,567
Child Support Enforcement	93.563	1901MNCEST	1,320,724
(Total Child Support Enforcement 93.563 \$1,845,291)			
Community-Based Child Abuse Prevention Grants	93.590	G-1801MNBCAP	26,469
CCDF Cluster			
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	G1901MNCCDF	142,296
Stephanie Tubbs Jones Child Welfare Services Program	93.645	G-1801MNCWSS	18,515
Foster Care – Title IV-E	93.658	1901MNFOST	549,107
Social Services Block Grant	93.667	G-1901MNSOSR	439,586
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	G-1901MNCILP	7,024
Medicaid Cluster			
Medical Assistance Program	93.778	1905MN5ADM	3,817,808
Block Grants for Community Mental Health Services	93.958	SM010027-18	14,423
Block Grants for Prevention and Treatment of Substance Abuse	93.959	2B08TI010027-18	3,300
Total U.S. Department of Health and Human Services			\$ 7,828,380
U.S. Department of Homeland Security			
Passed Through Minnesota Department of Natural Resources			
Boating Safety Financial Assistance	97.012	R29G40CGFFY18	\$ 22,887
Passed Through Minnesota Department of Public Safety			
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	Not provided	353,806
Homeland Security Grant Program	97.067	SCOTTCO-0010	72,672
Total U.S. Department of Homeland Security			\$ 449,365
Total Federal Awards			\$ 30,196,164

Scott County did not pass any federal awards Through to subrecipients during the year ended December 31, 2019.

Totals by Cluster

Total expenditures for Child Nutrition Cluster	\$ 23,213
Total expenditures for SNAP Cluster	687,982
Total expenditures for WIOA Cluster	268,221
Total expenditures for Highway Planning and Construction Cluster	20,305,682
Total expenditures for Transit Services Programs Cluster	307,628
Total expenditures for Highway Safety Cluster	9,002
Total expenditures for TANF Cluster	483,991
Total expenditures for CCDF Cluster	142,296
Total expenditures for Medicaid Cluster	3,817,808

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**SCOTT COUNTY
SHAKOPEE, MINNESOTA**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2019**

1. Summary of Significant Accounting Policies

A. Reporting Entity

The Schedule of Expenditures of Federal Awards presents the activities of federal award programs expended by Scott County. Scott County's financial statements include the operations of the Scott County Community Development Agency (CDA) component unit, which expended \$4,643,637 in federal awards during the year ended December 31, 2019, which are not included in the Schedule of Expenditures of Federal Awards. The CDA had a separate single audit. The County's reporting entity is defined in Note 1 to the financial statements.

B. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Scott County under programs of the federal government for the year ended December 31, 2019. 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 Scott County, it is not intended to and does not present the financial position, changes in net position, or cash flows of Scott 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.

2. De Minimis Cost Rate

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

**SCOTT COUNTY
SHAKOPEE, MINNESOTA**

3. Reconciliation to Schedule of Intergovernmental Revenue

Federal grant revenue per Schedule of Intergovernmental Revenue	\$ 30,128,964
Grants received more than 60 days after year-end, unavailable in 2019	
Temporary Assistance for Needy Families	5,914
Disaster Grants – Public Assistance (Presidentially-Declared Disasters)	143,129
Nonpoint Source Implementation Grants	70,266
Promoting Safe and Stable Families	441
Foster Care Title IV-E	27,574
Early Hearing Detection and Intervention	475
Stephanie Tubbs Jones Child Welfare Services Program	1,323
John H. Chafee Foster Care Program for Successful Transition to Adulthood	2,743
Unavailable in 2018, recognized as revenue in 2019	
Temporary Assistance for Needy Families	(158,983)
Promoting Safe and Stable Families	(6,978)
Community-Based Child Abuse Prevention Grants	(8,976)
Stephanie Tubbs Jones Child Welfare Services Program	(5,649)
John H. Chafee Foster Care Program for Successful Transition to Adulthood	(4,079)
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Expenditures Per Schedule of Expenditures of Federal Awards	\$ 30,196,164