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.

Office of the State Auditor
525 Park Street, Suite 500
Saint Paul, Minnesota  55103
(651) 296-2551
state.auditor@osa.state.mn.us
www.auditor.state.mn.us

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Scott County
Shakopee, Minnesota

Year Ended December 31, 2019

Audit Practice Division
Office of the State Auditor
State of Minnesota
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# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Report on Internal Control Over Financial Reporting and on Compliance and</td>
<td>1</td>
</tr>
<tr>
<td>Other Matters Based on an Audit of Financial Statements Performed in</td>
<td></td>
</tr>
<tr>
<td>Accordance with <em>Government Auditing Standards</em></td>
<td></td>
</tr>
<tr>
<td>Report on Compliance for Each Major Federal Program; Report on Internal</td>
<td>4</td>
</tr>
<tr>
<td>Control Over Compliance; and Report on Schedule of Expenditures of Federal</td>
<td></td>
</tr>
<tr>
<td>Awards Required by the Uniform Guidance</td>
<td></td>
</tr>
<tr>
<td>Schedule of Findings and Questioned Costs</td>
<td>8</td>
</tr>
<tr>
<td>Corrective Action Plan</td>
<td>12</td>
</tr>
<tr>
<td>Summary Schedule of Prior Audit Findings</td>
<td>13</td>
</tr>
<tr>
<td>Schedule of Expenditures of Federal Awards</td>
<td>16</td>
</tr>
<tr>
<td>Notes to the Schedule of Expenditures of Federal Awards</td>
<td>19</td>
</tr>
</tbody>
</table>
This page was left blank intentionally.
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                      /s/Greg Hierlinger
JULIE BLAHA                       GREG HIERLINGER, CPA
STATE AUDITOR                    DEPUTY STATE AUDITOR

July 13, 2020
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
July 13, 2020

/s/Greg Hierlinger
GREG HIERLINGER, CPA
DEPUTY STATE AUDITOR
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
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
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)
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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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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<table>
<thead>
<tr>
<th>Federal Grantor Pass-Through Agency</th>
<th>Program or Cluster Title</th>
<th>Federal CFDA Number</th>
<th>Pass-Through Grant Numbers</th>
<th>Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>U.S. Department of Agriculture</strong></td>
<td>Passed Through Minnesota Department of Education</td>
<td>Child Nutrition Cluster</td>
<td>10.553</td>
<td>1000006830</td>
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<td></td>
<td>School Breakfast Program</td>
<td>10.555</td>
<td>1000006831</td>
<td>14,631</td>
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<td></td>
<td>National School Lunch Program</td>
<td>10.555</td>
<td>1000006831</td>
<td>14,631</td>
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<td>Passed Through Minnesota Department of Human Services</td>
<td>SNAP Cluster</td>
<td>State Administrative Matching Grants for the Supplemental Nutrition Assistance Program</td>
<td>10.561</td>
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<td><strong>Total U.S. Department of Agriculture</strong></td>
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<td><strong>$711,195</strong></td>
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<td><strong>U.S. Department of Justice</strong></td>
<td>Direct</td>
<td>Drug Court Discretionary Grant Program</td>
<td>16.585</td>
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<td></td>
<td>State Criminal Alien Assistance Program</td>
<td>16.606</td>
<td>-</td>
<td>24,916</td>
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<td><strong>Total U.S. Department of Justice</strong></td>
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<td></td>
<td><strong>$91,042</strong></td>
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<tr>
<td><strong>U.S. Department of Labor</strong></td>
<td>Passed Through Minnesota Department of Employment and Economic Development</td>
<td>Senior Community Service Employment Program</td>
<td>17.235</td>
<td>Not provided</td>
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<tr>
<td>Passed Through Dakota-Scott Service Delivery Area #14</td>
<td>Workforce Investment Act (WIOA) Cluster</td>
<td>WIA Adult Program</td>
<td>17.258</td>
<td>Not provided</td>
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<td></td>
<td>WIA Youth Activities</td>
<td>17.259</td>
<td>Not provided</td>
<td>72,387</td>
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<td></td>
<td>WIA Dislocated Worker Formula Grants</td>
<td>17.278</td>
<td>Not provided</td>
<td>130,394</td>
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<td><strong>Total U.S. Department of Labor</strong></td>
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<td><strong>$306,584</strong></td>
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<tr>
<td><strong>U.S. Department of Transportation</strong></td>
<td>Passed Through Minnesota Department of Transportation</td>
<td>Highway Planning and Construction Cluster</td>
<td>20.205</td>
<td>1030070</td>
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<td></td>
<td>Highway Planning and Construction</td>
<td>20.205</td>
<td>1030070</td>
<td>$17,638,716</td>
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<td>(Total Highway Planning and Construction 20.205 $20,305,682)</td>
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<td></td>
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<tr>
<td></td>
<td>Transit Services Programs Cluster</td>
<td>Enhanced Mobility of Seniors and Individuals with Disabilities</td>
<td>20.513</td>
<td>Not provided</td>
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The notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.
<table>
<thead>
<tr>
<th>Federal Grantor Pass-Through Agency</th>
<th>Federal CFDA Pass-Through Agency</th>
<th>Federal CFDA Grant Numbers</th>
<th>Expenditures</th>
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<tr>
<td>Highway Safety Cluster</td>
<td>State and Community Highway Safety</td>
<td>20.600 19-04-04</td>
<td>6,922</td>
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<td>Minimum Penalties for Repeat Offenders for Driving While Intoxicated</td>
<td>20.608 19-03-05</td>
<td>14,656</td>
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<td>National Priority Safety Programs</td>
<td>20.616 19-02-05</td>
<td>2,080</td>
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<td><strong>Total U.S. Department of Transportation</strong></td>
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<td><strong>$ 20,636,968</strong></td>
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<td>U.S. Institute of Museum and Library Services</td>
<td>Grants to States</td>
<td>45.310 Not provided</td>
<td>$ 650</td>
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<tr>
<td>U.S. Environmental Protection Agency</td>
<td>Nonpoint Source Implementation Grants</td>
<td>66.460 69592</td>
<td>$ 171,332</td>
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<tr>
<td>U.S. Department of Education</td>
<td>Passed Through Minnesota Department of Health</td>
<td>Special Education – Grants for Infants and Families</td>
<td>84.181 12-7000-000097</td>
</tr>
<tr>
<td>U.S. Department of Health and Human Services</td>
<td>Passed Through Dakota-Scott Service Delivery Area #14</td>
<td>Maternal, Infant, and Early Childhood Home Visiting Grant</td>
<td>93.870 Not provided</td>
</tr>
<tr>
<td></td>
<td>Public Health Emergency Preparedness</td>
<td>93.069 U90TP000529</td>
<td>96,996</td>
</tr>
<tr>
<td></td>
<td>Early Hearing Detection and Intervention</td>
<td>93.251 Not provided</td>
<td>2,775</td>
</tr>
<tr>
<td></td>
<td>Immunization Cooperative Agreements</td>
<td>93.268 5NH231P000707</td>
<td>1,950</td>
</tr>
<tr>
<td></td>
<td>Early Hearing Detection and Intervention Information System (EDHI-IS) Surveillance Program</td>
<td>93.314 Not provided</td>
<td>300</td>
</tr>
<tr>
<td></td>
<td>State Physical Activity and Nutrition (SPAN)</td>
<td>93.439 Not provided</td>
<td>1,500</td>
</tr>
<tr>
<td></td>
<td>PPHF Capacity Building Assistance to Strengthen Public Health</td>
<td>93.539 Not provided</td>
<td>6,200</td>
</tr>
<tr>
<td></td>
<td>Immunization Infrastructure and Performance financed in part by Prevention and Public Health Funds</td>
<td>93.539 Not provided</td>
<td>6,200</td>
</tr>
<tr>
<td></td>
<td>TANF Cluster</td>
<td>Temporary Assistance for Needy Families</td>
<td>93.558 1901MNTANF</td>
</tr>
<tr>
<td></td>
<td>Maternal and Child Health Services Block Grant to the States</td>
<td>93.994 Not provided</td>
<td>59,881</td>
</tr>
<tr>
<td></td>
<td>Passed Through Minnesota Department of Human Services</td>
<td>Promoting Safe and Stable Families</td>
<td>93.556 G-1801MNFPSS</td>
</tr>
<tr>
<td></td>
<td>Temporary Assistance for Needy Families</td>
<td>(Total Temporary Assistance for Needy Families 93.558 $483,991)</td>
<td>93.558 1901MNTANF</td>
</tr>
</tbody>
</table>

The notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.
### SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2019
(Continued)

<table>
<thead>
<tr>
<th>Federal Grantor</th>
<th>Federal CFDA Number</th>
<th>Pass-Through Grant Numbers</th>
<th>Pass-Through Agency</th>
<th>Program or Cluster Title</th>
<th>Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. Department of Health and Human Services</td>
<td>93.563</td>
<td>1901MNCSES</td>
<td>Minnesota Department of Human Services (Continued)</td>
<td>Child Support Enforcement</td>
<td>524,567</td>
</tr>
<tr>
<td></td>
<td>93.563</td>
<td>1901MNCEST</td>
<td></td>
<td>Child Support Enforcement</td>
<td>1,320,724</td>
</tr>
<tr>
<td></td>
<td>93.563</td>
<td>1901MNCSES</td>
<td></td>
<td>Community-Based Child Abuse Prevention Grants</td>
<td>26,469</td>
</tr>
<tr>
<td></td>
<td>93.590</td>
<td>G-1801MNBCAP</td>
<td></td>
<td>CCDF Cluster</td>
<td>26,469</td>
</tr>
<tr>
<td></td>
<td>93.645</td>
<td>G-1801MNCWSS</td>
<td></td>
<td>Opportunity Grants to States - Block Grant</td>
<td>549,107</td>
</tr>
<tr>
<td></td>
<td>93.658</td>
<td>G-1901MNSOSR</td>
<td></td>
<td>Social Services and Prevention Block Grant</td>
<td>439,586</td>
</tr>
<tr>
<td></td>
<td>93.667</td>
<td>G-1901MNSOSR</td>
<td></td>
<td>John H. Chafee Foster Care Program for Successful Transition to Adulthood</td>
<td>7,024</td>
</tr>
<tr>
<td></td>
<td>93.778</td>
<td>1905MN5ADM</td>
<td></td>
<td>Medical Assistance Program</td>
<td>3,817,808</td>
</tr>
<tr>
<td></td>
<td>93.778</td>
<td>1905MN5ADM</td>
<td></td>
<td>Block Grants for Community Mental Health Services</td>
<td>14,423</td>
</tr>
<tr>
<td></td>
<td>93.778</td>
<td>1905MN5ADM</td>
<td></td>
<td>Block Grants for Prevention and Treatment of Substance Abuse</td>
<td>3,300</td>
</tr>
<tr>
<td><strong>Total U.S. Department of Health and Human Services</strong></td>
<td>$7,828,380</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>97.036</td>
<td>Not provided</td>
<td>Passed Through Minnesota Department of Public Safety</td>
<td>Disaster Grants – Public Assistance (Presidentially Declared Disasters)</td>
<td>353,806</td>
</tr>
<tr>
<td></td>
<td>97.067</td>
<td>SCOTTCO-0010</td>
<td></td>
<td>Homeland Security Grant Program</td>
<td>72,672</td>
</tr>
<tr>
<td><strong>Total U.S. Department of Homeland Security</strong></td>
<td>$449,365</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Federal Awards</strong></td>
<td>$30,196,164</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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

The notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.
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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.
### 3. Reconciliation to Schedule of Intergovernmental Revenue

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