

STATE OF MINNESOTA

Office of the State Auditor



Rebecca Otto
State Auditor

MANAGEMENT AND COMPLIANCE REPORT
PREPARED AS A RESULT OF THE AUDIT
OF THE FINANCIAL AFFAIRS OF

RAMSEY COUNTY
SAINT PAUL, MINNESOTA

FOR THE YEAR ENDED DECEMBER 31, 2006

Description of the Office of the State Auditor

The mission of the State Auditor's Office is to oversee local government finances for Minnesota taxpayers by helping to ensure financial integrity and accountability in local governmental financial activities.

Through financial, compliance, and special audits, the State Auditor oversees and ensures that local government funds are used for the purposes intended by law and that local governments hold themselves to the highest standards of financial accountability.

The State Auditor performs approximately 160 financial and compliance audits per year and has oversight responsibilities for over 3,300 local units of government throughout the state. The office currently maintains five divisions:

Audit Practice - conducts financial and legal compliance audits of local governments;

Government Information - collects and analyzes financial information for cities, towns, counties, and special districts;

Legal/Special Investigations - provides legal analysis and counsel to the Office and responds to outside inquiries about Minnesota local government law; as well as investigates allegations of misfeasance, malfeasance, and nonfeasance in local government;

Pension - monitors investment, financial, and actuarial reporting for approximately 730 public pension funds; and

Tax Increment Financing - promotes compliance and accountability in local governments' use of tax increment financing through financial and compliance audits.

The State Auditor serves on the State Executive Council, State Board of Investment, Land Exchange Board, Public Employees Retirement Association Board, Minnesota Housing Finance Agency, and the Rural Finance Authority Board.

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**RAMSEY COUNTY
SAINT PAUL, MINNESOTA**

For the Year Ended December 31, 2006



Management and Compliance Report

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

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**RAMSEY COUNTY
SAINT PAUL, MINNESOTA**

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**RAMSEY COUNTY
SAINT PAUL, MINNESOTA**

Schedule 1

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2006

I. SUMMARY OF AUDITOR'S RESULTS

- A. Our report expresses unqualified opinions on the basic financial statements of Ramsey County.
- B. Deficiencies in internal control were disclosed by the audit of the financial statements of Ramsey County and are reported in the "Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*." None were material weaknesses.
- C. No instances of noncompliance material to the financial statements of Ramsey County were disclosed during the audit.
- D. No matters involving internal control over compliance relating to the audit of the major federal award programs were reported in the "Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133."
- E. The Auditor's Report on Compliance for the major federal award programs for Ramsey County expresses an unqualified opinion.
- F. No findings were disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133.
- G. The major programs are:

Women, Infants, and Children	CFDA #10.557
Workforce Investment Act Cluster	CFDA #17.258 - 17.260
Child Care Mandatory and Matching Funds	CFDA #93.596
Social Services Block Grant	CFDA #93.667
- H. The threshold for distinguishing between Types A and B programs was \$2,054,454.
- I. Ramsey County was determined to be a low-risk auditee.

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

INTERNAL CONTROL

ITEMS ARISING THIS YEAR

06-1 Policy for Changing Employee Access to Computer Systems

Property Records and Revenue Department employees' access to the County's computer network and tax application is not always being changed on a timely basis. Our analysis of active users of the tax application and the County network in 2007 still included employees that were transferred or terminated in 2006.

Currently, the Business Technology staff working in the Property Records and Revenue Department are responsible for changing the computer access of the department's staff. The Business Technology staff are not always notified when employees are transferred or leave the County. When employees are transferred or terminated, the supervisor should authorize the Business Technology staff to disable the transferred or terminated employees' County network access, and their user identification should be removed from the applications they are no longer using.

We recommend that the computer policy of the Property Records and Revenue Department be amended to include the procedure to communicate the changes in employee status on a timely basis to the Business Technology staff so access to the network and applications will be changed.

Client's Response:

The County has purchased and is currently testing a new software product called Directory Interface that will provide an automated connection between the County's Payroll / HR computer system and Windows Active Directory. This interface will provide the capability to immediately inactivate network computer accounts as employees leave County service in the payroll system. This process will include all County departments and staff. The software will be deployed in July 2007.

The Property Records & Revenue Department, specifically, will implement the following steps to address this issue:

- 1. compare current employee listings from the payroll system to login accounts on the tax system and close accounts for employees that no longer work for the department (this step has already been completed);*
- 2. remind supervisors to change passwords or take steps to change passwords when an employee leaves (this includes shared accounts used by temp and clerical staff), and remind supervisors to have accounts closed as soon as is practical; and*
- 3. use the new link between the Active Directory (list of registered users) and HR/Payroll to identify accounts to be closed on the County's network and tax system on an ongoing basis.*

06-2 Adjustment to the 2005 Financial Statements

The County made a prior period adjustment to correct an error in the 2005 financial statements. Last year, \$360,000 was advanced from the Parks and Recreation Special Revenue Fund to the Capital Projects Fund. Rather than report the advance on the balance sheet as advances to and from other funds, the County adjusted intergovernmental revenue in these funds.

We recommend that management improve its internal control over the review and approval of transactions to insure that management correctly recognizes revenue in the proper fund.

Client's Response:

The Office of Budgeting & Accounting has set up additional procedures to monitor journal entries transferring cash between funds and to identify transactions not properly booked as temporary loans or advances between funds.

The Parks & Recreation Department will be requesting advances in the future from the County General Fund to the Capital Projects Fund instead of adjusting revenues between funds.

III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARD PROGRAMS

None.

IV. OTHER FINDINGS AND RECOMMENDATIONS

MINNESOTA LEGAL COMPLIANCE

PREVIOUSLY REPORTED ITEM RESOLVED

Uniform Municipal Contract Law (02-3)

The County has been using the design build/method of contracting, which was in conflict with Minn. Stat. § 471.345.

Resolution

The legislature has passed a law that provides an alternative to the bidding process. The design/build method of contracting used by the County under its charter would not be prohibited under the new uniform contracting law as modified by 2007 Minn. Laws ch. 148, art. 3.

OTHER ITEM FOR CONSIDERATION

Other Postemployment Benefits (OPEB)

The Governmental Accounting Standards Board (GASB) recently issued Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, which establishes financial reporting for OPEB plans, and Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, which governs employer accounting and financial reporting for OPEB. These standards, similar to what GASB Statements 25 and 27 did for government employee pension benefits and plans, provide the accounting and reporting standards for the various other postemployment benefits many local governments offer to their employees. OPEB can include many different benefits offered to retirees such as health, dental, life, and long-term care insurance coverage.

If retirees are included in an insurance plan and pay a rate similar to that paid for younger active employees, this implicit subsidy is considered OPEB. In fact, local governments may be required to continue medical insurance coverage pursuant to Minn. Stat. § 471.61, subd. 2b. This benefit is common when accumulated sick leave is used to pay for retiree medical insurance. Under the new GASB statements, accounting for OPEB is now similar to the accounting used by governments for pension plans.

Some of the issues that the County Board will need to address in order to comply with the statements are:

- if OPEB are being provided, the County Board will have to determine whether it will advance fund the benefits or pay for them on a pay-as-you-go basis; and
- if OPEB are being provided, and the County Board determines that the establishment of a trust is desirable in order to fund the OPEB, the County Board will have to wait until legislation is enacted authorizing the creation of an OPEB trust and establishing an applicable investment standard.

GASB Statements 43 and 45 should be implemented for the years ending December 31, 2006 and 2007, respectively.

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of County Commissioners
Ramsey County

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Ramsey County as of and for the year ended December 31, 2006, and have issued our report thereon dated June 19, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Ramsey County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Ramsey County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Ramsey County's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph of this section and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as described below, we identified deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects Ramsey County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the County's financial statements that is more than inconsequential will not be prevented or detected by the County's internal control. We considered the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 06-1 and 06-2 to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by Ramsey County's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe neither of the significant deficiencies described above is a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Ramsey County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Minnesota Legal Compliance

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the provisions of the *Minnesota Legal Compliance Audit Guide for Local Government*, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65. Accordingly, the audit included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

The *Minnesota Legal Compliance Audit Guide for Local Government* contains six categories of compliance to be tested: contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, and miscellaneous provisions. Our study included all of the listed categories, except that we did not test for compliance in miscellaneous provisions.

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

Also included in the Schedule of Findings and Questioned Costs is an other item for consideration. We believe this recommendation and information to be of benefit to Ramsey County, and it is reported for that purpose.

Ramsey County's written responses to the significant deficiencies and legal compliance finding identified in our audit have not been subjected to any auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the Board of County Commissioners, management, others within Ramsey County, and federal awarding agencies and pass-through entities and is not intended to be, and should not be, used by anyone other than those specified parties.

/s/Rebecca Otto

REBECCA OTTO
STATE AUDITOR

/s/Greg Hierlinger

GREG HIERLINGER, CPA
DEPUTY STATE AUDITOR

June 19, 2007

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of County Commissioners
Ramsey County

Compliance

We have audited the compliance of Ramsey County with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2006. Ramsey County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Ramsey County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Ramsey County's compliance with those requirements.

In our opinion, Ramsey County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2006.

Internal Control Over Compliance

The management of Ramsey County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Ramsey County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 control deficiency in internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects Ramsey County's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the County's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by Ramsey County's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Ramsey County as of and for the year ended December 31, 2006, and have issued our report thereon dated June 19, 2007. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise Ramsey County's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Board of County Commissioners, management, others within Ramsey County, and federal awarding agencies and pass-through entities and is not intended to be, and should not be, used by anyone other than those specified parties.

/s/Rebecca Otto

REBECCA OTTO
STATE AUDITOR

/s/Greg Hierlinger

GREG HIERLINGER, CPA
DEPUTY STATE AUDITOR

June 19, 2007

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**RAMSEY COUNTY
SAINT PAUL, MINNESOTA**

Schedule 2

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2006**

Federal Grantor Pass-Through Agency Grant Program Title	Federal CFDA Number	Expenditures	Passed Through to Subrecipients
U.S. Department of Agriculture			
Passed Through Minnesota Department of Education			
School Breakfast Program	10.553	\$ 81,173	\$ -
National School Lunch Program	10.555	126,681	-
Passed Through Minnesota Department of Health			
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	2,206,095	-
Food Stamp Program - State Administrative Matching Grant	10.561	156,583	-
Passed Through Minnesota Department of Agriculture			
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	6,098	-
Total U.S. Department of Agriculture		\$ 2,576,630	\$ -
U.S. Department of Housing and Urban Development			
Direct			
Community Development Block Grants (CDBG)	14.218	\$ 1,514,571	\$ 1,290,111
Supportive Housing Program	14.235	191,417	191,417
Home Investment in Affordable Housing (HOME)	14.239	306,022	262,355
Lead-Based Paint Hazard Control Program	14.900	340,030	159,159
Passed Through Minnesota Department of Health			
Lead-Based Paint Hazard Control Program	14.900	7,447	-
Passed Through Hennepin County			
Lead-Based Paint Hazard Control Program	14.900	279,526	84,330
Passed Through City of Minneapolis			
Lead-Based Paint Hazard Control Program	14.900	66,692	-
Total U.S. Department of Housing and Urban Development		\$ 2,705,705	\$ 1,987,372
U.S. Department of the Interior			
Passed Through Minnesota Department of Natural Resources			
Outdoor Recreation - Acquisition, Development, and Planning	15.916	\$ 200,000	\$ -
U.S. Department of Justice			
Direct			
Supervised Visitation, Safe Haven for Children	16.527	\$ 86,262	\$ -
Juvenile Justice and Delinquency Prevention	16.540	48,514	47,514
Byrne Formula Grant Program	16.579	2,200	-
Community Prosecution and Project Safe Neighborhoods	16.609	14,862	-

**RAMSEY COUNTY
SAINT PAUL, MINNESOTA**

Schedule 2
(Continued)

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2006**

Federal Grantor Pass-Through Agency Grant Program Title	Federal CFDA Number	Expenditures	Passed Through to Subrecipients
U.S. Department of Justice (Continued)			
Passed Through Minnesota Department of Public Safety			
Juvenile Accountability Incentive Block Grant (JAIBG)	16.523	216,284	-
Crime Victim Assistance	16.575	76,459	-
Byrne Formula Grant Program	16.579	105,000	98,729
Violence Against Women Formula Grants	16.588	36,270	-
Byrne Memorial Justice Assistance Grants	16.738	64,432	-
Passed Through City of Saint Paul			
Local Law Enforcement Block Grant	16.592	4,491	-
Byrne Memorial Justice Assistance Grants	16.738	85,536	-
		\$ 740,310	\$ 146,243
U.S. Department of Labor			
Direct			
Incentive Grants - Workforce Investment Act Section 503	17.267	\$ 53,774	\$ -
Passed Through Minnesota Department of Employment and Economic Development			
Workforce Investment Act (WIA) - Adult Programs	17.258	993,099	361,546
Workforce Investment Act (WIA) - Youth Activities	17.259	1,186,251	657,039
Workforce Investment Act (WIA) - Dislocated Workers	17.260	1,019,263	3,000
Disability Employment Policy Development	17.720	36,917	-
Passed Through Saint Paul Chamber of Commerce			
Workforce Investment Act (WIA) - Dislocated Workers	17.260	25,273	-
		\$ 3,314,577	\$ 1,021,585
U.S. Department of Transportation			
Passed Through Minnesota Department of Natural Resources			
Boating Safety Financial Assistance	20.005	\$ 34,000	\$ -
Passed Through Minnesota Department of Public Safety			
State and Community Highway Safety	20.600	72,682	-
Alcohol Traffic Safety and Drunk Driving Prevention	20.601	23,174	-
Passed Through Minnesota Department of Transportation			
Highway Planning and Construction	20.205	2,869,742	-
Passed Through Metropolitan Council			
Federal Transit Capital and Operating Assistance Formula Grants	20.507	291,752	-
		\$ 3,291,350	\$ -

**RAMSEY COUNTY
SAINT PAUL, MINNESOTA**

Schedule 2
(Continued)

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2006**

Federal Grantor Pass-Through Agency Grant Program Title	Federal CFDA Number	Expenditures	Passed Through to Subrecipients
U.S. Environmental Protection Agency			
Passed Through Minnesota Department of Health State Indoor Radon Grants	66.032	\$ 10,707	\$ -
U.S. Department of Education			
Passed Through Minnesota Department of Health Special Education Grants for Infants and Families	84.181	\$ 500	\$ -
U.S. Election Assistance Commission			
Passed Through Minnesota Secretary of State Help America Vote Act Requirements Payments	90.401	\$ 1,256,573	\$ -
U.S. Department of Health and Human Services			
Direct			
Centers for Research and Demonstration for Health Promotion and Disease Prevention	93.135	\$ 32,204	\$ -
Family Planning Services	93.217	317,920	-
Cons Knowledge Development and Application	93.230	488,903	-
Refugee and Entrant Assistance Discretionary Grants	93.576	16,734	-
Passed Through Minnesota Department of Human Services			
Projects for Assistance in Transition from Homelessness	93.150	170,047	-
Promoting Safe and Stable Families	93.556	423,951	403,677
Temporary Assistance for Needy Families (TANF)	93.558	12,806,244	7,729,680
Child Support Enforcement Research	93.564	29,816	-
Refugee and Entrant Assistance - Targeted Assistance Grants	93.584	48,717	-
Community-Based Child Abuse Prevention Grants	93.590	138,269	58,045
Child Care Mandatory and Matching Funds	93.596	20,674,289	20,674,289
Child Welfare Services - State Grants	93.645	72,146	62,767
Foster Care Title IV-E	93.658	3,870,099	-
Social Services Block Grant	93.667	4,191,631	-
Independent Living	93.674	127,191	-
Block Grant - Community Mental Health Services	93.958	602,591	-
Block Grant - Prevention/Treatment Substance Abuse	93.959	337,218	-
Block Grant - Preventative Health and Health Services	93.991	4,800	-

**RAMSEY COUNTY
SAINT PAUL, MINNESOTA**

Schedule 2
(Continued)

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2006**

Federal Grantor Pass-Through Agency Grant Program Title	Federal CFDA Number	Expenditures	Passed Through to Subrecipients
U.S. Department of Health and Human Services (Continued)			
Passed Through Minnesota Department of Health			
Grants and Co-op Agreements for Tuberculosis Control	93.116	17,000	-
Immunization Research, Demonstration, Public Information and Education Training and Clinical Skills Improvement Projects	93.185	53,798	-
State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	93.197	49,517	-
Immunization Grants	93.268	111,166	-
Center for Disease Control - Investigations and Technical Assistance	93.283	1,587,571	-
Temporary Assistance for Needy Families (TANF)	93.558	510,157	-
Refugee and Entrant Assistance	93.566	67,211	-
Breast and Cervical Cancer Control Programs	93.919	15,871	-
Sexually Transmitted Disease Control Grant	93.977	69,705	-
Maternal and Child Health Services Block Grant	93.994	877,364	499,698
Passed Through Hennepin County			
Centers for Research and Demonstration for Health Promotion and Disease Prevention	93.135	62,235	-
Ryan White HIV/AIDS Dental Reimbursements	93.924	24,322	-
Total U.S. Department of Health and Human Services		\$ 47,798,687	\$ 29,428,156
U.S. Department of Homeland Security			
Direct			
Interoperable Communications Equipment	97.055	\$ 711,235	\$ -
Passed Through Minnesota Department of Public Safety			
State Domestic Preparedness Equipment Support Program	97.004	4,102,868	-
Urban Areas Security Initiative	97.008	1,004,345	37,442
Disaster Grants - Public Assistance	97.036	390,747	-
Emergency Management Performance Grants	97.042	130,653	-
Homeland Security Grant Program	97.067	26,414	2,198
Total U.S. Department of Homeland Security		\$ 6,366,262	\$ 39,640
Total Cash Federal Awards		\$ 68,261,301	\$ 32,622,996
Non-Cash Awards			
U.S. Department of Agriculture			
Food Donation Program	10.550	220,490	-
Total Federal Awards		\$ 68,481,791	\$ 32,622,996

**RAMSEY COUNTY
SAINT PAUL, MINNESOTA**

Schedule 2
(Continued)

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2006**

Notes to Schedule of Expenditures of Federal Awards

1. The Schedule of Expenditures of Federal Awards presents the activity of federal award programs expended by Ramsey County. The County's reporting entity is defined in Note 1 to the financial statements.
2. The expenditures on this schedule are on the modified accrual basis of accounting. The basis used for CFDA No. 10.550 is the dollar value of vouchers issued.
3. Pass-through grant numbers were not assigned by the pass-through agencies.