

State of Minnesota



Office of the State Auditor

Julie Blaha
State Auditor

Stearns County St. Cloud, Minnesota

Management and Compliance Report

Year Ended December 31, 2022

Description of the Office of the State Auditor

The Office of the State Auditor (OSA) helps ensure financial integrity and accountability in local government financial activities. The OSA is the constitutional office that oversees more than \$40 billion in annual financial activity by local governments and approximately \$20 billion of federal funding financial activity.

The OSA performs around 90 financial and compliance audits per year and has oversight responsibilities for over 3,300 local units of government throughout the state. The office maintains the following seven divisions:

- **Audit Practice:** Helps ensure fiscal integrity by conducting financial and compliance audits of local governments and the federal compliance audit of the State of Minnesota.
- **Constitution:** Connects with the public via external communication, media relations, legislative coordination, and public engagements for the State Auditor.

This division also supports the State Auditor's service on the State Executive Council, State Board of Investment, Land Exchange Board, Public Employees Retirement Association Board, Minnesota Housing Finance Agency, the Minnesota Historical Society, and the Rural Finance Authority Board.

- **Government Information:** Collects, analyzes, and shares local government financial data to assist in policy and spending decisions; administers and supports financial tools including the Small Cities and Towns Accounting System (CTAS) software and infrastructure comparison tools.
- **Legal/Special Investigations:** Provides legal analysis and counsel to the OSA and responds to outside inquiries about Minnesota local law relevant to local government finances; investigates local government financial records in response to specific allegations of theft, embezzlement, or unlawful use of public funds or property.
- **Operations:** Ensures the office runs efficiently by providing fiscal management and technology support to the office.
- **Pension:** Analyzes investment, financial, and actuarial reporting for Minnesota's local public pension plans and monitors pension plan operations.
- **Tax Increment Financing (TIF):** Promotes compliance and accountability in local governments' use of tax increment financing through education, reporting, and compliance reviews.

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www.osa.state.mn.us

**Stearns County
St. Cloud, Minnesota**

Year Ended December 31, 2022



Office of the State Auditor

Management and Compliance Report

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

Stearns County
St. Cloud, Minnesota

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**Report on Internal Control Over Financial Reporting and on Compliance and
Other Matters Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards***

Independent Auditor's Report

Board of County Commissioners
Stearns County
St. Cloud, 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 governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Stearns County, Minnesota, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated September 7, 2023. Our report includes a reference to other auditors who audited the financial statements of the Housing and Redevelopment Authority (HRA) of Stearns County 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.

Report on Internal Control Over Financial Reporting

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

A deficiency in internal control over financial reporting exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control over financial reporting that is less severe than a material weakness yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a deficiency in internal control over financial reporting, described in the accompanying Schedule of Findings and Questioned Costs as item 2022-001, that we consider to be a material weakness.

Report on Compliance and Other Matters

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

Minnesota Legal Compliance

In connection with our audit, nothing came to our attention that caused us to believe that Stearns County failed to comply with the provisions of the contracting – bid laws, depositories of public funds and public investments, conflicts of interest, public indebtedness, claims and disbursements, and miscellaneous provisions sections of the *Minnesota Legal Compliance Audit Guide for Counties*, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the County's noncompliance with the above referenced provisions, insofar as they relate to accounting matters.

Stearns County's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Stearns County's response to the internal control finding identified in our audit and described in the accompanying Corrective Action Plan. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control over financial reporting, compliance, and the provisions of the *Minnesota Legal Compliance Audit Guide for Counties* and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance. Accordingly, this communication is not suitable for any other purpose.

/s/Julie Blaha

Julie Blaha
State Auditor

September 7, 2023

/s/Chad Struss

Chad Struss, CPA
Deputy State Auditor



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
Stearns County
St. Cloud, Minnesota

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Stearns County's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of Stearns County's major federal programs for the year ended December 31, 2022. Stearns County's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, Stearns County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Other Matter – Federal Expenditure Not Included in the Compliance Audit

Stearns County's basic financial statements include the operations of the Housing and Redevelopment Authority (HRA) of Stearns County component unit, which expended \$1,899,944 in federal awards which are not included in

Stearns County's Schedule of Expenditures of Federal Awards during the year ended December 31, 2022. Our compliance audit, described in the Opinion on Each Major Federal Program section, does not include the operations of the HRA of Stearns County because other auditors were engaged to perform a single audit in accordance with the Uniform Guidance.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance, and which is described in the accompanying Schedule of Findings and Questioned Costs as item 2022-002. Our opinion on each major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on Stearns County's response to the noncompliance finding identified in our audit described in the accompanying Schedule of Findings and

Questioned Costs. Stearns County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2022-002 to be a significant deficiency.

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

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

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

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

We have audited the financial statements of the governmental activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of Stearns County as of and for the year ended December 31, 2022, including the HRA of Stearns County component unit as of and for the year ended June 30, 2022, and have issued our report thereon dated September 7, 2023, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards (SEFA) is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional

procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the SEFA is fairly stated, in all material respects, in relation to the financial statements as a whole.

/s/Julie Blaha

Julie Blaha
State Auditor

September 7, 2023

/s/Chad Struss

Chad Struss, CPA
Deputy State Auditor

Stearns County St. Cloud, Minnesota

Schedule of Findings and Questioned Costs For the Year Ended December 31, 2022

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s 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? **Yes**
- Significant deficiencies identified? **None reported**

Noncompliance material to the financial statements noted? **No**

Federal Awards

Internal control over the major federal 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**

Identification of the major federal programs:

Assistance Listing

Number	Name of Federal Program or Cluster
20.205	Highway Planning and Construction Cluster
20.219	
21.027	COVID-19 – Coronavirus State and Local Fiscal Recovery Funds
93.558	Temporary Assistance for Needy Families

The threshold used to distinguish between Type A and B programs was \$750,000.

Stearns County qualified as a low-risk auditee? **Yes**

Section II – Financial Statement Findings

2022-001 Material Audit Adjustment

Prior Year Finding Number: N/A

Repeat Finding Since: N/A

Type of Finding: Internal Control Over Financial Reporting

Severity of Deficiency: Material Weakness

Stearns County

St. Cloud, Minnesota

Criteria: 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 of the financial statements on a timely basis. Auditing standards define a material weakness as a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

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

Context: The inability to detect material misstatements in the financial statements increases the likelihood that the financial statements would not be fairly presented. The adjustments were found in the audit; however, independent external auditors cannot be considered part of the County's internal control.

Effect: In the governmental activities, deferred outflows of resources – pensions decreased \$1,932,740, deferred inflows of resources – pensions increased \$23,427,173, and pension expense increased \$25,359,913. The audit adjustment was reviewed and approved by the appropriate Stearns County staff and is reflected in the financial statements.

Cause: The worksheet used to calculate the year-end amortization of deferred inflows and outflows of resources for pension activity contained formula errors which was overlooked by staff when financial statement information was prepared.

Recommendation: We recommend the County review internal controls currently in place and design and implement procedures to improve internal controls over financial reporting which will prevent, or detect and correct, misstatements in the financial statements. The updated controls should include review of the balances and supporting documentation by a qualified individual to identify potential misstatements.

View of Responsible Official: Acknowledged

Section III – Federal Award Findings and Questioned Costs

2022-002 Eligibility

Prior Year Finding Number: N/A

Repeat Finding Since: N/A

Type of Finding: Internal Control Over Compliance and Compliance

Severity of Deficiency: Significant Deficiency and Other Matter

Federal Agency: U.S. Department of Human Services

Program: 93.558 Temporary Assistance for Needy Families

Award Number and Year: 2201MNTANF; 2022

Pass-Through Agency: Minnesota Department of Human Services

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

Stearns County St. Cloud, Minnesota

Condition: The Minnesota Department of Human Services maintains the computer system, MAXIS, which is used by the County to support the eligibility determination process. In the case files tested for compliance with Temporary Assistance for Needy Families Program eligibility requirements, not all documentation was available, updated, or input correctly to support participant eligibility. The following exceptions were noted in the sample of 40 cases tested:

- One case file had an incomplete combined application form (CAF) and incorrect assets entered based on the CAF;
- One case file had a parent relationship entered in MAXIS that was not supported by the case file documentation; and
- Two case files had information in MAXIS that did not agree to supporting documentation in the case file.

Questioned Costs: None

Context: The State of Minnesota contracts with the County's Human Services Department to perform the "intake function" (meeting with the social services client to determine income and categorical eligibility), while the Minnesota Department of Human Services maintains MAXIS, which supports the eligibility determination process and pays the benefits to the participants.

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

Effect: The lack of documented verification of key eligibility-determining factors and the improper input of information into MAXIS increases the risk that participants will receive benefits when they are not eligible.

Cause: County program personnel gathering and entering case information into MAXIS did not ensure all required information was completed, obtained, and input correctly.

Recommendation: We recommend the County implement additional procedures to provide reasonable assurance that all necessary documentation to support Temporary Assistance for Needy Families eligibility determinations is properly input into MAXIS and maintained in the case files. Consideration should be given to providing additional training to County program personnel.

View of Responsible Official: Acknowledged



Randy R. Schreifels

Office of the County Auditor-Treasurer

**Representation of Stearns County
St. Cloud, Minnesota
Corrective Action Plan
For the Year Ended December 31, 2022**

Finding Number: 2201-001

Finding Title: Material Audit Adjustment

Name of Contact Person Responsible for Corrective Action:

Sarah Utsch, Finance Director

Corrective Action Planned:

The County will implement an additional review of year-end audit adjustments relating to pensions and other complex calculations involving excel formulas to ensure proper calculation and adjustments prior to submission for audit.

Anticipated Completion Date: December 31, 2023

Finding Number: 2201-002

Finding Title: Eligibility

Program: 93.558 Temporary Assistance for Needy Families

Name of Contact Person Responsible for Corrective Action:

Michael Pooler, Human Services Director

Corrective Action Planned:

The County will implement additional TANF targeted case reviews to ensure verifications and case documentation are being recorded and filed correctly when determining eligibility.

Anticipated Completion Date: December 31, 2023

**Stearns County
St. Cloud, Minnesota**

**Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022**

Federal Grantor Pass-Through Agency Program or Cluster Title	Assistance Listing Number	Pass-Through Grant Numbers	Expenditures	Passed Through to Subrecipients
U.S. Department of Agriculture				
Passed Through Minnesota Department of Health				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	222MN004W1003	\$ 903,112	\$ -
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	232MN004W1003	202,149	-
(Total Special Supplemental Nutrition Program for Women, Infants, and Children 10.557 \$1,105,261)				
Passed Through Minnesota Department of Human Services				
SNAP Cluster				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	222MN101S2514	1,409,901	-
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	222MN127Q7503	34,061	-
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	222MN101S2520	69	-
(Total State Administrative Matching Grants for the Supplemental Nutrition Assistance Program 10.561 \$1,444,031)				
Total U.S. Department of Agriculture			\$ 2,549,292	\$ -
U.S. Department of Justice				
Direct				
Crime Victim Assistance/Discretionary Grants	16.582		\$ 76,077	\$ -
State Criminal Alien Assistance Program	16.606		40,346	-
Public Safety Partnership and Community Policing Grants	16.710		45,186	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738		31,502	14,605
Passed Through Minnesota Department of Public Safety				
		A-CESF-2022-		
COVID-19 – Coronavirus Emergency Supplemental Funding Program	16.034	STEARNAO-00026	23,800	-
Crime Victim Assistance	16.575	A-CVS-2022-STEARNAO-107	134,050	-
Passed Through Minnesota Department of Health				
Children of Incarcerated Parents	16.831	2020-IG-BX-0005	43,359	-
Total U.S. Department of Justice			\$ 394,320	\$ 14,605
U.S. Department of Transportation				
Passed Through Minnesota Department of Transportation				
Highway Planning and Construction Cluster				
Highway Planning and Construction	20.205	27-8821224	\$ 495,140	\$ -
Highway Planning and Construction	20.205	27-H162011	61,261	-
Highway Planning and Construction	20.205	27-7322201	1,047,855	-
Highway Planning and Construction	20.205	27-7322197	1,868,125	-
Highway Planning and Construction	20.205	27-7322190	160,592	-
Highway Planning and Construction	20.205	27-7322221	68,092	-
(Total Highway Planning and Construction 20.205 \$3,701,065)				
Passed Through Minnesota Department of Natural Resources				
Highway Planning and Construction Cluster				
Recreational Trails Program	20.219	0021-20-3A	127,914	-
Recreational Trails Program	20.219	Not provided	25,000	-
(Total Recreational Trails Program 20.219 \$152,914)				

**Stearns County
St. Cloud, Minnesota**

**Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022
(Continued)**

Federal Grantor Pass-Through Agency Program or Cluster Title	Assistance Listing Number	Pass-Through Grant Numbers	Expenditures	Passed Through to Subrecipients
U.S. Department of Transportation (Continued)				
Passed Through City of Saint Cloud, Minnesota				
Highway Safety Cluster				
State and Community Highway Safety	20.600	F-ENFRC2- 2022-STCLOUPD-014	2,221	-
National Priority Safety Programs (Total National Priority Safety Programs 20.616 \$28,055)	20.616	F-ENFRC2- 2022-STCLOUPD-014	3,231	-
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	F-ENFRC2- 2022-STCLOUPD-014	2,632	-
Minimum Penalties for Repeat Offenders for Driving While Intoxicated (Total Minimum Penalties for Repeat Offenders for Driving While Intoxicated 20.608 \$46,996)	20.608	F-ENFRC23- 2023-STCLOUPD-026	396	-
Passed Through Minnesota Department of Public Safety				
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	A-OFFICR21-2021- STEARNSSD-013	33,997	-
Minimum Penalties for Repeat Offenders for Driving While Intoxicated (Total Minimum Penalties for Repeat Offenders for Driving While Intoxicated 20.608 \$46,996)	20.608	A-OFFICR22-2022- STEARNSD-013	9,971	-
Highway Safety Cluster				
National Priority Safety Programs	20.616	A-OFFICR21-2021- STEARNSSD-013	20,450	-
National Priority Safety Programs (Total National Priority Safety Programs 20.616 \$28,055)	20.616	A-OFFICR22-2022- STEARNSD-013	4,374	-
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	F-HMEP-2020- STEARNSD-3852	4,935	-
Total U.S. Department of Transportation			\$ 3,936,186	\$ -
U.S. Department of the Treasury				
Direct				
COVID-19 – Coronavirus State and Local Fiscal Recovery Funds	21.027		\$ 5,243,361	\$ 690,058
Institute of Museum and Library Services				
Passed Through Minnesota Department of Education				
COVID-19 – Grants to States	45.310	LS-250219-OLS-21	\$ 8,250	\$ -
U.S. Election Assistance Commission				
Passed Through Minnesota Secretary of State				
2018 HAVA Election Security Grants	90.404	MN20101001	\$ 58,987	\$ -
U.S. Department of Health and Human Services				
Passed Through Minnesota Department of Health				
Public Health Emergency Preparedness	93.069	NU90TP921911-01-00	\$ 91,361	\$ -
Early Hearing Detection and Intervention	93.251	H61MC00035	2,325	-
Immunization Cooperative Agreements	93.268	NH23IP922628	21,929	-
Immunization Cooperative Agreements	93.268	6 NH23IP000737-05-02	5,025	-
COVID-19 – Immunization Cooperative Agreements (Total Immunization Cooperative Agreements 93.268 \$129,159)	93.268	NH23IP922628	102,205	-
Early Hearing Detection and Intervention Information System (EHDI-IS) Surveillance Program	93.314	H61MC00035	225	-
Epidemiology and Laboratory Capacity for Infectious Disease (ELC)	93.323	NU50CK000508	65,902	-
Temporary Assistance for Needy Families (Total Temporary Assistance for Needy Families 93.558 \$1,809,656)	93.558	NGA 1801MNTANF	38,582	-

**Stearns County
St. Cloud, Minnesota**

**Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022
(Continued)**

Federal Grantor Pass-Through Agency Program or Cluster Title	Assistance Listing Number	Pass-Through Grant Numbers	Expenditures	Passed Through to Subrecipients
U.S. Department of Health and Human Services				
Passed Through Minnesota Department of Health (Continued)				
Medicaid Cluster				
Medical Assistance Program	93.778	SH23IP000737	29,701	-
(Total Medical Assistance Program 93.778 \$4,302,821)				
		D89MC28263 X10MC29483		
Maternal, Infant, and Early Childhood Home Visiting Grant	93.870	X10MC32199 X1141928	420,770	-
HIV Care Formula Grants	93.917	2 X08HA31246-03-00	4,966	-
HIV Care Formula Grants	93.917	X0700028	15,245	-
(Total HIV Care Formula Grants 93.917 \$20,211)				
Maternal and Child Health Services Block Grant to the States	93.994	BO4MC32551	62,370	-
Passed Through Minnesota Department of Human Services				
Promoting Safe and Stable Families	93.556	2101MNFSS	22,685	-
Temporary Assistance for Needy Families	93.558	2101MNTANF	1,218	-
Temporary Assistance for Needy Families	93.558	2201MNTANF	1,769,856	1,364,474
(Total Temporary Assistance for Needy Families 93.558 \$1,809,656)				
Child Support Enforcement	93.563	2201MNCSES	270,325	-
Child Support Enforcement	93.563	2201MNCEST	1,088,169	-
(Total Child Support Enforcement 93.563 \$1,358,494)				
Refugee and Entrance Assistance – State Administered Programs	93.566	2201MNRCA	6,586	-
CCDF Cluster				
Child Care and Development Block Grant	93.575	2201MNCCDF	158,430	-
Refugee and Entrant Assistance – Wilson/Fish Program	93.583	90RW0071	4,062	-
Community-Based Child Abuse Prevention Grants	93.590	2102MNBCAP	13,185	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	2101MNCWSS	20,585	-
Foster Care Title IV-E	93.658	2101MNFOST	49,970	-
Foster Care Title IV-E	93.658	2201MNFOST	1,008,696	-
(Total Foster Care Title IV-E 93.658 \$1,058,666)				
Social Services Block Grant	93.667	2201MNSOSR	665,561	-
Child Abuse and Neglect State Grants	93.669	2101MNCWC3	5,060	-
Child Abuse and Neglect State Grants	93.669	2101MNNCAN	21,721	-
(Total Child Abuse and Neglect State Grants 93.669 \$26,781)				
COVID-19 – John H. Chafee Foster Care Program for Successful				
Transition to Adulthood	93.674	2101MNCILC	87,886	-
John H. Chafee Foster Care Program for Successful Transition				
to Adulthood	93.674	2101MNCILP	4,578	-
John H. Chafee Foster Care Program for Successful Transition				
to Adulthood	93.674	2201MNCILP	11,405	-
(Total John H. Chafee Foster Care Program for Successful Transition to Adulthood 93.674 \$103,869)				
Medicaid Cluster				
Medical Assistance Program	93.778	2105MNSADM	41,791	-
Medical Assistance Program	93.778	2205MNSADM	4,148,501	-
Medical Assistance Program	93.778	2205MNSMAP	31,041	-
Medical Assistance Program	93.778	2305MNSADM	51,787	-
(Total Medical Assistance Program 93.778 \$4,302,821)				
Total U.S. Department of Health and Human Services			\$ 10,343,704	\$ 1,364,474

**Stearns County
St. Cloud, Minnesota**

**Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022
(Continued)**

Federal Grantor Pass-Through Agency Program or Cluster Title	Assistance Listing Number	Pass-Through Grant Numbers	Expenditures	Passed Through to Subrecipients
U.S. Department of Homeland Security				
Passed Through Minnesota Department of Natural Resources Boating Safety Financial Assistance	97.012	Not provided	\$ 37,546	\$ -
Passed Through Minnesota Department of Public Safety				
Emergency Management Performance Grants	97.042	F-EMPG-2022- STEARNSCO-31282019	66,410	-
Total U.S. Department of Homeland Security			\$ 103,956	\$ -
Total Federal Awards			\$ 22,638,056	\$ 2,069,137
Totals by Cluster				
Total expenditures for SNAP Cluster			\$ 1,444,031	
Total expenditures for Highway Planning and Construction Cluster			3,853,979	
Total expenditures for Highway Safety Cluster			30,276	
Total expenditures for Medicaid Cluster			4,302,821	
Total expenditures for CCDF Cluster			158,430	

Stearns County St. Cloud, Minnesota

Notes to the Schedule of Expenditures of Federal Awards As of and for the Year Ended December 31, 2022

Note 1 – Summary of Significant Accounting Policies

Reporting Entity

The Schedule of Expenditures of Federal Awards presents the activities of federal award programs expended by Stearns County. The County's reporting entity is defined in Note 1 to the financial statements. The schedule does not include \$1,899,944 in federal awards expended during the year ended June 30, 2022, by the Housing and Redevelopment Authority (HRA) of Stearns County component unit, which had a separate single audit performed by other auditors.

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Stearns County under programs of the federal government for the year ended December 31, 2022. 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 Stearns County, it is not intended to and does not present the financial position, changes in net position, or cash flows of Stearns 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.

Note 2 – De Minimis Cost Rate

Stearns County has elected to use the ten percent de minimis indirect cost rate allowed under the Uniform Guidance.

**Stearns County
St. Cloud, Minnesota**

Note 3 – Reconciliation to Schedule of Intergovernmental Revenue

Reconciliation to Schedule of Intergovernmental Revenue	
Federal grant revenue per Schedule of Intergovernmental Revenue	\$ 23,149,127
Grants received more than 60 days after year-end, considered unavailable revenue in 2022	
Children of Incarcerated Parents (AL No. 16.831)	6,987
Minimum Penalties for Repeat Offenders for Driving While Intoxicated (AL No. 20.608)	396
Early Hearing Detection and Intervention (AL No. 93.251)	350
Promoting Safe and Stable Families (AL No. 93.556)	4,693
Community-Based Child Abuse Prevention Grants (AL No. 93.590)	5,243
Stephanie Tubbs Jones Child Welfare Services Program (AL No. 93.645)	8,366
John H. Chafee Foster Care Program for Successful Transition to Adulthood (AL No. 93.674)	7,114
Unavailable revenue in 2021, recognized as revenue in 2022	
Edward Byrne Memorial Justice Assistance Grant Program (AL No. 16.034)	(59,249)
Children of Incarcerated Parents (AL No. 16.831)	(14,941)
Minimum Penalties for Repeat Offenders for Driving While Intoxicated (AL No. 20.608)	(3,248)
National Priority Safety Program (AL No. 20.616)	(593)
Promoting Safe and Stable Families (AL No. 93.556)	(7,549)
Temporary Assistance for Needy Families (AL No. 93.558)	(371,304)
Community-Based Child Abuse Prevention Grants (AL No. 93.590)	(4,355)
Stephanie Tubbs Jones Child Welfare Services Program (AL No. 93.645)	(2,345)
Child Abuse and Neglect State Grants (AL No. 93.669)	(5,162)
Revenues recognized in 2022, to be expended in 2023	
COVID-19 – Coronavirus State and Local Fiscal Recovery Funds (AL No. 21.027)	(75,474)
	<u>\$ 22,638,056</u>
Expenditures per Schedule of Expenditures of Federal Awards	<u>\$ 22,638,056</u>