



**Minnesota Department of Human Services
Office of Internal Controls and Accountability
P.O. Box 64964
St. Paul, MN 55164-0964**

Date: March 31, 2026
To: Chairperson, Board of County Commissioners
Subject: Federally Mandated Single Audit Resolution Procedures

Dear Chairperson:

The Federal Single Audit Act of 1984 and the Amendments of 1996 require counties to have an annual financial and compliance audit that includes all federal funds expended during the year if total county expenditures of federal funds exceed \$1,000,000 per current revisions. The Minnesota Department of Management and Budget (MMB) has designated the Minnesota Department of Human Services (DHS) as the state cognizant agency for all counties for fiscal year ending December 31, 2025. This means DHS must review all county audit reports to verify that audit findings related to federal funds are resolved within six months. Specifically, DHS is assigned to monitor “cross-cutting” and human service findings. A cross-cutting audit finding is one that impacts more than one federal program.

DHS has assigned the Office of Internal Controls and Accountability (OICA) to work with County Boards to resolve all applicable single audit findings. The DHS OICA will review each county’s audit report for federal audit findings. If a county audit report includes cross-cutting or human services findings, the DHS OICA could request a written corrective action plan to address the findings. If no formal corrective action plan is needed, the DHS OICA will communicate that to the County.

Federal reporting requirements state that audit reports must be submitted to the Federal Audit Clearinghouse within 9 months after the end of the County fiscal year or prior to October 1, 2026. If your county audit report is not available from the Federal Audit Clearinghouse, you will need to send a copy to the DHS OICA. Annual audit reports may be submitted electronically to margaret.brotherton@state.mn.us.

If you have any questions concerning these procedures please contact Margaret Brotherton, Single Audit Coordinator, DHS OICA at margaret.brotherton@state.mn.us.

Sincerely,

A handwritten signature in black ink, appearing to read 'Gary L. Johnson', with a horizontal line underneath.

Gary L. Johnson, Director