STATE OF MINNESOTA

Office of the State Auditor

Rebecca Otto
State Auditor

PUTTING ALL COMMUNITIES TOGETHER
4 FAMILIES COLLABORATIVE
WILLMAR, MINNESOTA

YEAR ENDED DECEMBER 31, 2008

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 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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PUTTING ALL COMMUNITIES TOGETHER
4 FAMILIES COLLABORATIVE
WILLMAR, MINNESOTA

Year Ended December 31, 2008

Audit Practice Division
Office of the State Auditor
State of Minnesota

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PUTTING ALL COMMUNITIES TOGETHER 4 FAMILIES COLLABORATIVE
WILLMAR, MINNESOTA

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Introductory Section

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PUTTING ALL COMMUNITIES TOGETHER 4 FAMILIES COLLABORATIVE
WILLMAR, MINNESOTA

ORGANIZATION
DECEMBER 31, 2008

	Position	Agency	Term Expires
Executive Board			
Jill Bruns	Chair	Public Health	2008
Arliss Stenger	Vice Chair	Parent Representative	2010
Carmen Clementson	Member	Member at Large	2008
Gerald Brustuen	Member	Social Services	2009
Deb West	Member	Corrections	2008
Debi Brandt	Member	Member at Large	2009
Rebecca Romosz	Member	Parent Representative	2009
Loren Hacker	Member	Public Schools	2010
George Dubie	Member	Mental Health Center	2010
Fiscal Supervisor			
Valerie Mersch			
Director			
Deborah Sheehan			

	Position	Agency
Chief Elected Officials Board		
Richard Larson	Chair	Kandiyohi County Commissioner
Amy Wilde	Vice Chair	Meeker County Commissioner
Robert Fox	Member	Renville County Commissioner
Jane Remiger	Member	Yellow Medicine County Commissioner

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Financial Section

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STATE OF MINNESOTA
OFFICE OF THE STATE AUDITOR

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INDEPENDENT AUDITOR'S REPORT

Executive Board
Putting All Communities Together 4 Families Collaborative

We have audited the accompanying financial statements of the governmental activities and the General Fund of Putting All Communities Together 4 Families Collaborative (PACT 4) as of and for the year ended December 31, 2008, which collectively comprise PACT 4's basic financial statements as listed in the table of contents. These financial statements are the responsibility of PACT 4's management. Our responsibility is to express opinions on these financial statements based on our audit.

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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the General Fund of PACT 4 as of December 31, 2008, and the respective changes in financial position thereof and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis, listed in the table of contents, is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued a report dated November 30, 2009, on our consideration of PACT 4's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

/s/Rebecca Otto	*/s/Greg Hierlinger*
REBECCA OTTO STATE AUDITOR	GREG HIERLINGER, CPA DEPUTY STATE AUDITOR

November 30, 2009

MANAGEMENT’S DISCUSSION AND ANALYSIS

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MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2008
(Unaudited)

This section of the annual financial report presents our Management's Discussion and Analysis (MD&A) of Putting All Communities Together 4 Families Collaborative's (PACT 4) financial performance during the fiscal year that ended December 31, 2008. The MD&A is required supplementary information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34, *Basic Financial Statements--and Management's Discussion and Analysis--for State and Local Governments*, issued in June 1999.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2008 fiscal year include the following:

- Total net assets are $6,448,200, of which $1,493 is invested in capital assets.

- The net assets decreased by $822,179 for the year ended December 31, 2008.

- PACT 4 has federally funded grants that pass through state departments: 21st Century Community Learning Centers from the Minnesota Department of Education for $500,556; School-Linked Mental Health from the Minnesota Department of Human Services for $70,984; the Chemical Health Coalitions in Renville and Yellow Medicine Counties from the Minnesota Department of Human Services Chemical Health Division for $293,820; and a special populations chemical health grant entitled Guia, also from the Minnesota Department of Human Services Chemical Health Division, for $124,314. In addition, PACT 4 has one state-funded grant for Restorative Justice from the Minnesota Department of Corrections totaling $19,094. The pass-through funding for School-Linked Mental Health ended on December 31, 2008, and will not continue into 2009. The Department of Corrections funding for Restorative Justice is scheduled to end June 30, 2009. All other projects noted will continue in 2009.

- Government-wide net assets decreased 11.31 percent from the prior year.

- Overall government-wide revenues totaled $2,950,705 and were $822,179 less than expenses.

- The General Fund's fund balance decreased $762,937, or 10.89 percent, from the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of three parts: (1) Independent Auditor's Report; (2) required supplementary information, which includes the MD&A (this section); and (3) the basic financial statements.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data.

This MD&A is intended to serve as an introduction to the basic financial statements. PACT 4's basic financial statements consist of two statements that combine government-wide financial statements and fund financial statements, a budgetary comparison statement, and notes to the financial statements. The MD&A is required to accompany the basic financial statements and, therefore, is included as required supplementary information.

The first column of each of the first two statements presents governmental fund data. These columns focus on how money flows in and out and the balances left at year-end that are available for spending. They are reported using an accounting method called modified accrual accounting. This method measures cash and all other financial assets that can be readily converted to cash. These columns provide a detailed short-term view of PACT 4's operations and the basic services it provides. Governmental fund information helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance programs. We reconcile the relationship (or differences) between governmental funds and governmental activities (reported in the third column) in the center column of each statement.

The third column of each of the first two statements presents the governmental activities Statement of Net Assets and the Statement of Activities, which provide information about the activities of PACT 4 as a whole and present a longer-term view of finances. These columns tell how these services were financed in the short term as well as what remains for future spending. These columns include all of the assets and liabilities of PACT 4, including long-term activity. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

FINANCIAL ANALYSIS OF PACT 4 AS A WHOLE

Net Assets - the net assets were $6,448,200 on December 31, 2008.

Table 1
Net Assets

	2008	2007	Percent (%) Change
Assets			
Cash and investments	$ 5,800,651	$ 6,748,273	(14.04)
Accrued interest receivable	117,256	74,878	56.60
Accounts receivable	234,304	211,503	10.78
Due from other governments	508,106	443,298	14.62
Capital assets	1,493	20,337	(92.66)
Total Assets	$ 6,661,810	$ 7,498,289	(11.16)
Liabilities			
Accounts payable	$ 23,656	$ 25,682	(7.89)
Salaries payable	64,070	54,911	16.68
Accrued payroll taxes	4,571	3,922	16.55
Due to other governments	9,745	19,080	(48.93)
Deferred revenue - unearned	-	9,783	(100.00)
Long-term liabilities			
Due within one year	27,892	28,633	(2.59)
Due after one year	83,676	85,899	(2.59)
Total Liabilities	$ 213,610	$ 227,910	(6.27)
Net Assets			
Invested in capital assets	$ 1,493	$ 20,337	(92.66)
Unrestricted	6,446,707	7,250,042	(11.08)
Total Net Assets	$ 6,448,200	$ 7,270,379	(11.31)

Table 2
Change in Net Assets
Governmental Activities for the Fiscal Year Ended December 31

	2008	2007	Percent (%) Change
Revenues			
Program revenues			
Intergovernmental	$ 1,757,709	$ 1,521,717	15.51
Charges for services	803,839	616,629	30.36
General revenues			
Gifts and contributions	127,287	126,274	0.80
Interest on investments	260,770	389,320	(33.02)
Miscellaneous	1,100	5,800	(81.03)
Total Revenues	$ 2,950,705	$ 2,659,740	10.94
Expenses			
Program expenses			
General government	3,772,884	4,559,968	(17.26)
Increase (Decrease) in Net Assets	$ (822,179)	$ (1,900,228)	(56.73)
Beginning Net Assets	7,270,379	9,170,607	(20.72)
Ending Net Assets	$ 6,448,200	$ 7,270,379	(11.31)

CAPITAL ASSETS

As of December 31, 2008, PACT 4 had $1,493 invested in capital assets. (See Table 3 below.) This amount represents a net decrease (including additions and deductions) of $18,844, or 92.66 percent, from last year.

Table 3
Capital Assets at Year-End

	2008	2007
Equipment	$ 143,568	$ 143,568
Less: accumulated depreciation	(142,075)	(123,231)
Net Capital Assets	$ 1,493	$ 20,337

FINANCIAL ANALYSIS OF PACT 4 AT THE FUND LEVEL

The financial performance of PACT 4 as a whole is reflected in its governmental fund as well. The General Fund, which is the only governmental fund of PACT 4, includes the primary operations of providing services that enhance the life circumstances of children and their families. As PACT 4 completed the year, its governmental fund (as presented in the first column of the statements) reported a fund balance of $6,241,380, which is below last year's fund balance of $7,004,317, a decrease of 10.89 percent. PACT 4 has an annual adopted budget. This budget may be amended or modified as additional grants are received. A comparison of budgeted revenues and expenditures to actual is presented in the financial statements (Exhibit 3).

FACTORS BEARING ON THE FUTURE AND NEXT YEAR'S GRANT BUDGETS AND RATES

PACT 4 is dependent on various state and federal funding for a significant portion of its revenue.

- PACT 4's Executive Board, current management, and accounting staff continue to monitor controls surrounding accounting practices and policy enforcement. A continuum of important procedural and policy enhancements are in place tightening the internal controls of financial and programmatic matters.

- 2008 LCTS (Local Collaborative Time Study) activity seemed to stabilize with just a minor decrease of 3 percent, but in combination with over a 70 percent decrease already experienced in the funding over the past few years, vital community level projects for at-risk youth and their families have been drastically impacted. In addition, new guidelines continue to impact LCTS funding at the state level, and we anticipate experiencing an additional 10 percent decrease in revenue in 2009. Many more critical programs impacting families with the greatest needs and challenges are at risk of losing financial support.

- Beginning in 2008, PACT 4's Executive Board began re-envisioning for the future of the organization both fiscally and programmatically. This process has enabled us to respond to our mission and our partners in a time of vastly diminishing financial resources. It has been, and continues to be, a time to diagnose where we are at in the life cycle of our organization. As we continue this process into 2009 and beyond, it is our goal to set the stage for our future and to continue our vision and move forward in a powerful and productive manner.

CONTACTING PACT 4'S FINANCIAL MANAGEMENT

This financial report is designed to give a general overview of PACT 4's finances and to show PACT 4's accountability for the money it receives. If you have questions about this report, or need additional financial information, contact us at: PACT 4 Families Collaborative, Kandiyohi County Health and Human Services Building, 2200 - 23rd Street N.E., Willmar, Minnesota 56201.

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BASIC FINANCIAL STATEMENTS

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PUTTING ALL COMMUNITIES TOGETHER 4 FAMILIES COLLABORATIVE
WILLMAR, MINNESOTA

EXHIBIT 1

STATEMENT OF NET ASSETS AND
GOVERNMENTAL FUND BALANCE SHEET
DECEMBER 31, 2008

	General Fund	Adjustments	Governmental Activities
Assets			
Cash and pooled investments	$ 5,800,651	$ -	$ 5,800,651
Accrued interest receivable	117,256	-	117,256
Accounts receivable	234,304	-	234,304
Due from other governments	508,106	-	508,106
Capital assets			
Depreciable - net	-	1,493	1,493
Total Assets	**$ 6,660,317**	**$ 1,493**	**$ 6,661,810**
Liabilities and Fund Balance/Net Assets			
Liabilities			
Accounts payable	$ 23,656	$ -	$ 23,656
Salaries payable	64,070	-	64,070
Accrued payroll taxes	4,571	-	4,571
Due to other governments	9,745	-	9,745
Deferred revenue - unavailable	316,895	(316,895)	-
Long-term liabilities			
Due within one year	-	27,892	27,892
Due in more than one year	-	83,676	83,676
Total Liabilities	**$ 418,937**	**$ (205,327)**	**$ 213,610**
Fund Balance/Net Assets			
Fund Balance			
Reserved for encumbrances	$ 1,227,632	$ (1,227,632)	
Unreserved			
Undesignated	5,013,748	(5,013,748)	
Total Fund Balance	**$ 6,241,380**	**$ (6,241,380)**	
Net Assets			
Invested in capital assets		$ 1,493	$ 1,493
Unrestricted		6,446,707	6,446,707
Total Net Assets		**$ 6,448,200**	**$ 6,448,200**
Total Liabilities and Fund Balance/Net Assets	**$ 6,660,317**	**$ 1,493**	**$ 6,661,810**

The notes to the financial statements are an integral part of this statement.

PUTTING ALL COMMUNITIES TOGETHER 4 FAMILIES COLLABORATIVE
WILLMAR, MINNESOTA

EXHIBIT 1
(Continued)

STATEMENT OF NET ASSETS AND
GOVERNMENTAL FUND BALANCE SHEET
DECEMBER 31, 2008

Reconciliation of the General Fund Balance to Net Assets		
Fund Balance - General Fund	**$**	**6,241,380**
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the governmental fund.		1,493
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental fund.		316,895
Long-term liabilities, including compensated absences, are not due and payable in the current period and, therefore, are not reported in the governmental fund.		(111,568)
Net Assets - Governmental Activities	**$**	**6,448,200**

The notes to the financial statements are an integral part of this statement.

PUTTING ALL COMMUNITIES TOGETHER 4 FAMILIES COLLABORATIVE
WILLMAR, MINNESOTA

EXHIBIT 2

STATEMENT OF ACTIVITIES AND
GOVERNMENTAL FUND REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2008

	General Fund	Adjustments	Governmental Activities
Revenues			
Intergovernmental	$ 1,801,071	$ (43,362)	$ 1,757,709
Interest on investments	260,770	-	260,770
Gifts and contributions	127,287	-	127,287
Charges for services	803,839	-	803,839
Miscellaneous	1,100	-	1,100
Total Revenues	**$ 2,994,067**	**$ (43,362)**	**$ 2,950,705**
Expenditures/Expenses			
Current			
General government			
General	$ 326,744	$ (2,964)	$ 323,780
Local Collaborative Time Study	2,411,106	-	2,411,106
Restorative Justice	19,094	-	19,094
Twenty-First Century Community Learning Centers	500,556	-	500,556
School-Linked Mental Health	70,984	-	70,984
Guia	124,314	-	124,314
Yellow Medicine County Health Grant	141,974	-	141,974
Renville County Chemical Health	151,846	-	151,846
Pohlad Foundation	10,386	-	10,386
Depreciation	-	18,844	18,844
Total Expenditures/Expenses	**$ 3,757,004**	**$ 15,880**	**$ 3,772,884**
Net Change in Fund Balance/Net Assets	**$ (762,937)**	**$ (59,242)**	**$ (822,179)**
Fund Balance/Net Assets - January 1	**7,004,317**	**266,062**	**7,270,379**
Fund Balance/Net Assets - December 31	**$ 6,241,380**	**$ 206,820**	**$ 6,448,200**

PUTTING ALL COMMUNITIES TOGETHER 4 FAMILIES COLLABORATIVE
WILLMAR, MINNESOTA

EXHIBIT 2
(Continued)

STATEMENT OF ACTIVITIES AND
GOVERNMENTAL FUND REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2008

Reconciliation of the Statement of General Fund Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities		
Net Change in Fund Balance	**$**	**(762,937)**
Under the modified accrual basis, receivables not available for expenditures are deferred. In the statement of activities, those revenues are recognized when earned. The adjustment to revenues is the increase or decrease in revenues defined as unavailable. PACT 4 had $360,257 of deferred revenue in 2007.		(43,362)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.		
Current year depreciation		(18,844)
Decreases in compensated absences payable reduce expenses but do not result in current financial resources and, therefore, are not reported in the governmental fund operating statement.		2,964
Change in Net Assets of Governmental Activities	**$**	**(822,179)**

PUTTING ALL COMMUNITIES TOGETHER 4 FAMILIES COLLABORATIVE
WILLMAR, MINNESOTA

EXHIBIT 3

BUDGETARY COMPARISON SCHEDULE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2008

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Intergovernmental	$ 1,707,595	$ 1,707,595	$ 1,801,071	$ 93,476
Interest on investments	300,000	300,000	260,770	(39,230)
Gifts and contributions	121,000	121,000	127,287	6,287
Charges for services	900,659	900,659	803,839	(96,820)
Miscellaneous	-	-	1,100	1,100
Total Revenues	**$ 3,029,254**	**$ 3,029,254**	**$ 2,994,067**	**$ (35,187)**
Expenditures				
Current				
General government				
General	$ 558,325	$ 558,325	$ 326,744	$ 231,581
Local Collaborative Time Study	3,804,883	3,804,883	2,411,106	1,393,777
Restorative Justice	22,250	22,250	19,094	3,156
Twenty-First Century Community Learning Centers	593,670	593,670	500,556	93,114
School-Linked Mental Health	81,107	81,107	70,984	10,123
Renville County Chemical Health	188,793	188,793	151,846	36,947
Yellow Medicine County Health Grant	200,097	200,097	141,974	58,123
Guia	-	-	124,314	(124,314)
Pohlad Foundation	10,000	10,000	10,386	(386)
Total Expenditures	**$ 5,459,125**	**$ 5,459,125**	**$ 3,757,004**	**$ 1,702,121**
Net Change in Fund Balance	**$ (2,429,871)**	**$ (2,429,871)**	**$ (762,937)**	**$ 1,666,934**
Fund Balance - January 1	**7,004,317**	**7,004,317**	**7,004,317**	**-**
Fund Balance - December 31	**$ 4,574,446**	**$ 4,574,446**	**$ 6,241,380**	**$ 1,666,934**

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NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2008

1. Summary of Significant Accounting Policies

Putting All Communities Together 4 Families Collaborative (PACT 4) financial statements are prepared in accordance with generally accepted accounting principles (GAAP) for the year ended December 31, 2008. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (statements and interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board issued through November 30, 1989, (when applicable) that do not conflict with or contradict GASB pronouncements. The more significant accounting policies established in GAAP and used by PACT 4 is discussed below.

A. Financial Reporting Entity

PACT 4 was established in 1996 by a joint powers agreement among Kandiyohi, Meeker, Renville, and Yellow Medicine Counties. The agreement was established to provide coordinated services to children and families. A county may withdraw from PACT 4 by giving a 30-day written notice to PACT 4; however, the contribution will remain in the integrated fund for the implementation period. In the event of termination, any property acquired as a result of the agreement and any surplus monies on hand shall be distributed to the parties of this agreement in proportion to their contributions.

Management of PACT 4 is vested in an Executive Board composed of nine members representing all counties. The Board includes an administrative representative of social services, public health services, community corrections, school districts, two parents (one parent of a child diagnosed with a serious emotional disturbance), and three members at large, one of whom is of a mental health background. The Board appoints a fiscal agent to handle and be responsible for safekeeping the funds of PACT 4.

Renville County Human Services has acted as fiscal agent for PACT 4 since January 1, 2006.

1. Summary of Significant Accounting Policies (Continued)

B. Basic Financial Statements

The financial statements combine fund level financial statements (General Fund column) and government-wide financial statements (governmental activities column). These statements include the financial activities of PACT 4 overall.

The government-wide columns are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. PACT 4's net assets are reported in two parts: invested in capital assets and unrestricted net assets.

PACT 4 reports one governmental fund. The General Fund is PACT 4's primary operating fund. It accounts for all financial resources of PACT 4.

C. Measurement Focus and Basis of Accounting

The governmental activities columns are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund columns (General Fund) are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. PACT 4 considers all revenues as available if collected within 60 days after the end of the current period. Intergovernmental revenue and interest is considered susceptible to accrual. Expenditures are recorded when the related fund liability is incurred. When both restricted and unrestricted resources are available for use, it is PACT 4's policy to use restricted resources first and then unrestricted resources as needed.

D. Reconciliation of Government-Wide and Fund Financial Statements

The financial statements include an adjustments column to reconcile the General Fund to the governmental activities.

1. Summary of Significant Accounting Policies (Continued)

   E. Assets, Liabilities, and Net Assets or Equity

      1. Deposits and Investments

         PACT 4 invests in an external investments pool, the Minnesota Association of Governments Investing for Counties (MAGIC) Fund, which was created under a joint powers agreement pursuant to Minn. Stat. § 471.59. The MAGIC Fund is not registered with the Securities and Exchange Commission (SEC), but does operate in a manner consistent with Rule 2a-7 prescribed by the SEC pursuant to the Investment Company Act of 1940 (17 C.F.R. § 270.2a-7). Therefore, the fair value of PACT 4's position in the pool is the same as the value of the pool shares.

      2. Due From/To Other Governments

         Amounts represent receivables and payables related to grants from other federal, state, and local governments for program administration.

      3. Capital Assets

         Capital assets, which consist of equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by PACT 4 as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost.

         The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

         Equipment of PACT 4 is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Machinery, furniture, and equipment	3 to 5

1. Summary of Significant Accounting Policies

E. Assets, Liabilities, and Net Assets or Equity (Continued)

4. Compensated Absences

The liability for compensated absences reported in the financial statements consists of unpaid, accumulated vacation and sick leave balances. The liability has been calculated using the vesting method, in which leave amounts for all employees who currently are eligible to receive termination pay and other employees who are expected to become eligible in the future to receive such payments upon termination are included. Compensated absences are accrued when incurred in the governmental activities.

5. Deferred Revenue

PACT 4's fund and the government-wide financial statements defer revenue for resources that have been received, but not yet earned. Governmental funds also report deferred revenue in connection with receivables for revenues not considered to be available to liquidate liabilities of the current period.

6. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts not available for appropriation or legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans subject to change.

7. Budgetary Information

Budgets are adopted on a basis consistent with generally accepted accounting principles. The Executive Board adopts estimated revenue and expenditure budgets for the General Fund.

The budget may be amended or modified at any time by the Executive Board. Comparisons of the estimated revenues and expenditures to actual are presented in the financial statements.

1. Summary of Significant Accounting Policies

   E. Assets, Liabilities, and Net Assets or Equity

      7. Budgetary Information (Continued)

         Encumbrance accounting, under which commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is used in the General Fund. Encumbrances outstanding at year-end are reported as reserved fund balance since they do not constitute expenditures or liabilities. Encumbrances lapse at year-end and are rebudgeted the following year.

2. Detailed Notes

   A. Assets

      1. Deposits and Investments

         a. Deposits

            Minn. Stat. §§ 118A.02 and 118A.04 authorize PACT 4 to designate a depository for public funds and to invest in certificates of deposit. Minn. Stat. § 118A.03 requires that all deposits be protected by insurance, surety bond, or collateral. The market value of collateral pledged shall be at least ten percent more than the amount on deposit at the close of the financial institution's banking day, not covered by insurance or bonds.

            Authorized collateral includes treasury bills, notes and bonds; issues of U.S. government agencies; general obligations rated "A" or better and revenue obligations rated "AA" or better; irrevocable standby letters of credit issued by the Federal Home Loan Bank; and certificates of deposit. Minnesota statutes require that securities pledged as collateral be held in safekeeping in a restricted account at the Federal Reserve Bank or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral.

2. Detailed Notes

A. Assets

1. Deposits and Investments

a. Deposits (Continued)

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a financial institution failure, PACT 4's deposits may not be returned to it. PACT 4 does not have a deposit policy for custodial credit risk. As of December 31, 2008, PACT 4 had no exposure to custodial credit risk as all bank balances had been swept into the MAGIC Fund investment account.

b. Investments

Minn. Stat. §§ 118A.04 and 118.05 generally authorize the following types of investments as available to PACT 4:

(1) securities which are direct obligations or are guaranteed or insured issues of the United States, its agencies, its instrumentalities, or organizations created by an act of Congress, except mortgage-backed securities defined as "high-risk" by Minn. Stat. § 118A.04, subd. 6;

(2) mutual funds through shares of registered investment companies provided the mutual fund receives certain ratings depending on its investments;

(3) general obligations of the State of Minnesota and its municipalities, and in certain state agency and local obligations of Minnesota and other states provided such obligations have certain specified bond ratings by a national bond rating service;

(4) bankers' acceptances of United States banks;

(5) commercial paper issued by United States corporations or their Canadian subsidiaries that is rated in the highest quality category by two nationally rated agencies and matures in 270 days or less; and

2. Detailed Notes

A. Assets

1. Deposits and Investments

b. Investments (Continued)

(6) with certain restrictions, in repurchase agreements, securities lending agreements, joint powers investment trusts, and guaranteed investment contracts.

PACT 4 does not have additional policies for the investment risks, described below, beyond complying with the requirements of Minnesota statutes.

Interest Rate Risk

Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. All investments held at December 31, 2008, had maturity dates of 365 days or less at the time of their purchase.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

2. Detailed Notes

   A. Assets

      1. Deposits and Investments

         b. Investments (Continued)

            Concentration of Credit Risk

            The concentration of credit risk is the risk of loss that may be caused by PACT 4's investment in a single issuer. PACT 4 did not have an investment in any one issuer that represented five percent or more of PACT 4's investments.

The following table presents PACT 4's deposit and investment balances at December 31, 2008, and information relating to potential investment risks:

	Credit Risk			Interest Rate Risk	
Investment - Issuer	Credit Rating	Rating Agency	Concentration Risk (%)	Maturity Date	Fair Value
Negotiable certificates of deposit					
PFM Asset Management					
Various	N/A	N/A	39.82	01/06/2009	$ 2,310,000
Various	N/A	N/A	16.56	05/28/2009	960,000
Various	N/A	N/A	25.01	12/15/2009	1,451,000
Total negotiable certificates of deposit			81.39		$ 4,721,000
Investment pools/mutual funds					
MAGIC Fund	N/R	N/A	18.61		1,079,651
Total investments			100.00		$ 5,800,651
Deposits					-
Total Cash and Investments					$ 5,800,651

N/A - Not Applicable
N/R - Not Rated

2. Detailed Notes

A. Assets (Continued)

2. Accrued Interest

Interest accrued related to the negotiable certificates of deposit purchased through the MAGIC Fund investment account as of December 31, 2008, is $117,256.

3. Receivables

PACT 4 did not have any receivables scheduled to be collected beyond one year as of December 31, 2008.

4. Capital Assets

Capital asset activity for the year ended December 31, 2008, was as follows:

	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets depreciated Machinery, furniture, and equipment	$ 143,568	$ -	$ -	$ 143,568
Less: accumulated depreciation for Machinery, furniture, and equipment	(123,231)	(18,844)	-	(142,075)
Total Capital Assets, Net	$ 20,337	$ (18,844)	$ -	$ 1,493

Depreciation expense of $18,844 was charged to PACT 4's general government function.

B. Liabilities

1. Deferred Revenue

Deferred revenue of $316,895 in connection with receivables for revenues not considered to be available to liquidate liabilities of the current period is reported in the General Fund. PACT 4 had no deferred revenue related to funds for resources received, but not yet earned.

2. Detailed Notes

B. Liabilities (Continued)

2. Operating Leases

PACT 4 is committed under an operating lease for its current office space through April 30, 2011. This lease is expected to continue or be replaced with a similar lease. The future minimum payments for the lease are as follows:

Year Ending December 31	Amount
2009	$ 49,311
2010	48,205
2011	16,068
Total Lease	$ 113,584

Lease expenditures for the facilities in 2008 were $53,908.

3. Vacation and Sick Leave

Employees are granted vacation in varying amounts based on their length of service. Vacation leave accrual varies from 12 to 28 days per year. Sick leave accrual is 12 to 18 days per year. PACT 4 pays unused accumulated vacation and vested sick leave to employees upon termination. Sick leave is available to employees in case of illness-related absences. Unvested sick leave is not paid to employees at termination. Unused accumulated vacation, vested sick leave, and sick leave expected to vest are accrued as compensated absences. Unvested sick leave not expected to vest, valued at $145,463 at December 31, 2008, is not reported in the financial statements.

2. Detailed Notes

B. Liabilities (Continued)

4. Long-Term Debt - Compensated Absences

Changes in PACT 4's compensated absences balances for the year ended December 31, 2008, are:

	Payable January 1	Additions	Deductions	Payable December 31
Vacation leave	$ 91,671	$ 96,371	$ 99,625	$ 88,417
Sick leave	22,861	2,646	2,356	23,151
Total	$ 114,532	$ 99,017	$ 101,981	$ 111,568

Compensated absences estimated to be paid within one year are $27,892.

3. Pension Plans

A. Plan Description

All full-time and certain part-time employees of PACT 4 are covered by defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the Public Employees Retirement Fund, which is a cost-sharing, multiple-employer retirement plan. The plan is established and administered in accordance with Minn. Stat. chs. 353 and 356.

Public Employees Retirement Fund members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by Social Security, and Basic Plan members are not. All new members must participate in the Coordinated Plan.

PERA provides retirement benefits as well as disability benefits to members and benefits to survivors upon death of eligible members. Benefits are established by state statute and vest after three years of credited service. The defined retirement benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service.

3. Pension Plans

A. Plan Description (Continued)

Two methods are used to compute benefits for Coordinated and Basic Plan members. The retiring member receives the higher of a step-rate benefit accrual formula (Method 1) or a level accrual formula (Method 2). Under Method 1, the annuity accrual rate for a Basic Plan member is 2.2 percent of average salary for each of the first ten years of service and 2.7 percent for each year thereafter. For a Coordinated Plan member, the annuity accrual rate is 1.2 percent of average salary for each of the first ten years and 1.7 percent for each successive year. Using Method 2, the annuity accrual rate is 2.7 percent of average salary for Basic Plan members and 1.7 percent for Coordinated Plan members for each year of service.

For Public Employees Retirement Fund members whose annuity is calculated using Method 1, a full annuity is available when age plus years of service equal 90. Normal retirement age is 65 for members hired prior to July 1, 1989, and is the age for unreduced Social Security benefits capped at age 66 for Coordinated Plan members hired on or after July 1, 1989. A reduced retirement annuity is also available to eligible members seeking early retirement.

The benefit provisions stated in the previous paragraphs of this section are current provisions and apply to active plan participants. Vested, terminated employees who are entitled to benefits but are not yet receiving them are bound by the provisions in effect at the time they last terminated public service.

PERA issues a publicly available financial report that includes financial statements and required supplementary information for the Public Employees Retirement Fund. That report may be obtained on the internet at www.mnpera.org; by writing to PERA at 60 Empire Drive, Suite 200, Saint Paul, Minnesota 55103-2088; or by calling 651-296-7460 or 1-800-652-9026.

B. Funding Policy

Pension benefits are funded from member and employer contributions and income from the investment of fund assets. Minn. Stat. ch. 353 sets the rates for employer and employee contributions. PACT 4 makes annual contributions to the pension plans equal to the amount required by state statutes. Public Employees Retirement Fund Basic Plan members and Coordinated Plan members were required to contribute 9.1 and 6.0 percent, respectively, of their annual covered salary in 2008. Contribution rates in the Coordinated Plan did not increase in 2009.

3. Pension Plans

B. Funding Policy (Continued)

PACT 4 is required to contribute the following percentages of annual covered payroll in 2008 and 2009:

	2008	2009
Public Employees Retirement Fund		
Basic Plan members	11.78%	11.78%
Coordinated Plan members	6.50%	6.75%

PACT 4's contributions for the years ending December 31, 2008, 2007, and 2006, for the Public Employees Retirement Fund were $82,425, $83,223, and $89,758, respectively, equal to the contractually required contributions for each year as set by state statute.

4. Summary of Significant Contingencies and Other Items

A. Risk Management

PACT 4 is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; or natural disasters. PACT 4 has entered into a joint powers agreement with Minnesota counties to form the Minnesota Counties Insurance Trust (MCIT) to protect against liabilities from workers' compensation and property and casualty. PACT 4 purchases commercial insurance for other risks of loss. There were no significant reductions in insurance from the previous year or settlements in excess of insurance for any of the past three years.

The Workers' Compensation Division of MCIT is self-sustaining based on the contributions charged, so that total contributions plus compounded earnings on these contributions will equal the amount needed to satisfy claims liabilities and other expenses. MCIT participates in the Workers' Compensation Reinsurance Association with coverage at $410,000 per claim in 2008 and $430,000 per claim in 2009. Should the MCIT Workers' Compensation Division liabilities exceed assets, MCIT may assess PACT 4 in a method and amount to be determined by MCIT.

4. Summary of Significant Contingencies and Other Items

A. Risk Management (Continued)

The Property and Casualty Division of MCIT is self-sustaining, and PACT 4 pays an annual premium to cover current and future losses. MCIT carries reinsurance for its property lines to protect against catastrophic losses. Should the MCIT Property and Casualty Division liabilities exceed assets, MCIT may assess PACT 4 in a method and amount to be determined by MCIT.

B. Claims and Litigation

PACT 4, in connection with the normal conduct of its affairs, is involved in various claims, judgments, and litigation. PACT 4's attorney estimates that the potential claims against PACT 4 resulting from such litigation not covered by insurance would not materially affect the financial statements of PACT 4.

Management and Compliance Section

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Schedule 1

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2008

I. SUMMARY OF AUDITOR'S RESULTS

A. Our report expresses unqualified opinions on the basic financial statements of Putting All Communities Together 4 Families Collaborative (PACT 4).

B. No matters involving internal control over financial reporting were 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*."

C. No instances of noncompliance material to the financial statements of PACT 4 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 PACT 4 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:

Twenty-First Century Community Learning Centers	CFDA #84.287
Block Grants for Prevention and Treatment of Substance Abuse	CFDA #93.959

H. The threshold for distinguishing between Types A and B programs was $300,000.

I. PACT 4 was determined to be a low-risk auditee.

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

None.

III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARD PROGRAMS

None.

IV. OTHER FINDINGS AND RECOMMENDATIONS

<u>MINNESOTA LEGAL COMPLIANCE</u>

<u>PREVIOUSLY REPORTED ITEM RESOLVED</u>

Uncollateralized Deposits (06-3)

It was recommended PACT 4 obtain adequate collateral or a surety bond, in the future, when it becomes necessary, in order to comply with Minn. Stat. § 118A.03.

Resolution

At December 31, 2008, all bank balances had been swept into the MAGIC Fund investment account and collateral was not necessary.

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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*

Executive Board
Putting All Communities Together 4 Families Collaborative

We have audited the financial statements of the governmental activities and the General Fund of Putting All Communities Together 4 Families Collaborative (PACT 4) as of and for the year ended December 31, 2008, which collectively comprise PACT 4's basic financial statements, and have issued our report thereon dated November 30, 2009. 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 PACT 4'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 PACT 4's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of PACT 4's internal control over financial reporting.

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 combination of control deficiencies, that adversely affects PACT 4'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 PACT 4's financial statements that is more than inconsequential will not be prevented or detected by PACT 4's internal control.

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 PACT 4'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 or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether PACT 4'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 public indebtedness because PACT 4 does not have debt.

The results of our tests indicate that, for the items tested, PACT 4 complied with the material terms and conditions of applicable legal provisions.

This report is intended solely for the information and use of the Executive Board, management, others within PACT 4, 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

November 30, 2009

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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

Executive Board
Putting All Communities Together 4 Families Collaborative

Compliance

We have audited the compliance of Putting All Communities Together 4 Families Collaborative (PACT 4) 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, 2008. PACT 4'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 PACT 4's management. Our responsibility is to express an opinion on PACT 4'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 PACT 4'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 PACT 4's compliance with those requirements.

In our opinion, PACT 4 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, 2008.

Internal Control Over Compliance

The management of PACT 4 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 PACT 4'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 PACT 4'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 PACT 4'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 PACT 4'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 PACT 4'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 and the General Fund of PACT 4 as of and for the year ended December 31, 2008, which collectively comprise PACT 4's basic financial statements, and have issued our report thereon dated November 30, 2009. Our audit was performed for the purpose of forming opinions on PACT 4'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 Executive Board, management and others within PACT 4, 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	*/s/Greg Hierlinger*
REBECCA OTTO STATE AUDITOR	GREG HIERLINGER, CPA DEPUTY STATE AUDITOR

November 30, 2009

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PUTTING ALL COMMUNITIES TOGETHER 4 FAMILIES COLLABORATIVE
WILLMAR, MINNESOTA

Schedule 2

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2008

Federal Grantor Pass-Through Agency Grant Program Title	Federal CFDA Number	Expenditures	Passed Through to Subrecipients
U.S. Department of Education			
Passed Through Minnesota Department of Education			
Twenty-First Century Community Learning Centers	84.287	**$ 500,556**	**$ 334,054**
U.S. Department of Health and Human Services			
Passed Through Minnesota Department of Human Services			
Block Grants for Community Mental Health Services			
School-Linked Mental Health Grant	93.958	**$ 70,984**	**$ -**
Block Grants for Prevention and Treatment of Substance Abuse			
Renville County Chemical Health Grant	93.959	$ 151,846	$ -
Yellow Medicine County Chemical Health Grant	93.959	141,974	-
Guia Special Populations Chemical Health Grant	93.959	124,314	-
Total CFDA #93.959		**$ 418,134**	**$ -**
Total U.S. Department of Health and Human Services		**$ 489,118**	**$ -**
Total Federal Awards		**$ 989,674**	**$ 334,054**

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 Putting All Communities Together 4 Families Collaborative (PACT 4). PACT 4's reporting entity is defined in Note 1 to the basic financial statements.

2. The expenditures on this schedule are on the modified accrual basis of accounting.

3. Pass-through grant numbers were not assigned by the pass-through agencies.