

6/18/2012 5:08 PM

Moises Salazar

Moises Salazar

From: Martha Salazar [martha.salazar@co.hidalgo.tx.us]
Sent: Monday, June 18, 2012 11:46 AM
To: 'Moises Salazar'
Subject: FW: FY12 Monitoring Review Report - Hidalgo County
Attachments: Signed Letter, Report, CAP & Reply Fax.pdf

Importance: High

[Add this and attachment to AI#32863.](#)

Marty

From: Martha Salazar [mailto:martha.salazar@co.hidalgo.tx.us]
Sent: Friday, May 18, 2012 4:15 PM
To: 'Agueda'; 'Juan'
Subject: FW: FY12 Monitoring Review Report - Hidalgo County
Importance: High

From: Ray Eufrazio [mailto:ray.eufrazio@auditor.co.hidalgo.tx.us]
Sent: Friday, May 18, 2012 4:11 PM
To: 'Martha Salazar'
Cc: 'Linda Fong'; 'Arcy Duran'
Subject: FW: FY12 Monitoring Review Report - Hidalgo County
Importance: High

Attached is a copy of the review conducted by the State Administrative Agency. Please refer to the corrective action plan item #6 which requires updating of the Hidalgo County Purchasing Policies and Procedures to list the procedures that staff will perform for verification of debarment. There is a deadline for the completion of the corrective action plan.

From: Scott, Cedric [mailto:Cedric.Scott@dps.texas.gov]
Sent: Friday, May 18, 2012 9:39 AM
To: ray.eufrazio@auditor.co.hidalgo.tx.us
Cc: oscar.montoya@co.hidalgo.tx.us; Belinda Alvarez
Subject: FW: FY12 Monitoring Review Report - Hidalgo County
Importance: High

Sorry I forgot to add the attachments!

From: Scott, Cedric
Sent: Friday, May 18, 2012 9:30 AM
To: ray.eufrazio@auditor.co.hidalgo.tx.us
Cc: 'Belinda Alvarez'; 'oscar.montoya@co.hidalgo.tx.us.com'
Subject: FY12 Monitoring Review Report - Hidalgo County
Importance: High

Good Morning,

6/18/2012 5:09 PM

Moises Salazar

Here are electronic copies of the information that was mailed yesterday (5/17/2012) to Judge Garcia. Just FYI - the Corrective Action Plan (CAP) has to be signed by Judge Garcia. If you get any of the CAP items corrected before the due date, you are more than welcome to submit the information early to the SAA for review.

Sincerely,

Ms. Cedric M. Scott

(First Name is pronounced See-drick)

Monitoring and Compliance Specialist

Homeland Security Grant Program - State Administrative Agency



Texas Department of Public Safety

Physical: 5805 N. Lamar Blvd. – Austin, TX 78752 – Mailing: PO Box 4087 – Austin, TX 78773-0113

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JOHN STEEN

May 18, 2012

The Honorable Ramon Garcia
Judge, Hidalgo County
1615 S. Closner, Suite J
Edinburg, TX 78539

Dear Judge Garcia:

This letter forwards for a copy of the report for the homeland security grant monitoring and compliance on-site review conducted April 24 – 25, 2012. Because deficiencies were noted, a Technical Assistance Plan is enclosed for adoption as your jurisdiction's Corrective Action Plan. To do so, within 20 calendar days of this report, please sign and return the corrective action/technical assistance plan to the THSSAA.

The Texas Homeland Security State Administrative Agency will assume you concur with the report and adopt the CAP unless you advise us otherwise in writing within 20 calendar days.

Completion of all CAP items is due by June 18, 2012. Failure to complete all CAP items within timeframe specified may lead to the jurisdiction's grant funding being withheld, or suspended as outlined in 44 CFR § 13.43(a) (1)-(4).

Using the enclosed reply fax sheet, I request that you acknowledge receipt of the monitoring report and CAP within 10 calendar days.

If you have any questions regarding the review, please contact either Cedric Scott, Monitoring & Compliance Specialist at (512) 377 – 0055, email cedric.scott@dps.texas.gov or Patrick Jorgensen, Monitoring & Compliance Supervisor at (512) 377 – 0030, email Patrick.jorgensen@dps.texas.gov.

Sincerely,

A handwritten signature in black ink, appearing to read 'Machel' followed by a horizontal line.

Machelle Pharr
Deputy Assistant Director,
Texas Homeland Security State Administrative Agency

MP:cs

Enclosures: 1 – Monitoring Report
 2 – SAA Reply Form
 3 – Corrective Action Plan

cc: Manuel Cruz – Homeland Security Director, Lower Rio Grande Valley Development Council
 Oscar Montoya – Emergency Management Coordinator, Hidalgo County
 Ray Eufracio – Hidalgo County Auditor



**TEXAS HOMELAND SECURITY
STATE ADMINISTRATIVE AGENCY
MONITORING GRANT REVIEW**



Council of Governments: Lower Rio Grande Valley Developmental Council	Date of Review: April 24 – 25, 2012	Type of Review: <input checked="" type="checkbox"/> On-Site / <input type="checkbox"/> Desk	Report Number: #2012-25
Name of Jurisdiction: Hidalgo County			

For each applicable category, the overall performance is indicated by checking the appropriate columns: **S** (Satisfactory), **NI** (Needs Improvement), or **C** (Corrected). For the items that have **NI** corrective action is required. A due date is included for the corrective action items. For those items that are not applicable, **NA** will be placed in the due date column.

MONITORING REVIEW SUMMARY

	S	NI	C	Due Date
SUPPLANTING				
1. Supplanting Verification	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
FINANCIAL MANAGEMENT				
2. OMB Circular A-133	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3. Local Government Code 252 or 262 Compliance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4. Competitive Bidding & Sole Source	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
5. Purchasing Methods	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6. Procurement Policy lists Debarment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	June 18, 2012
7. Economic Hardship Procedures	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	NA
8. Reimbursement Process	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
EQUIPMENT				
9. Equipment Usage	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
10. Equipment Tagging/Inventory Control	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
11. Equipment Certification/Training	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
12. Local Inventory System	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
13. Physical Inventory Requirement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
14. Equipment Loan-Out/Property Transfer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
15. Notification of Equipment Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
16. Vehicle Mileage Logs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
NIMS TRAINING				
18. N.I.M.S. Adoption Resolution	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
19. N.I.M.S. Training Plan	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	June 18, 2012
20. NIMSCAST Entry Documentation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	June 18, 2012
T.R.R.N. REQUIREMENT				
21. Equipment listed on TRRN website	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
M.M.R.S. PROGRAM				
22. Target Capabilities Focus Areas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	NA
23. Deliverable/Project Activities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	NA
24. Operational Plans/Training	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	NA
25. Travel Expenditures/Timesheets	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	NA
CITIZEN CORPS PROGRAM				
27. Citizen Corps Council on website	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	NA
28. CERT Teams	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	NA
29. After Action Reports	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	NA



Homeland Security Grant Review
Hidalgo County
April 24 - 25, 2012
R2012025



Overview

The Texas Homeland Security State Administrative Agency (THSSAA) Monitoring and Compliance team conducted an on-site compliance review of Hidalgo County. The focus of this review was to ensure the jurisdiction complied with the regulations and guidelines of the Homeland Security Grant Program. The SAA Monitoring and Compliance team met with several of the county personnel including, but not limited to: Deborah Fischer – Grant Accounts Supervisor, Rey Salazar – Budget Office, Belinda Alvarez – Deputy Emergency Management Coordinator, Captain Rodolfo Espinoza, Sheriff’s Office, Juan Martinez – Fire Marshal, Rolando Benavides – Deputy Emergency Management Coordinator/Deputy Fire Marshal, Oscar Montoya – Emergency Management Coordinator, and Ray Eufrazio –County Auditor, who is charged with management of grant-funded assets for Hidalgo County.

As a result of the on-site monitoring visit, the following issues were noted:

- Purchasing Policy and Procedures (Effective 8/8/1995) needs to be updated.
- Physical Inventory reconciliation is currently in progress and final documentation must be submitted to the SAA.
- The jurisdiction does not have an official written NIMS Implementation Training Plan.
- NIMSCAST needs to be updated to reflect the accurate number of county personnel required to complete NIMS courses and those who have completed the NIMS training.

The SAA provided technical assistance and will continue to work with the jurisdiction to correct the noted above deficiencies. A Corrective Action Plan (CAP) is included with this report.

Summary of Monitoring Results

Supplanting Verification

Jurisdiction Provided Assurance Grant Funds were not Used to Supplement Existing Funds and did not Replace Funds that Have Been Approved for the Same Purpose as Required By the HSGP Grant Guidance, Office of Grant Management Financial Guide & Uniform Grant Management Standards (UGMS)

Confirmed by the Jurisdiction Not Confirmed by the Jurisdiction

Financial Management

Aware and Comply with guidelines for single audit financial reporting and corrective action for deficiencies as Required by OMB Circular A-133

Satisfactory Needs Improvement Corrected

Local Procurement Policy Complies with Local Government Code 252 (Cities) or Local Government Code 262 (Counties)

Satisfactory Needs Improvement Corrected

Jurisdiction has Followed Competitive Bidding and Sole Source Guidelines as Required by 44 CFR 13.36, UGMS Subpart C (.36) and Local Government Code 252 and 262

Satisfactory Needs Improvement Corrected

Purchase Methods Analyzed to Provide the Best Value for Purchased Items as required by 44 CFR 13.36, UGMS Subpart C(.36) and Local Government Code 252 and 262

Satisfactory Needs Improvement Corrected

Jurisdiction has a Written Process for Verification of the Excluded Parties List System as Required under Executive Order 12549, the Uniform Grant Management Standards Subpart C (.35), and the SAA Terms and Conditions

Satisfactory Needs Improvement Corrected

Prior to the on-site visit, the jurisdiction provided the SAA a copy of the county's Purchasing Policies and Procedures (Effective 8/8/1995). After reviewing the document, no specific language was listed in the purchasing policy stating that the county personnel are required to verify debarment of potential vendors through the Excluded Parties List system at www.epls.gov.

There is also a form that the vendors are required to submit, which appears to be "self-certification" regarding their debarment status, which is not consistent with the criteria in Section .35 on page 80 of the Uniform Government Management Standards (UGMS 2004) for the state of Texas states, *Grantees and subgrantees must not make any award or permit any award (subgrant or contract) at any tier to any party which is debarred or suspended or is otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549, "Debarment and Suspension..*

On 4/25/2012, the jurisdiction provided clarification regarding the procedure for verifying debarment. Per the County Auditor's (Budget/Purchasing) office, the potential vendor completes and returns the debarment certification form to the jurisdiction. Once the County Budget/Purchasing personnel receive the completed form; the purchasing personnel accesses the EPLS website to verify the information listed on the form. Copies (print screens) of the debarment results are also attached to the purchasing bid quote.

After receiving and reviewing the additional documentation, it appears that the jurisdiction is accessing the EPLS website to verify debarment for all potential vendors prior to purchase. However, the following language is vague and not absolute:

- In Section 8.05 on page of 10 of the procedures, the following language is listed: ***Selection of Vendor.*** *In selecting the most responsible vendor, the Purchasing Agent will consider such matters as price (all other factor being equal, the lowest price should always be taken), relative quality of goods and services (if more than one vendor can deliver at an acceptable price, the relative quality should be considered), reliability of vendor (based on actual, documented experience of purchasing agent, not on intuition or rumor), ability to service items purchased, over relevant factors as determined by the Purchasing Agent.*
- Email dated 4/11/2012 from the Procurement Process & Data Manager, *In regards to the Debarment procedures, it is customary, when the procurement process is utilized in obtaining goods and/or services. Debarment certification verification is completed by our staff, including, but not limited to verification on the www.epls.gov website.*

Therefore, the SAA recommends that the current *Purchasing Policies and Procedures (Effective 8/8/1995)* be updated to list the procedures for verifying debarment of all potential vendors for any contract and at any tier prior to purchase. The specific procedures will include language stating that county employees will access the federal website: <http://www.epls.gov>.

Once the document has been revised and approved by the Commissioner's Court, a copy must be submitted to the SAA.

Economic Hardship Procedures are Followed as Required by SAA Information Bulletin No. 11-006

Satisfactory Needs Improvement Corrected Not Applicable

This jurisdiction did not receive any economic hardships.

Aware and Comply with Correct Reimbursement Process for Local Purchases as Required by SAA Information Bulletin No. 13

Satisfactory Needs Improvement Corrected

Equipment

Equipment Has Been Opened, Inspected, and Readied for Immediate Deployment as Required by the SAA

Satisfactory Needs Improvement Corrected

Equipment Items Are Tagged for Identification and Inventory Control that includes the Name of the Property Owner and a Unique Inventory Number as Required by the State Property Accounting Manual 2010, Chapter 2, Pg 2.16 and SAA Information Bulletin No. 2

Satisfactory Needs Improvement Corrected

Jurisdiction Has Received the Necessary Certifications, Licenses, and Training for Appropriate Grant Purchased Equipment as required by the Homeland Security Grant Program Guidance, Equipment Activities Section, Pg 38

Satisfactory Needs Improvement Corrected

Grant Purchased Equipment Items Have Been Integrated Into Local Inventory System as Required by 44 CFR 13.32 (d) (1)

Satisfactory Needs Improvement Corrected

See comments below in next the section.

Jurisdiction's Inventory System Contains All Twelve Categories as Required by 44 CFR 13.32(d) (1)

Satisfactory Needs Improvement Corrected

On 4/2/2012, the jurisdiction's asset inventory log was missing the *Disposition Date/Fair Market Value* column.

On 4/26/2012, the jurisdiction provided a corrected copy of the inventory log that now lists the noted missing column. *(This deficiency was corrected prior to the completion of this report.)*

Jurisdiction has conducted a Physical Inventory within the Last Two Years as Required by 44 CFR 13.32(d)(2)

Satisfactory Needs Improvement Corrected

The jurisdiction is currently in the process of conducting the physical inventory reconciliation and provided a copy of the draft report, which is not finalized.

Once the inventory reconciliation has been completed, the SAA respectfully requests a copy of the finalized physical reconciliation report. *(This item will not be included on the Corrective Action Plan.)*

Jurisdiction has Followed Proper Procedure for Equipment Loan-Out and Property Transfer as required by GDEM/SAA Information Bulletin No. 11

Satisfactory Needs Improvement Corrected Not Applicable

SAA Notified of Equipment Refund, Exchange, Theft, or Loss as Required by 44 CFR 13.32

Satisfactory Needs Improvement Corrected Not Applicable

Jurisdiction Maintains Vehicle Mileage Logs for All Grant Funded Vehicles as Required by the Uniform Grant Management Standards_.32 and GDEM/SAA Information Bulletin No. 1.

Satisfactory Needs Improvement Corrected Not Applicable

NIMS Training

Jurisdiction has Adopted National Incident Management System (NIMS) as Required HSPD-5 in Order to Receive Federal Preparedness Assistance

Satisfactory Needs Improvement Corrected

A NIMS Training Plan has been Implemented as Required by the 2008 NIMS Implementation Objectives

Satisfactory Needs Improvement Corrected

Prior to the on-site visit, the jurisdiction provided the SAA a copy of the county's NIMSCAST Training summary. After further clarification with the jurisdiction on 4/24/2012; it was stated that an official written NIMS Training Plan has not been implemented. However, it has been added to the agenda for the next Commissioner's Court meeting.

Jurisdiction Provided Proper Documentation to Support the Data Entered into the NIMSCAST System

Satisfactory Needs Improvement Corrected

Prior to the on-site visit, the SAA received a listing of county personnel that are required to take NIMS training courses.

Review of NIMSCAST revealed the jurisdiction has two accounts for the following: Health & Human Services (HHS) and the remaining Hidalgo county departments. The appropriate number of HHS and the other county departments' personnel required to take the NIMS training is not consistent with the information currently in the NIMSCAST system.

T.R.R.N. Requirements

Equipment has been listed on Texas Regional Response Network (TRRN) as Required in the SAA Terms and Conditions and Certified Yearly

Satisfactory Needs Improvement Corrected Not Applicable

Basis of Review

Objective and Scope

The overall objective was to determine whether sufficient controls were in place to ensure State Homeland Security funds were being used as intended and systems in place to prevent fraud, waste, and abuse. The review covered all Homeland Security grant funds awarded to the jurisdiction.

Criteria

Our review was based upon standards as set forth in the Grant Guidelines and Application Kit for each individual grant; applicable OMB Circulars; the Office for Justice Programs Financial Guide; 44 CFR part 13; Texas Uniform Grant Management Standards; the Texas Grant Guidelines for each individual grant; and other sound administrative practices. The sampling of grant-funded assets included items valued at or above \$5,000 and controlled items as defined in the Uniform Grant Management Standards and State Property Accountability Policy.

Financial Overview

Hidalgo County is located in the Lower Rio Grande Valley Development Council. Hidalgo County has been awarded a total of \$4,980,903.75 in grant funds.

Open Grant	Award (\$)	Complete (\$)	Committed (\$)	Uncommitted (\$)	End of Local Performance Period
2009 OPSG	\$1,388,322.00	\$785,625.61	\$71,602.71	\$531,093.68	April 1, 2012,
2009 SHSP	\$677,306.11	\$595,983.20	\$81,322.91	\$0.00	April 15, 2012
2009 SHSP LEAP	\$317,651.92	\$31,041.75	\$286,610.17	\$0.00	April 15, 2012,
2010 OPSG	\$963,209.00	\$105,276.72	\$32,543.42	\$825,388.86	July 31, 2012,

Grant Monitor Information

Cedric Scott, Monitoring and Compliance Specialist (*Lead Monitor*)
 Janet Andrew, Monitoring and Compliance Specialist

Contact Information

For questions regarding this review, please contact Patrick Jorgensen, SAA Monitoring and Compliance Supervisor. E-mail: Patrick.Jorgensen@txdps.state.tx.us

Distribution List

The Honorable Ramon Garcia – Hidalgo County Judge
 Manuel Cruz – Homeland Security Director, Lower Rio Grande Valley Development Council
 Oscar Montoya – Emergency Management Coordinator, Hidalgo County

Corrective Action Plan

JURISDICTION: Hidalgo County

REPORT # 2012-25

REF #	ACTION ITEM	COMMENTS	DUE DATE	STATUS
#6	The jurisdiction will update the current <i>Purchasing Policies and Procedures (Effective 8/8/1995)</i> to list the procedures for verifying debarment of all potential vendors for any contract and at any tier prior to purchase. The specific procedures will include language stating that county employees will access the federal website: http://www.epls.gov . Once the document has been revised and approved by the Commissioner's Court, a copy must be submitted to the SAA.		June 18, 2012	
#19	The jurisdiction will provide the SAA a copy of the NIMS Implementation Plan that has been approved by the Commissioner's Court.		June 18, 2012	
#20	The jurisdiction will provide documentation that the two NIMSCAST accounts have been updated to reflect the accurate number of county personnel required to complete NIMS courses and those who have completed the NIMS training.		June 18, 2012	

End of CAP

I have read and understand the deficient items listed needing corrective action and will choose the following action:

Please initial the appropriate response below.

I adopt the TAP as provided by the SAA in its current form as our corrective action plan.

The jurisdiction will provide its own corrective action plan within 20 calendar days to the SAA.

Name of elected official or Executive / Date

Please sign and return this form within 20 calendar days to the Texas Homeland Security State Administrative Agency, 1033 La Posada Drive, Suite 160, Austin, Texas 78752. **Fax- 512-206-3137 Email cedric.scott@dps.texas.gov**

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DEPUTY DIRECTORS



COMMISSION
A. CYNTHIA LEON, CHAIR
CARIN MARCY BARTH
ADA BROWN
ALLAN B. POLUNSKY
JOHN STEEN

May 18, 2012

R E P L Y F A X

Hidalgo County

Monitor: Cedric M. Scott

Please acknowledge receipt of the monitoring report for the SAA Monitoring desk review conducted April 24 – 25, 2012. Please sign and fax this form to SAA upon receipt.

Name: _____

Signature: _____

Chief Elected Official/Executive

**Please sign and fax to 512-206-3137
NO COVER SHEET REQUIRED**

If unable to fax, please mail form to:

**TxDPS – SAA
Attn: Audit & Compliance Unit
1033 La Posada Dr, Suite 160
Austin, TX 78752**

You may also scan and email to: Cedric.Scott@dps.texas.gov