

COUNTY OF HIDALGO, TEXAS

INDEPENDENT AUDITORS'  
REPORT

SINGLE AUDIT

December 31, 2017

*The Right Choice.*

**BML**

Burton  
McCumber  
& Longoria, LLP  
*CPRs & Advisors*

McAllen • Brownsville

**INDEPENDENT AUDITORS' 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**

The Honorable Commissioners' Court  
And Honorable District Judges  
County of Hidalgo, Texas

We have audited, in accordance with the 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 the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of County of Hidalgo, Texas (the County), as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated July 23, 2018.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

*A deficiency in internal control* 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 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. We consider the deficiency described in the accompanying schedule of findings and questioned costs to be a material weaknesses. [2017-006]

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies. [2017-001, 2017-002, 2017-003, 2017-004, and 2017-005]

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the 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 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*.

We noted certain other matters that we reported to management of the County in a separate letter dated July 23, 2018.

### **County's Responses to Findings**

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County's responses were 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 and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Barta McAllister & Lopez, LLP". The signature is written in a cursive, flowing style.

McAllen, Texas

July 23, 2018

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE *UNIFORM GUIDANCE AND THE STATE SINGLE AUDIT CIRCULAR***

The Honorable Commissioners' Court  
And Honorable District Judges  
County of Hidalgo, Texas

**Report on Compliance for Each Major Federal And State Program**

We have audited the County of Hidalgo, Texas' (the County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *State of Texas Uniform Grant Management Standards* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2017. The County's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of federal and state statutes, regulations, and the terms and conditions of its federal awards applicable to its federal and state programs.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of the County's major federal and state programs based on our audit of the types of compliance requirements referred to above. 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; 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), and the *State of Texas Uniform Grant Management Standards*. Those standards and the Uniform Guidance and the *State of Texas Uniform Grant Management Standards* 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 or state program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the County's compliance.

### **Opinion on Each Major Federal and State Program**

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2017.

### **Other Matters**

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance the *State of Texas Single Audit Circular* and which are described in the accompanying schedule of findings and questioned costs as items 2017-006, 2017-007, 2017-008, 2017-009, 2017-010, 2017-012. Our opinion on each major federal program is not modified with respect to these matters.

The County's response to the noncompliance findings identified in our audit is described in the accompanying corrective action plan. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **Report on Internal Control over Compliance**

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and the *State of Texas Uniform Grant Management Standards*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

*A 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 or state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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 or state 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 or state 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.

Our consideration of internal control over compliance 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 compliance 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 compliance that we consider to be a material weaknesses as described in the accompanying schedule of findings and questioned costs as item 2017-006. In addition, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item, 2017-007,

2017-008, 2017-009, 2017-010, 2017-011 and 2017-012 that we consider to be significant deficiencies.

The County's response to the internal control over compliance findings identified in our audit is described in the accompanying corrective action plan. The County's response was not subjected to the 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 and *State of Texas Uniform Grant Management Standards*. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of Federal and State Awards Required by the Uniform Guidance and *State of Texas Uniform Grant Management Standards***

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated July 23, 2018, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by the Uniform Guidance and *State of Texas Uniform Grant Management Standards* and is not a required part of the basic 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 basic 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal and state awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

A handwritten signature in black ink that reads "Brent McCall & Hoyer, LLP". The signature is written in a cursive, flowing style.

McAllen, Texas  
July 23, 2018

COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2017

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	TOTAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
<b><u>FEDERAL AWARDS</u></b>						
<b><u>PRIMARY GOVERNMENT</u></b>						
<b><u>U.S. Department Of Agriculture</u></b>						
<b><u>Passed Through Texas Department of State Health Services</u></b>						
16186TX506W1003 (2017-049851-001) 2017-049851-001A	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	\$ 8,410,551	\$ -	\$ 8,410,551	\$ -
	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	2,578,425	-	2,578,425	-
			<u>10,989,976</u>	<u>-</u>	<u>10,989,976</u>	<u>-</u>
	<b>Total Passed Through Texas Department of State Health Services</b>		<u>10,989,976</u>	<u>-</u>	<u>10,989,976</u>	<u>-</u>
<b><u>Passed Through Texas Health and Human Services Commission</u></b>						
529-11-0064-00103	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	840	-	840	-
			<u>840</u>	<u>-</u>	<u>840</u>	<u>-</u>
	<b>Total Passed Through Texas Health and Human Services Commission</b>		<u>840</u>	<u>-</u>	<u>840</u>	<u>-</u>
	<b>Total U.S. Department of Agriculture</b>		<u>\$ 10,990,816</u>	<u>\$ -</u>	<u>\$ 10,990,816</u>	<u>\$ -</u>
<b><u>U.S. Department of Justice</u></b>						
<b><u>Direct Programs</u></b>						
2016-AP-BX-0190	State Criminal Alien Assistance Program (SCAAP)	16.806	\$ 13,226	-	\$ 13,226	-
			<u>13,226</u>	<u>-</u>	<u>13,226</u>	<u>-</u>
2016-DJ-BX-0021	Edward Byrne Memorial Justice Assistance Grant Program (JAG)	16.738	11,892	-	11,892	-
			<u>11,892</u>	<u>-</u>	<u>11,892</u>	<u>-</u>
2016-HO-BX-K005	Second Chance Act Reentry Initiative	16.812	106,095	-	106,095	-
			<u>106,095</u>	<u>-</u>	<u>106,095</u>	<u>-</u>
TX1080000 TX1082700 TX108015A	Equitable Sharing Program (Sheriff)	16.922	150,307	-	150,307	-
	Equitable Sharing Program (HIDTA Task Force)	16.922	190,838	-	190,838	-
	Equitable Sharing Program (District Attorney)	16.922	20,546	-	20,546	-
			<u>361,689</u>	<u>-</u>	<u>361,689</u>	<u>-</u>
	<b>Total U.S. Department of Justice Direct Programs</b>		<u>492,902</u>	<u>-</u>	<u>492,902</u>	<u>-</u>
<b><u>Passed Through Texas Office of the Governor,</u></b>						
<b><u>Criminal Justice Division</u></b>						
2015-RT-BX-0025 (2928002) 2015-RT-BX-0025 (2928003)	Residential Substance Abuse Treatment for State Prisoners	16.593	84,199	33,719	117,918	-
	Residential Substance Abuse Treatment for State Prisoners	16.593	17,518	6,628	24,346	-
			<u>101,717</u>	<u>40,547</u>	<u>142,264</u>	<u>-</u>
2015-VA-GX-0009 (2924301) 2016-VA-GX-0033 (2924302)	Crime Victim Assistance	16.575	131,957	32,989	164,946	-
	Crime Victim Assistance	16.575	64,977	950	65,933	-
			<u>196,934</u>	<u>33,945</u>	<u>230,879</u>	<u>-</u>

COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2017

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	TOTAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
2016-WF-AX-0034 (2931302)	Violence Against Women Formula Grants	16.588	85,227	45,891	131,118	-
2017-WF-AX-0053 (2931303)	Violence Against Women Formula Grants	16.588	36,601	19,708	56,309	-
			<u>121,828</u>	<u>65,599</u>	<u>187,427</u>	-
2015-DJ-BX-0956 (3110401)	Edward Byrne Memorial Justice Assistance Grant Program (JAG)	16.738	84,339	-	84,339	-
2016-DJ-BX-0181 (3110402)	Edward Byrne Memorial Justice Assistance Grant Program (JAG)	16.738	35,295	-	35,295	-
			<u>119,634</u>	<u>-</u>	<u>119,634</u>	-
	<b>Total Passed Through the Office of the Governor, Criminal Justice Division</b>		<u>540,113</u>	<u>140,091</u>	<u>680,204</u>	-
	<b>Total U.S. Department of Justice</b>		<u>\$ 1,033,015</u>	<u>\$ 140,091</u>	<u>\$ 1,173,106</u>	<u>\$ -</u>
	<b><u>Executive Office of the President for National Drug Control Policy</u></b>					
	<b><u>Direct Programs</u></b>					
G15SS0002A	High Intensity Drug Trafficking Areas Program	95.001	\$ 53,819	\$ -	\$ 53,819	\$ -
G16SS0002A	High Intensity Drug Trafficking Areas Program	95.001	259,331	-	259,331	-
G17SS0002A	High Intensity Drug Trafficking Areas Program	95.001	447,813	-	447,813	-
	<b>Total Direct Programs</b>		<u>760,963</u>	<u>-</u>	<u>760,963</u>	-
	<b>Total Executive Office of the President for National Drug Control Policy</b>		<u>\$ 760,963</u>	<u>\$ -</u>	<u>\$ 760,963</u>	<u>\$ -</u>
	<b><u>U.S. Department of Health and Human Services</u></b>					
	<b><u>Passed Through Texas Department of State Health Services</u></b>					
2018-001134-03	Public Health Emergency Preparedness	93.069	\$ 401,696	\$ 40,193	\$ 441,889	\$ -
537-18-0176-00001	Public Health Emergency Preparedness	93.069	246,569	24,657	271,226	-
NUG0TP921869-01-02 (537-18-0355-00001)	Public Health Emergency Preparedness	93.069	102,753	-	102,753	-
			<u>751,018</u>	<u>64,850</u>	<u>815,868</u>	-
2015-003624-01	Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	4,776	-	4,776	-
			<u>4,776</u>	<u>-</u>	<u>4,776</u>	-
2016-001400-01	Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	433,526	86,705	520,231	-
			<u>433,526</u>	<u>86,705</u>	<u>520,231</u>	-
2016-000022-02	Immunization Cooperative Agreements	93.268	143,903	-	143,903	-
H231P000773 (537-18-0083-00001)	Immunization Cooperative Agreements	93.268	234,153	-	234,153	-
			<u>378,056</u>	<u>-</u>	<u>378,056</u>	-
U50CK000378 (537-18-0355-00001)	Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	153,923	-	153,923	-
			<u>153,923</u>	<u>-</u>	<u>153,923</u>	-

COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2017

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	TOTAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
INB01OT009080-01-00 (537-17-0287-00001) 537-17-0287-00001-A INB01OT009080-01-00 (537-18-0225-00001)	Preventive Health and Health Services Block Grant (PPHF)	93.758	121,902	-	121,902	-
	Preventive Health and Health Services Block Grant (PPHF)	93.758	4,519	-	4,519	-
	Preventive Health and Health Services Block Grant (PPHF)	93.758	13,318	-	13,318	-
			<u>138,739</u>	<u>-</u>	<u>139,739</u>	<u>-</u>
2016-001052-00 2016-003876-01 2016-003878-02	Preventive Health and Health Services Block Grant	93.991	55,547	-	55,547	-
	Preventive Health and Health Services Block Grant	93.991	26,826	-	26,826	-
	Preventive Health and Health Services Block Grant	93.991	409	-	409	-
			<u>82,782</u>	<u>-</u>	<u>82,782</u>	<u>-</u>
2016-003931-01	Maternal and Child Health Services Block Grant to the States	93.994	16,079	-	16,079	-
			<u>16,079</u>	<u>-</u>	<u>16,079</u>	<u>-</u>
	<b>Total Passed Through Texas Department of State Health Services</b>		<u>1,959,899</u>	<u>151,555</u>	<u>2,111,454</u>	<u>-</u>
	<u>Passed Through Texas Juvenile Justice Department</u>					
TJPC-E-2017-108 TJPC-E-2018-108	Foster Care Title IV-E	93.658	139,894	-	139,894	-
	Foster Care Title IV-E	93.658	86,824	-	86,824	-
			<u>226,718</u>	<u>-</u>	<u>226,718</u>	<u>-</u>
	<b>Total Passed Through Texas Juvenile Justice Department</b>		<u>226,718</u>	<u>-</u>	<u>226,718</u>	<u>-</u>
	<u>Passed Through Texas Department of Family &amp; Protective Services</u>					
23941008 23941009	Foster Care Title IV-E	93.658	104,199	-	104,199	-
	Foster Care Title IV-E	93.658	31,993	-	31,993	-
			<u>136,192</u>	<u>-</u>	<u>136,192</u>	<u>-</u>
	<b>Total Passed Through Texas Department of Family &amp; Protective Services</b>		<u>136,192</u>	<u>-</u>	<u>136,192</u>	<u>-</u>
	<u>Passed Through Office of the Attorney General of Texas</u>					
15-C0045	Child Support Enforcement	93.583	171,915	-	171,915	-
			<u>171,915</u>	<u>-</u>	<u>171,915</u>	<u>-</u>
	<b>Total Passed Through Office of the Attorney General of Texas</b>		<u>171,915</u>	<u>-</u>	<u>171,915</u>	<u>-</u>
	<u>Passed Through Texas Health and Human Services Commission</u>					
529-11-0084-00103 529-12-0045-00002	Medical Assistance Program	93.778	1,120	-	1,120	-
	Medical Assistance Program	93.778	298,453	-	298,453	-
			<u>299,573</u>	<u>-</u>	<u>299,573</u>	<u>-</u>
2016-003931-02	Maternal and Child Health Services Block Grant to the States	93.994	4,346	-	4,346	-
			<u>4,346</u>	<u>-</u>	<u>4,346</u>	<u>-</u>
	<b>Total Passed Through Texas Health and Human Services Commission</b>		<u>303,919</u>	<u>-</u>	<u>303,919</u>	<u>-</u>
	<b>Total U.S. Department of Health and Human Services</b>		<u>\$ 2,798,043</u>	<u>\$ 151,555</u>	<u>\$ 2,950,198</u>	<u>\$ -</u>

COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2017

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	TOTAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
<b><u>U.S. Department of Homeland Security</u></b>						
<b><u>Passed Through Texas Office of the Governor, Homeland Security Grants Division</u></b>						
EMW-2015-SS-00080 (3172201)	Homeland Security Grant Program - 2015 OPSG Sheriff's Office	97.067	\$ 1,347,731	\$ -	\$ 1,347,731	\$ -
EMW-2015-SS-00080 (3174701)	Homeland Security Grant Program - 2015 OPSG Constable Pct. 1	97.067	48,524	-	48,524	-
EMW-2015-SS-00080 (3174801)	Homeland Security Grant Program - 2015 OPSG Constable Pct. 2	97.067	14,362	-	14,362	-
EMW-2015-SS-00080 (3174901)	Homeland Security Grant Program - 2015 OPSG Constable Pct. 3	97.067	65,393	-	65,393	-
EMW-2015-SS-00080 (3175001)	Homeland Security Grant Program - 2015 OPSG Constable Pct. 4	97.067	31,333	-	31,333	-
EMW-2016-SS-00056 (3172202)	Homeland Security Grant Program - 2015 OPSG Sheriff's Office	97.067	714,831	-	714,831	-
EMW-2016-SS-00056 (3174702)	Homeland Security Grant Program - 2015 OPSG Constable Pct. 1	97.067	28,392	-	28,392	-
EMW-2016-SS-00056 (3174802)	Homeland Security Grant Program - 2015 OPSG Constable Pct. 2	97.067	34,076	-	34,076	-
EMW-2016-SS-00056 (3174902)	Homeland Security Grant Program - 2015 OPSG Constable Pct. 3	97.067	66,990	-	66,990	-
EMW-2016-SS-00056 (3175002)	Homeland Security Grant Program - 2015 OPSG Constable Pct. 4	97.067	75,000	-	75,000	-
EMW-2016-SS-00056 (3113901)	Homeland Security Grant Program - Equipment for Border Operations-ATV	97.067	15,799	-	15,799	-
EMW-2016-SS-00056 (3114901)	Homeland Security Grant Program - HC Regionally Ready and Responsive (Public Health)	97.067	21,210	-	21,210	-
			<u>2,461,641</u>	<u>-</u>	<u>2,461,641</u>	<u>-</u>
	<b>Total Passed Through Texas Office of the Governor, Homeland Security Grants Division</b>		<u>2,461,641</u>	<u>-</u>	<u>2,461,641</u>	<u>-</u>
<b><u>Passed Through Texas Department of Public Safety, Texas Division of Emergency Management</u></b>						
PA-06-TX-4223-PW00953	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	47,536	15,845	63,381	-
PA-06-TX-4223-PW00988	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	59,499	19,833	79,332	-
PA-06-TX-4223-PW00991	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	79,098	26,366	105,464	-
PA-06-TX-4223-PW01362	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	1,856,108	618,703	2,474,811	-
PA-06-TX-4245-PW-00090	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	656,457	218,533	874,990	-
PA-06-TX-4245-PW-00150	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	23,159	7,720	30,879	-
PA-06-TX-4245-PW-00176	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	777,592	259,197	1,036,789	-
PA-06-TX-4272-PW-00055	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	45,478	15,159	60,637	-
			<u>3,544,927</u>	<u>1,181,356</u>	<u>4,726,283</u>	<u>-</u>
	<b>Total Passed Through Texas Department of Public Safety, Texas Division of Emergency Management</b>		<u>3,544,927</u>	<u>1,181,356</u>	<u>4,726,283</u>	<u>-</u>
	<b>Total U.S. Department of Homeland Security</b>		<u>\$ 6,006,568</u>	<u>\$ 1,181,356</u>	<u>\$ 7,187,924</u>	<u>\$ -</u>

COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2017

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	TOTAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
<b>U.S. Department of Transportation</b>						
<b>Passed through the Texas Department of Transportation</b>						
CSJ-0039-17-134 & 0039-18-085	Highway Planning and Construction - Precinct 1 US 83 Illumination	20.205	\$ -	\$ 15,319	\$ 15,319	\$ -
CSJ-0921-02-168	Highway Planning and Construction - Precinct 1 Mile 6 West	20.205	147,673	1,024,308	1,171,981	-
CSJ-0921-02-290	Highway Planning and Construction - Precinct 1 CR229 (Mile 17 1/2 Rd)	20.205	-	6,962	6,962	-
CSJ-0921-02-331	Highway Planning and Construction - Precinct 1 CR342 (W. FM88)	20.205	-	750	750	-
CSJ-0921-02-171	Highway Planning and Construction - Precinct 2 South McCall Rd	20.205	-	12,494	12,494	-
CSJ-0921-02-252	Highway Planning and Construction - Precinct 2 CR653 (Las Milpas Rd)	20.205	-	12,835	12,835	-
CSJ-0921-02-169	Highway Planning and Construction - Precinct 2 Nolana Loop	20.205	78,997	14,712	93,709	-
CSJ-0921-02-365	Highway Planning and Construction - Precinct 2 Linear Park	20.205	999,732	109,016	1,108,748	-
CSJ-0921-02-321 & 0921-02-344	Highway Planning and Construction - Precinct 3 SH 384 (La Homa)	20.205	186,635	46,659	233,294	-
CSJ-0669-01-052 & 0669-01-043	Highway Planning and Construction - Precinct 3 Mile 3 North	20.205	-	33,558	33,558	-
CSJ-0921-02-212	Highway Planning and Construction - Precinct 3 FM 681	20.205	8,821	11,292	20,113	-
CSJ-0921-02-323 & 0921-02-326	Highway Planning and Construction - Precinct 3 CR872 (Los Ebanos Rd)	20.205	-	15,155	15,155	-
CSJ-0921-02-300	Highway Planning and Construction - Precinct 3 Mile 2 North	20.205	10,765	66,638	77,403	-
ROW CSJ-0921-02-330	Highway Planning and Construction - Precinct 4 10th Street Extension	20.205	1,564,804	771,696	2,336,494	-
	Highway Planning and Construction - Precinct 4 North Alamo Rd	20.205	160,000	97,380	257,380	-
			<u>3,157,427</u>	<u>2,238,768</u>	<u>5,396,195</u>	<u>-</u>
	<b>Total Passed Through Texas Department of Transportation</b>		<u>3,157,427</u>	<u>2,238,768</u>	<u>5,396,195</u>	<u>-</u>
	<b>Total U.S. Department of Transportation</b>		<u>\$ 3,157,427</u>	<u>\$ 2,238,768</u>	<u>\$ 5,396,195</u>	<u>\$ -</u>
<b>U.S. Department of Treasury</b>						
<b>Direct Programs</b>						
TX1080000	Equitable Sharing Program - Sheriff	21.018	\$ 96,922	\$ -	\$ 96,922	\$ -
TX1082700	Equitable Sharing Program - HIDTA Task Force	21.016	173,794	-	173,794	-
TX1082000	Equitable Sharing Program - Constable Precinct No. 3	21.016	608	-	608	-
TX1081600	Equitable Sharing Program - Constable Precinct No. 4	21.016	2,830	-	2,830	-
	<b>Total Direct Programs</b>		<u>274,154</u>	<u>-</u>	<u>274,154</u>	<u>-</u>
	<b>Total U.S. Department of Treasury</b>		<u>\$ 274,154</u>	<u>\$ -</u>	<u>\$ 274,154</u>	<u>\$ -</u>
	<b>TOTAL PRIMARY GOVERNMENT</b>		<u>\$ 25,021,586</u>	<u>\$ 3,711,770</u>	<u>\$ 28,733,356</u>	<u>\$ -</u>
<b>URBAN COUNTY</b>						
<b>U.S. Department of Housing and Urban Development (HUD)</b>						
<b>Direct Programs</b>						
B-07-UC-48-0501	Community Development Block Grant/Entitlement Grants - 33th Year	14.218	\$ 2,993	\$ -	\$ 2,993	\$ -
B-08-UC-48-0501	Community Development Block Grant/Entitlement Grants - 34th Year	14.218	3,169	-	3,169	-
B-09-UC-48-0501	Community Development Block Grant/Entitlement Grants - 35th Year	14.218	9,491	-	9,491	-
B-10-UC-48-0501	Community Development Block Grant/Entitlement Grants - 36th Year	14.218	40,967	-	40,967	-
B-11-UC-48-0501	Community Development Block Grant/Entitlement Grants - 37th Year	14.218	77,526	-	77,526	-
B-12-UC-48-0501	Community Development Block Grant/Entitlement Grants - 38th Year	14.218	259,608	-	259,608	-
B-13-UC-48-0501	Community Development Block Grant/Entitlement Grants - 39th Year	14.218	794,675	808,828	1,603,501	-
B-14-UC-48-0501	Community Development Block Grant/Entitlement Grants - 40th Year	14.218	2,183,062	131,071	2,314,133	-
B-15-UC-48-0501	Community Development Block Grant/Entitlement Grants - 41th Year	14.218	2,278,886	772	2,279,658	-
B-16-UC-48-0501	Community Development Block Grant/Entitlement Grants - 42th Year	14.218	3,851,660	59,552	3,911,212	321,759
B-17-UC-48-0501	Community Development Block Grant/Entitlement Grants - 43th Year	14.218	197,824	-	197,824	183,241
B-08-UN-48-0501	Community Development Block Grant/Entitlement Grants - NSP	14.218	10,000	-	10,000	-
B-11-UN-48-0501	Community Development Block Grant/Entitlement Grants - NSP	14.218	74,357	-	74,357	-
			<u>9,784,218</u>	<u>1,000,221</u>	<u>10,784,439</u>	<u>505,000</u>

COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2017

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	TOTAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
M-14-UC-48-0501	Home Investment Partnership Program (HOME)	14.239	276,741	-	276,741	-
M-15-UC-48-0501	Home Investment Partnership Program (HOME)	14.239	1,153,510	-	1,153,510	-
M-16-UC-48-0501	Home Investment Partnership Program (HOME)	14.239	316,889	16,977	333,866	-
M-17-UC-48-0501	Home Investment Partnership Program (HOME)	14.239	36,885	-	36,885	-
			1,784,025	16,977	1,801,002	-
E-15-UC-48-0501	Emergency Solutions Grant (HESG)	14.231	33,694	-	33,694	-
E-16-UC-48-0501	Emergency Solutions Grant (HESG)	14.231	547,423	-	547,423	523,272
E-17-UC-48-0501	Emergency Solutions Grant (HESG)	14.231	10,965	-	10,965	10,965
			592,082	-	592,082	534,237
	<b>Total U.S. Department of Housing and Urban Development (HUD) Direct Programs</b>		12,160,325	1,017,198	13,177,523	1,039,237
	<u>Passed Through The Texas General Land Office</u>					
ORS210068	Community Development Block Grants/State's Program (DRS XXXVI)	14.228	3,845,017	787,847	4,632,864	-
ORS220068	Community Development Block Grants/State's Program (DRS XXXVII)	14.228	1,144,015	142,581	1,286,576	-
			4,989,032	930,408	5,919,440	-
	<b>Total Passed through Texas General Land Office</b>		4,989,032	930,408	5,919,440	-
	<u>Passed Through The Texas Department of Agriculture</u>					
7217005	Community Development Block Grants/State's Program (Colonia XLI)	14.228	5,924	-	5,924	-
			5,924	-	5,924	-
	<b>Total Passed through Texas Department of Agriculture</b>		5,924	-	5,924	-
	<b>Total U.S. Department of Housing and Urban Development (HUD)</b>		\$ 17,155,281	\$ 1,947,606	\$ 19,102,887	\$ 1,039,237
<b>TOTAL URBAN COUNTY</b>			\$ 17,155,281	\$ 1,947,606	\$ 19,102,887	\$ 1,039,237

COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2017

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	TOTAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
<b>HEAD START</b>						
<u>U.S. Department of Health and Human Services</u>						
<u>Direct Programs</u>						
06CH01042G-01	Head Start Program	93.800	\$ 26,508,244	\$ 6,627,061	\$ 33,135,305	\$ -
			<u>26,508,244</u>	<u>6,627,061</u>	<u>33,135,305</u>	<u>-</u>
	Total U.S. Department of Health and Human Services		<u>\$ 26,508,244</u>	<u>\$ 6,627,061</u>	<u>\$ 33,135,305</u>	<u>\$ -</u>
<u>US Department of Agriculture</u>						
<u>Passed Through Texas Department of Agriculture</u>						
TX-1080006	Child and Adult Care Food Program	10.558	\$ 2,425,781	-	\$ 2,425,781	-
TX-1080006	Child and Adult Care Food Program	10.558	808,594	-	808,594	-
			<u>3,234,375</u>	<u>-</u>	<u>3,234,375</u>	<u>-</u>
	Total Passed Through Texas Department of Agriculture		<u>3,234,375</u>	<u>-</u>	<u>3,234,375</u>	<u>-</u>
	Total US Department of Agriculture		<u>\$ 3,234,375</u>	<u>\$ -</u>	<u>\$ 3,234,375</u>	<u>\$ -</u>
	<b>TOTAL HEAD START</b>		<u>\$ 29,742,619</u>	<u>\$ 6,627,061</u>	<u>\$ 36,369,680</u>	<u>\$ -</u>
<b>COMMUNITY SERVICE AGENCY</b>						
<u>U.S. Department of Health and Human Services</u>						
<u>Passed Through Texas Department of Housing and Community Affairs</u>						
58160002338	Low-Income Home Energy Assistance	93.568	\$ 249,735	-	\$ 249,735	-
58170002587	Low-Income Home Energy Assistance	93.568	4,390,803	-	4,390,803	-
			<u>4,640,538</u>	<u>-</u>	<u>4,640,538</u>	<u>-</u>
61160002388	Community Services Block Grant	93.589	476,198	-	476,198	-
61170002636	Community Services Block Grant	93.589	1,102,320	-	1,102,320	-
61180002516	Community Services Block Grant	93.569	7,197	-	7,197	-
61170002685	Community Services Block Grant	93.569	16,250	-	16,250	-
			<u>1,601,965</u>	<u>-</u>	<u>1,601,965</u>	<u>-</u>
	Total Passed Through Texas Department of Housing and Community Affairs		<u>6,242,503</u>	<u>-</u>	<u>6,242,503</u>	<u>-</u>
	Total U.S. Department of Health and Human Services		<u>\$ 6,242,503</u>	<u>\$ -</u>	<u>\$ 6,242,503</u>	<u>\$ -</u>
<u>U.S. Corporation For National and Community Services</u>						
<u>Direct Programs</u>						
14SRWTX001-03	Retired Senior Volunteer Program	94.002	\$ 47,485	-	\$ 47,485	-
17SRWTX017-01	Retired Senior Volunteer Program	94.002	44,941	-	44,941	-
			<u>92,426</u>	<u>-</u>	<u>92,426</u>	<u>-</u>
	Total U.S. Corporation For National and Community Services Direct Programs		<u>92,426</u>	<u>-</u>	<u>92,426</u>	<u>-</u>

COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2017

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	TOTAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
<b><u>Passed Through Texas Department on Aging and Disability Services</u></b>						
15SRWTX020-02	Retired Senior Volunteer Program	94.002	25,132	-	25,132	-
17SRWTX038-01	Retired Senior Volunteer Program	94.002	1,296	-	1,296	-
			<u>26,428</u>	<u>-</u>	<u>26,428</u>	<u>-</u>
	<b>Total Passed Through Texas Department on Aging and Disability Services</b>		<u>26,428</u>	<u>-</u>	<u>26,428</u>	<u>-</u>
	<b>Total Corporation For National and Community Services</b>		<u>\$ 118,854</u>	<u>\$ -</u>	<u>\$ 118,854</u>	<u>\$ -</u>
<b>TOTAL COMMUNITY SERVICE AGENCY</b>			<u>\$ 6,361,357</u>	<u>\$ -</u>	<u>\$ 6,361,357</u>	<u>\$ -</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u>\$ 78,280,843</u>	<u>\$ 12,286,437</u>	<u>\$ 90,567,280</u>	<u>\$ 1,039,237</u>
<b>STATE AWARDS</b>						
<b>PRIMARY GOVERNMENT</b>						
<b><u>District Courts</u></b>						
N/A	Forfeitures of Contraband (Code of Criminal Procedure Art. 59.06) - District Attorney	N/A	\$ 1,518,744	\$ -	\$ 1,518,744	\$ -
N/A	Forfeitures of Contraband (Code of Criminal Procedure Art. 58.06) - Sheriff	N/A	139,977	-	139,977	-
N/A	Forfeitures of Contraband (Code of Criminal Procedure Art. 59.06) - Constable Pct. 3	N/A	71,034	-	71,034	-
N/A	Forfeitures of Contraband (Code of Criminal Procedure Art. 59.06) - Constable Pct. 4	N/A	34,015	-	34,015	-
N/A	Forfeitures of Contraband (Code of Criminal Procedure Art. 59.06) - HIDTA Task Force	N/A	310,656	-	310,656	-
			<u>2,074,426</u>	<u>-</u>	<u>2,074,426</u>	<u>-</u>
	<b>Total District Courts</b>		<u>\$ 2,074,426</u>	<u>\$ -</u>	<u>\$ 2,074,426</u>	<u>\$ -</u>
<b><u>Texas Office of the Governor, Criminal Justice Division</u></b>						
2017-SF-ST-0015 (2413907)	Hidalgo County DWI Court	N/A	\$ 127,389	\$ -	\$ 127,389	\$ -
2018-SF-ST-0015 (2413908)	Hidalgo County DWI Court	N/A	57,742	-	57,742	-
2017-SF-ST-0015 (2431506)	Hidalgo County Veterans Court	N/A	61,674	-	61,674	-
2018-SF-ST-0015 (2431507)	Hidalgo County Veterans Court	N/A	29,326	-	29,326	-
2017-SF-ST-0015 (2800303)	Hidalgo County Re-Entry Court	N/A	97,504	-	97,504	-
2017-SF-ST-0015 (2881402)	Hidalgo County Misdemeanor DWI Court	N/A	144,360	-	144,360	-
2017-SF-ST-0015 (3046901)	Hidalgo County Mental Health Court	N/A	113,286	-	113,286	-
			<u>631,281</u>	<u>-</u>	<u>631,281</u>	<u>-</u>
	<b>Total Texas Office of the Governor, Criminal Justice Division</b>		<u>\$ 631,281</u>	<u>\$ -</u>	<u>\$ 631,281</u>	<u>\$ -</u>

COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2017

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	TOTAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
<b><u>Texas Office of the Governor, Homeland Security Grants Division</u></b>						
2017-BP-ST-0018 (2537806)	Border Prosecution Unit	N/A	\$ 241,670	\$ -	\$ 241,670	\$ -
2018-BP-ST-0018 (2537807)	Border Prosecution Unit	N/A	128,391	-	128,391	-
2016-BP-ST-0016 (2996101)	Local Border Security Program-Sheriff's Office	N/A	(557)	-	(557)	-
2018-BL-ST-0016 (2997501)	Local Border Security Program-Constable Pct. 1	N/A	(95)	-	(95)	-
2016-BL-ST-0016 (3002101)	Local Border Security Program-Constable Pct. 2	N/A	(96)	-	(96)	-
2016-BL-ST-0016 (2998901)	Local Border Security Program-Constable Pct. 3	N/A	(251)	-	(251)	-
2018-BL-ST-0016 (2998401)	Local Border Security Program-Constable Pct. 4	N/A	(204)	-	(204)	-
2017-BL-ST-0016 (2996102)	Local Border Security Program-Sheriff's Office	N/A	150,196	-	150,196	-
2017-BL-ST-0016 (2997502)	Local Border Security Program-Constable Pct. 1	N/A	21,390	-	21,390	-
2017-BL-ST-0016 (3002102)	Local Border Security Program-Constable Pct. 2	N/A	22,045	-	22,045	-
2017-BL-ST-0016 (2998902)	Local Border Security Program-Constable Pct. 3	N/A	85,466	-	85,466	-
2017-BL-ST-0018 (2998402)	Local Border Security Program-Constable Pct. 4	N/A	74,995	-	74,995	-
2018-BL-ST-0016 (2996103)	Local Border Security Program-Sheriff's Office	N/A	68,189	-	68,189	-
2018-BL-ST-0018 (3002103)	Local Border Security Program-Constable Pct. 2	N/A	16,380	-	16,380	-
2018-BL-ST-0016 (2998903)	Local Border Security Program-Constable Pct. 3	N/A	59,499	-	59,499	-
2018-BL-ST-0016 (2998403)	Local Border Security Program-Constable Pct. 4	N/A	34,269	-	34,269	-
			<u>881,287</u>	<u>-</u>	<u>881,287</u>	<u>-</u>
<b>Total Texas Office of the Governor, Homeland Security Grants Division</b>			<b>\$ 881,287</b>	<b>\$ -</b>	<b>\$ 881,287</b>	<b>\$ -</b>
<b><u>Texas Department of State Health Services</u></b>						
2015-047694-002A	WIC Lactation Support Center Services - Strategic Expansion Program	N/A	\$ 81,066	\$ -	\$ 81,066	\$ -
2017-049851-001	WIC Peer Dad	N/A	22,826	-	22,826	-
2016-001052-00	RLSS/Local Public Health System-PnP	N/A	6,031	-	6,031	-
537-18-0225-00001	RLSS/Local Public Health System-PnP	N/A	18,299	-	18,299	-
2016-001417-01B	Tuberculosis Prevention and Control-State	N/A	454,527	90,434	544,961	-
537-18-00385-00001	Tuberculosis Prevention and Control-State	N/A	165,497	35,649	221,146	-
2016-000022-02	Immunization Branch-Locals	N/A	375,262	-	375,262	-
2016-003894-01	CHS-Title V-Prenatal Services	N/A	107,893	-	107,893	-
2016-003779-01	Infectious Disease Control Unit/Surveillance and Epidemiology Activities	N/A	51,327	-	51,327	-
2016-003832-01	Infectious Disease Control Unit/Surveillance and Epidemiology Ebola Activities	N/A	50,942	-	50,942	-
537-18-0322-0001	Texas Epidemiology Capacity Expansion Grant Program	N/A	26,927	-	26,927	-
			<u>1,380,397</u>	<u>126,083</u>	<u>1,506,480</u>	<u>-</u>
<b>Total Texas Department State Health Services</b>			<b>\$ 1,380,397</b>	<b>\$ 126,083</b>	<b>\$ 1,506,480</b>	<b>\$ -</b>
<b><u>Texas Department of Health and Human Services Commission</u></b>						
2016-003894-02	CHS-Title V-Prenatal Services	N/A	\$ 26,436	\$ -	\$ 26,436	\$ -
			<u>26,436</u>	<u>-</u>	<u>26,436</u>	<u>-</u>
<b>Total Texas Department of Health and Human Services Commission</b>			<b>\$ 26,436</b>	<b>\$ -</b>	<b>\$ 26,436</b>	<b>\$ -</b>

COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2017

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	TOTAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
	<b><u>Texas Juvenile Justice Department</u></b>					
N/A	State Aid Grant - Computerization	N/A	\$ 5,188	\$ -	\$ 5,188	\$ -
TJJD-A-2017-108	State Aid Grant - Basic Probation Supervision and Flexible Funding	N/A	770,914	-	770,914	-
TJJD-A-2018-108	State Aid Grant - Basic Probation Supervision and Flexible Funding	N/A	350,953	-	350,953	-
TJJD-A-2017-108	State Aid Grant - Mental Health Services	N/A	148,801	-	148,801	-
TJJD-A-2018-108	State Aid Grant - Mental Health Services	N/A	148,879	-	148,879	-
TJJD-A-2017-108	State Aid Grant - Community Programs	N/A	219,705	-	219,705	-
TJJD-A-2018-108	State Aid Grant - Community Programs	N/A	54,882	-	54,882	-
TJJD-A-2017-108	State Aid Grant - Pre & Post Adjudication and Flexible Funding	N/A	603,413	-	603,413	-
TJJD-A-2018-108	State Aid Grant - Pre & Post Adjudication and Flexible Funding	N/A	146,500	-	146,500	-
TJJD-A-2017-108	State Aid Grant - Commitment Diversion	N/A	488,244	-	488,244	-
TJJD-A-2018-108	State Aid Grant - Commitment Diversion	N/A	319,266	-	319,266	-
TJJD-M-2017-108	Grant M - Special Needs Diversionary Program	N/A	83,459	-	83,459	-
TJJD-M-2018-108	Grant M - Special Needs Diversionary Program	N/A	32,598	-	32,598	-
TJJD-P-2017-108	Grant P - Juvenile Justice Alternative Education Program (JJAEP)	N/A	51,170	-	51,170	-
TJJD-P-2018-108	Grant P - Juvenile Justice Alternative Education Program (JJAEP)	N/A	79,964	-	79,964	-
TJJD-R-2017-108	Grant R - Regional Diversion Alternatives Program (Reimbursement)	N/A	352,794	-	352,794	-
TJJD-R-2018-108	Grant R - Regional Diversion Alternatives Program (Reimbursement)	N/A	180,673	-	180,673	-
TJJD-R-2018-108	Grant R - RSEP	N/A	23,697	-	23,697	-
TJJD-W-2017-108	Grant W - JJAEP Supplemental	N/A	12,038	-	12,038	-
			4,031,118	-	4,031,118	-
	<b>Total Texas Juvenile Justice Department</b>		<b>\$ 4,031,118</b>	<b>\$ -</b>	<b>\$ 4,031,118</b>	<b>\$ -</b>
	<b><u>Texas Department of Criminal Justice</u></b>					
N/A	Offender Transportation Program	N/A	\$ 90,384	\$ -	\$ 90,384	\$ -
			90,384	-	90,384	-
	<b>Total Texas Department of Criminal Justice</b>		<b>\$ 90,384</b>	<b>\$ -</b>	<b>\$ 90,384</b>	<b>\$ -</b>

COUNTY OF HIDALGO, TEXAS  
 SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
 FOR THE YEAR ENDED DECEMBER 31, 2017

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	TOTAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
<b><u>Texas Comptroller of Public Accounts, State Fiscal</u></b>						
N/A	LEOSE - Law Enforcement Officer Standards and Education - District Attorney	N/A	\$ 2,116	\$ -	\$ 2,116	\$ -
N/A	LEOSE - Law Enforcement Officer Standards and Education - Sheriff	N/A	41,325	-	41,325	-
N/A	LEOSE - Law Enforcement Officer Standards and Education - Constable Pct. 1	N/A	1,850	-	1,850	-
N/A	LEOSE - Law Enforcement Officer Standards and Education - Constable Pct. 3	N/A	2,286	-	2,286	-
N/A	LEOSE - Law Enforcement Officer Standards and Education - Constable Pct. 4	N/A	1,792	-	1,792	-
			<u>49,369</u>	<u>-</u>	<u>49,369</u>	<u>-</u>
	<b>Total Texas Comptroller of Public Accounts, State Fiscal</b>		<b>\$ 49,369</b>	<b>\$ -</b>	<b>\$ 49,369</b>	<b>\$ -</b>
<b><u>Texas Comptroller of Public Accounts, Judiciary Section</u></b>						
70003407098 008	District Attorney State Supplement	N/A	\$ 13,785	\$ -	\$ 13,785	\$ -
70003407098 008	District Attorney State Supplement	N/A	8,277	-	8,277	-
			<u>22,062</u>	<u>-</u>	<u>22,062</u>	<u>-</u>
	<b>Total Texas Comptroller of Public Accounts, Judiciary Section</b>		<b>\$ 22,062</b>	<b>\$ -</b>	<b>\$ 22,062</b>	<b>\$ -</b>
<b><u>Texas Department of Transportation</u></b>						
CTIF-01-109	County Transportation Infrastructure Fund Grant Program	N/A	\$ 495,002	\$ 55,000	\$ 550,002	\$ -
8BCF5001	Border Colonia Access Program Round III	N/A	558,939	-	558,939	-
CSJ-0863-01-057 & 0863-01-047	Highway Planning and Construction - Precinct 1 FM 493 (US281-BUS83)	N/A	-	6,055	6,055	-
CSJ-1586-01-072 & 1586-01-069	Highway Planning and Construction - Precinct 1 FM 907 (Nolana Rd to IH-2)	N/A	-	549	549	-
CSJ-0921-02-312	Highway Planning and Construction - Precinct 2 Dicker Road	N/A	-	354,800	354,800	-
CSJ-0921-02-365	Highway Planning and Construction - Precinct 2 Linear Park	N/A	237,436	-	237,436	-
CSJ-0669-01-052 & 0669-01-043	Highway Planning and Construction - Precinct 3 FM 681	N/A	2,040	-	2,040	-
CSJ-0921-02-323 & 0921-02-326	Highway Planning and Construction - Precinct 3 Mile 2 North	N/A	2,476	-	2,476	-
CSJ-0864-01-068	Highway Planning and Construction - Precinct 3 FM 484 (Shary Rd)	N/A	-	15,708	15,708	-
CSJ-0669-01-059 & 0669-01-049	Highway Planning and Construction - Precinct 3 FM 681 (N. FM2058- S. FM1925)	N/A	-	162	162	-
ROW CSJ-1603-02-033	Highway Planning and Construction - Precinct 4 FM 1925 (Kenyon-FM907)	N/A	175,088	1,947	177,033	-
CONST CSJ-2094-01-038	Highway Planning and Construction - Precinct 4 FM 2220 (Ware Road)	N/A	-	149,645	149,645	-
ROW CSJ-2094-01-044	Highway Planning and Construction - Precinct 4 FM 2220 (Ware Road)	N/A	547,776	9,473	557,249	-
CSJ-1803-01-092	Highway Planning and Construction - Precinct 4 FM 1825 (10th St-McColl Rd)	N/A	-	14,642	14,642	-
			<u>2,018,755</u>	<u>607,981</u>	<u>2,626,736</u>	<u>-</u>
	<b>Total Texas Department of Transportation</b>		<b>\$ 2,018,755</b>	<b>\$ 607,981</b>	<b>\$ 2,626,736</b>	<b>\$ -</b>
<b><u>Texas Indigent Defense Commission</u></b>						
212-17-108	FY17 Formula Grant Program	N/A	\$ 921,666	\$ -	\$ 921,666	\$ -
			<u>921,666</u>	<u>-</u>	<u>921,666</u>	<u>-</u>
	<b>Total Texas Indigent Defense Commission</b>		<b>\$ 921,666</b>	<b>\$ -</b>	<b>\$ 921,666</b>	<b>\$ -</b>

COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2017

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	TOTAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
	<u>Texas Secretary of State</u>					
N/A	Voter Registration (Texas Election Code Sec. 19.002)	N/A	\$ 12,354	\$ -	\$ 12,354	\$ -
N/A	Voter Registration (Texas Election Code Sec. 19.002)	N/A	34,981	-	34,981	-
			<u>47,335</u>	<u>-</u>	<u>47,335</u>	<u>-</u>
	<b>Total Texas Secretary of State</b>		<u>\$ 47,335</u>	<u>\$ -</u>	<u>\$ 47,335</u>	<u>\$ -</u>
	<u>Office of the Attorney General of Texas</u>					
N/A	Crime Victims' Compensation (Texas Administrative Code Sec. 81.801)	N/A	\$ 81,854	\$ -	\$ 81,854	\$ -
1772391	Victim Coordinator and Liaison Grant	N/A	27,993	-	27,993	-
1881002	Victim Coordinator and Liaison Grant	N/A	13,882	-	13,882	-
1770981	Statewide Automated Victim Notification Service (SAVNS)	N/A	20,786	-	20,786	-
			<u>144,515</u>	<u>-</u>	<u>144,515</u>	<u>-</u>
	<b>Total Office of the Attorney General of Texas</b>		<u>\$ 144,515</u>	<u>\$ -</u>	<u>\$ 144,515</u>	<u>\$ -</u>
	<u>Lower Rio Grande Valley Development Council</u>					
17-21-G05	Regional Solid Waste Grants Program	N/A	\$ 6,337	\$ -	\$ 6,337	\$ -
			<u>6,337</u>	<u>-</u>	<u>6,337</u>	<u>-</u>
	<b>Total Lower Rio Grande Valley Development Council</b>		<u>\$ 6,337</u>	<u>\$ -</u>	<u>\$ 6,337</u>	<u>\$ -</u>
<b>TOTAL PRIMARY GOVERNMENT</b>			<u>\$ 12,325,368</u>	<u>\$ 734,064</u>	<u>\$ 13,059,432</u>	<u>\$ -</u>
<b>COMMUNITY SERVICE AGENCY</b>						
	<u>Texas Veterans Commission</u>					
FVA_16B-0333	General Assistance Grant Series 16-B	N/A	\$ 278,113	\$ -	\$ 278,113	\$ -
			<u>278,113</u>	<u>-</u>	<u>278,113</u>	<u>-</u>
	<b>Total Texas Veterans Commission</b>		<u>\$ 278,113</u>	<u>\$ -</u>	<u>\$ 278,113</u>	<u>\$ -</u>
<b>TOTAL COMMUNITY SERVICE AGENCY</b>			<u>\$ 278,113</u>	<u>\$ -</u>	<u>\$ 278,113</u>	<u>\$ -</u>
<b>TOTAL EXPENDITURES OF STATE AWARDS</b>			<u>\$ 12,603,481</u>	<u>\$ 734,064</u>	<u>\$ 13,337,545</u>	<u>\$ -</u>
<b>TOTAL EXPENDITURES OF FEDERAL AND STATE AWARDS</b>			<u>\$ 90,884,324</u>	<u>\$ 13,020,501</u>	<u>\$ 103,904,825</u>	<u>\$ 1,039,237</u>

**COUNTY OF HIDALGO, TEXAS  
NOTES TO SCHEDULE OF EXPENDITURES OF  
FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

**General**

The accompanying Schedule of Expenditures of Federal and State Awards (SEFSA) present the federal and state grant activity for the County of Hidalgo, Texas (the County) for the year ended December 31, 2017. The reporting entity is defined in Note 1 to the County's financial statements. 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) and the *Texas Uniform Grant Management Standards*. Because the SEFSA presents only a selected portion of the operations of the County, it is not intended and does not present the financial position, changes in net assets, or cash flows of the County.

**Basis of Presentation**

The accompanying SEFSA is presented using the modified accrual basis of accounting, which is described in Note 1 of the County's notes to the financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and *Texas Uniform Grant Management Standards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the SEFSA represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The County has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

**Relationship to Federal and State Financial Reports**

Amounts reported in the accompanying schedule may not agree with the amounts reported in the related Federal and State financial reports filed with the grantor agencies because of accruals made in the schedule which will be included in future reports filed with agencies.

**COUNTY OF HIDALGO, TEXAS  
NOTES TO SCHEDULE OF EXPENDITURES OF  
FEDERAL AND STATE AWARDS - CONTINUED  
FOR THE YEAR ENDED DECEMBER 31, 2017**

**Reconciliation of Schedule of Federal and State Awards to Comprehensive Annual Financial Report**

The following is a reconciliation of the SEFSA to the Statement of Revenues, Expenditures, and Changes in Fund Balance within the County of Hidalgo, Texas Comprehensive Annual Financial Report (CAFR):

**Primary Government**

Primary Government Federal Expenditures per SEFSA	\$	25,021,586
Primary Government State Expenditures per SEFSA		12,325,368
		37,346,954
Add: Local Expenditures		4,445,834
		41,792,788
Primary Government Expenditures per CAFR	\$	41,792,788

**Urban County**

Urban County Federal Expenditures per SEFSA	\$	17,155,281
Add: Local Expenditures		1,947,606
		19,102,887
Urban County Expenditures per CAFR	\$	19,102,887

**Head Start Program**

Head Start Federal Expenditures per SEFSA	\$	29,742,619
Add: Local Expenditures		6,627,061
		36,369,680
Head Start Expenditures per CAFR	\$	36,369,680

**Community Service Agency**

Community Service Agency Federal Expenditures per SEFSA	\$	6,361,357
Community Service Agency State Expenditures per SEFSA		278,113
		6,639,470
Community Service Agency Expenditures per CAFR	\$	6,639,470

**COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

<b>Section I - Summary of Auditors' Results</b>	<b>Description</b>
<b>Financial Statements</b>	
Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	Yes
• Significant deficiencies identified not considered to be material weaknesses?	Yes
Noncompliance material to the financial statements?	No
<b>Federal Awards</b>	
Internal control of major programs:	
• Material weakness(es) identified?	Yes
• Significant deficiencies identified not considered to be material weaknesses?	Yes
Type of auditors' report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)?	Yes
Dollar threshold used to distinguish between Type A and Type B programs:	\$2,348,425
Auditee qualified as low-risk auditee?	No
Identification of Major Federal Programs:	
	Head Start Program 93.600
	Low-Income Home Energy Assistance Program 93.568
	Disaster Grants – Public Assistance (Presidentially Declared Disasters) 97.036
	Child and Adult Care Food Program 10.558
	Homeland Security Grant Program 97.067
	Community Services Block Grant 93.569
	High Intensity Drug Trafficking Areas Program 95.001

**COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

<b>Section I - Summary of Auditors' Results</b>	<b>Description</b>
<b>State Awards</b>	
Internal control of major programs: <ul style="list-style-type: none"> <li>• Material weakness(es) identified?</li> <li>• Significant deficiencies identified not considered to be material weaknesses?</li> </ul>	No  Yes
Type of auditors' report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the <i>State of Texas Single Audit Circular</i> ?	Yes
Dollar threshold used to distinguish between Type A and Type B programs:	\$378,104
Auditee qualified as low-risk auditee?	No
Identification of Major State Programs:	<p>Texas Juvenile Justice Department            Basic Probation Supervision and Flexible Funding            Mental Health Services            Community Programs            Pre &amp; Post Adjudication and Flexible Funding            Commitment Diversion            Computerization            Grant M - Special Needs Diversionary Program            Grant P - Juvenile Justice Alternative Education Program (JJAEP)            Grant R - Regional Diversion Alternatives Program            Grant W - JJAEP Supplemental</p> <p>District Courts            Forfeitures of Contraband (Chapter 59)</p> <p>Texas Department of Transportation            Highway Planning and Construction</p> <p>Texas Indigent Defense Commission            FY17 Formula Grant Program</p> <p>Texas Department of State Health Services            Tuberculosis Prevention and Control-State</p> <p>Texas Department of Transportation            County Transportation Infrastructure Fund Grant Program</p> <p>Texas Department of State Health Services            Immunization Branch</p>

**COUNTY OF HIDALGO, TEXAS  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 FOR THE YEAR ENDED DECEMBER 31, 2017**

<b>Section I - Summary of Auditors' Results</b>	<b>Description</b>
<b>State Awards</b>	
Identification of Major State Programs: <i>- Continued</i>	Texas Office of the Governor, Homeland Security Grants Division Border Prosecution Union  Texas Veterans Commission General Assistance Grant Series 16-B

**COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

Section II – Findings and Questioned Costs  Financial Statements	Description
<p><b>2017 – 001 District Clerk Bond Funds</b></p>	<p><b><u>Criteria and Condition:</u></b> The District Clerk does not maintain a listing that designates the current status of court cases for which bond monies have been received and held pending final outcome. Bond funds held pending judgement are held long after court cases have been tried and are not disposed of timely.</p> <p><b><u>Cause and Effect:</u></b> The County does not have a policy to monitor the status of court cases for which bond funds have been received. Amounts not accounted for nor resolved timely are at higher risk for misappropriation.</p> <p><b><u>Repeat Finding from Prior Year(s):</u></b> 2006-001</p> <p><b><u>Recommendation:</u></b> We recommend the District Clerk research the status of all cases for which bond money is held. Forfeited bonds should be transferred to the County Treasurer's Office. Bond funds that should have been released to individuals should be held pending notification of that individual. If no response is received from the individual, the District should send bond funds to the State Comptroller's Office in accordance with State Escheat Laws.</p> <p><b><u>Views of Responsible Officials:</u></b> See Corrective Action Plan.</p>
<p><b>2017 – 002 Internal Audits of Capital Assets</b></p>	<p><b><u>Criteria and Condition:</u></b> The internal audit department should follow up to ensure a corrective action plan is in place to address audit findings noted. In 2016, the internal audit department completed internal audits of capital assets for Precinct 1, 398<sup>th</sup> District Court and 449<sup>th</sup> District Clerk. These audits concluded that the capital asset listings were inaccurate and incomplete. No corrective action was received from the departments and no follow-up audits have been conducted.</p> <p><b><u>Cause and Effect:</u></b> Not following up on the corrective action to address internal audit findings may result in uncorrected internal control weaknesses.</p> <p><b><u>Repeat Finding from Prior Year(s):</u></b> 2012-001</p> <p><b><u>Recommendation:</u></b> We recommend management develop processes and procedures to ensure corrective action is implemented on internal audit findings. Further, we recommend a follow up audit be conducted to ensure internal audit findings are corrected.</p> <p><b><u>Views of Responsible Officials:</u></b> See Corrective Action Plan.</p>

**COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

<p><b>Section II – Findings and Questioned Costs</b></p> <p><b>Financial Statements</b></p>	<p><b>Description</b></p>
<p><b>2017 – 003</b> <b>Repeat Findings</b></p>	<p><b><u>Criteria and Condition:</u></b> Certain observations previously reported in prior years have not been addressed and resolved by management.</p> <p><b><u>Cause and Effect:</u></b> Management has not monitored for resolution of all repeat comments thus causing opportunities for improvements in operations and internal controls to not be implemented timely.</p> <p><b><u>Repeat Finding from Prior Year(s):</u></b> 2007-001</p> <p><b><u>Recommendation:</u></b> To ensure the integrity of the internal control structure as well as to increase the effectiveness and efficiency of the operations of the County, we recommend reportable conditions and other comments and observations be addressed by management timely.</p> <p><b><u>Views of Responsible Officials:</u></b> See Corrective Action Plan.</p>
<p><b>2017 – 004</b> <b>Adherence to Biometric Electronic Clock Policy</b></p>	<p><b><u>Criteria and Condition:</u></b> County policy requires all employees, regardless of exempt or non-exempt status, to clock in and out. It was noted not all exempt employees are clocking in and out.</p> <p><b><u>Cause and Effect:</u></b> Exempt employees are not clocking in and out as required by policy; therefore, may be paid for time not worked.</p> <p><b><u>Repeat Finding from Prior Year(s):</u></b> 2013-001</p> <p><b><u>Recommendation:</u></b> We recommend the Biometric Electronic Clock policy be enforced to require all employees to clock-in and out.</p> <p><b><u>Views of Responsible Officials:</u></b> See Corrective Action Plan.</p>

**COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

<p><b>Section II – Findings and Questioned Costs</b></p> <p><b>Financial Statements</b></p>	<p><b>Description</b></p>
<p><b>2017 – 005</b> <b>Time and Attendance Application</b> <b>Information Technology</b></p>	<p><b><u>Criteria and Condition:</u></b> The County internally developed the Time and Attendance Application to be used by all County departments for tracking time and attendance. The application imports time and attendance details and generates exceptions to the 80-hour bi-weekly attendance requirement and sends those exceptions to update leave balances in the Alio HR application. We noted the County does not have a formal change control process to ensure any changes to the application code are supported by documented testing and approval.</p> <p><b><u>Cause and Effect:</u></b> A formal change control process or policy is not currently in place. The lack of a standardized change control process or policy may result in unapproved changes to source code.</p> <p><b><u>Repeat Finding from Prior Year(s):</u></b> No</p> <p><b><u>Recommendation:</u></b> We recommend the County implement a change control process that includes documented approval for changes, code review sign-offs, testing documentation and documentation of production results.</p> <p><b><u>Views of Responsible Officials:</u></b> See Corrective Action Plan.</p>

**COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

<b>Section II – Findings and Questioned Costs</b>	
<b>Financial Statements &amp; Federal Awards</b>	<b>Description</b>
<p><b>2017 – 006</b>  <b>Payroll</b>  <b>Community Service Agency</b>            CFDA #93.568 – Low Income Home Energy Assistance            CFDA #93.569 – Community Services Block Grant</p>	<p><b>Criteria and Condition:</b> In general, CSA's salaries and related costs are charged to grant and other programs based on approved timesheets; these costs are considered direct, as they can be specifically identified with a particular final cost objective or can be directly assigned. During our audit, six pay periods were selected for testing of key controls and allowable costs. The following exceptions were noted: (1) one instance where an employee's timesheet was not provided, (2) eighteen instances where hours allocated from CSBG to CEAP did not agree between approved timesheet and payroll allocation, (3) five instances of incorrect pay rate used to allocated payrolls from CSBG to CEAP, (4) two instances where the approved timesheet hours were not appropriately converted to hours allocated from CSBG to CEAP, (5) one instance where accrued leave paid to a terminated employee was charged exclusively to CSBG, (6) one instance where an employee's pay-period timesheet did not total to 80 hours, (7) two instances where approved timesheet hours did not agree with CSA's payroll percentages within Abila (CSA's payroll software), and (8) one instance where the format of a timesheet was different than other employee timesheets.</p> <p><b>Cause and Effect:</b> The Agency's controls are not effectively designed to ensure time and related allowable costs are appropriately allocated to respective grant programs based upon approved employee timesheets. Additionally, payroll costs are recorded in full within CSBG and allocated by journal entries to other programs.</p> <p><b>Questioned Costs:</b> Unknown</p> <p><b>Repeat Findings from Prior Year(s):</b> 2016-008, 2015-004, 2014-002</p> <p><b>Recommendation:</b> We recommend the Agency review and enhance internal control procedures surrounding payroll to ensure time and costs recorded for respective grant programs is appropriate.</p> <p><b>Views of Responsible Officials:</b> See Corrective Action Plan.</p>

**COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

Section III – Findings and Questioned Costs	
Federal Awards	Description
<p><b>2017 – 007</b>  <b>Eligibility -</b>  <b>Community Service Agency</b>            CFDA #93.569 – Community Service Block Grant</p>	<p><b><u>Criteria and Condition:</u></b> Per 10 TAC 5.201(i), for CSBG eligibility, subrecipients must complete and maintain an intake form that documents income, assesses client needs and captures the demographic and household characteristic data. To qualify for CSBG benefits, an applicant's household income must be at or below 125% of the Federal Poverty Level. We selected a sample of 76 eligibility determinations and noted 2 instances where the applicants' household income exceeded 125% of the Federal Poverty Level.</p> <p><b><u>Cause and Effect:</u></b> The Agency did not follow appropriate intake procedures and eligibility under Federal Poverty Guidelines.</p> <p><b><u>Questioned Cost:</u></b> \$0</p> <p><b><u>Prior Year Audit Finding(s):</u></b> 2016-011</p> <p><b><u>Recommendation:</u></b> We recommend the Agency strengthen its processes and procedures with regard to client intake and income-based eligibility for benefits.</p> <p><b><u>Views of Responsible Officials:</u></b> See Corrective Action Plan.</p>

**COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

Section III – Findings and Questioned Costs	
Federal Awards	Description
<p><b>2017 – 008</b>  <b>Reporting -</b>  <b>Community Service Agency</b>            CFDA #93.568 – Low Income Home Energy Assistance            CFDA #93.569 – Community Services Block Grant</p>	<p><b>Criteria and Condition:</b> CSBG and CEAP require monthly expenditure and performance reports to be submitted by the 15<sup>th</sup> day after month end and a final report to be submitted by the 45<sup>th</sup> day after contract term ended. CSBG and CEAP also require an equipment inventory report to be submitted by the 45<sup>th</sup> day after contract term end.</p> <p>For CSBG we noted 3 of 30 monthly expenditure reports, 1 of 3 final expenditure reports, 2 of 17 monthly performance reports and 2 of 3 equipment inventory reports were not submitted timely to the grantor agency. The 3<sup>rd</sup> equipment inventory report was not submitted.</p> <p>For CEAP we noted 2 of 15 monthly expenditure reports and 3 of 15 monthly performance reports were not submitted timely to the grantor agency.</p> <p><b>Cause and Effect:</b> The Agency's controls are not effectively designed to ensure all reports required by the granting agency are appropriately completed and/or submitted timely within the provisions of the grant agreement.</p> <p><b>Questioned Cost:</b> \$0</p> <p><b>Repeat Finding from Prior Year(s):</b> 2016-012, 2015-008, 2014-006</p> <p><b>Recommendation:</b> We recommend the Agency implement controls to ensure all required reports are completed and submitted timely within the provisions of the grant agreements.</p> <p><b>Views of Responsible Officials:</b> See Corrective Action Plan.</p>

**COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

Section III – Findings and Questioned Costs	
Federal Awards	Description
<p><b>2017 – 009</b>  <b>Reporting -</b>            Disaster Grants – Public Assistance            (Presidentially Declared)            CFDA #97.036</p>	<p><b>Criteria and Condition:</b> As per guidance outlined on the 2017 Compliance Supplement issued by Office of Management and Budget (OMB), non-Federal entities must record expenditures on the Schedule of Expenditures of Federal and State Awards (SEFSA) when: (1) FEMA has approved the non-federal entity's PW, and (2) the non-federal entity has incurred the eligible expenditures. FEMA project number PA-06-TX-4223-PW-01937 was approved and eligible expenditures were incurred during the year ended December 31, 2016. We noted the 2016 (prior year) SEFSA did not report \$101,442 of federal expenditures that should have been reported.</p> <p><b>Cause and Effect:</b> Management erroneously excluded these expenditures in the 2016 SEFSA. The SEFSA is a critical reporting requirement used by federal agencies to evaluate federal award expenditures. Erroneous SEFSA reporting is a form of non-compliance.</p> <p><b>Questioned Cost:</b> \$0</p> <p><b>Repeat Finding from Prior Year(s):</b> No</p> <p><b>Recommendation:</b> We recommend management develop processes and procedures to prevent or detect during the SEFSA preparation process.</p> <p><b>Views of Responsible Officials:</b> See Corrective Action Plan.</p>

**COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

Section III – Findings and Questioned Costs	
Federal Awards	Description
<p><b>2017 – 010</b>  <b>Reporting -</b>            Disaster Grants – Public Assistance            (Presidentially Declared)            CFDA #97.036</p>	<p><b><u>Criteria and Condition:</u></b> As per the Grant Terms and Conditions, all projects shall be completed within the performance period AND all reimbursement requests shall be submitted to Department of Public Safety (DPS)/Texas Division of Emergency Management (TDEM) within 60 days of the end of the period of performance. DPS/TDEM shall not be obligated to reimburse expenses incurred after the performance period or submitted after the deadline. With the exception of PW1362, the 60 days after the period of performance has passed and no reimbursement requests have been submitted for the Category C projects (Permanent Work – Roads and Bridges).</p> <p><b><u>Cause and Effect:</u></b> Extensions to the 60 day deadline to submit all reimbursement requests were not obtained. Failure to submit reimbursement requests before 60 days after the end of the period of performance and not requesting an extension may result in costs not being reimbursed by the grant.</p> <p><b><u>Questioned Cost:</u></b> Unknown</p> <p><b><u>Repeat Finding from Prior Year(s):</u></b> No</p> <p><b><u>Recommendation:</u></b> We recommend management submit reimbursement requests within the deadline outlined in the Grant Terms and Conditions. If reimbursement requests cannot be submitted timely, we recommend the County request an extension to ensure all eligible costs are reimbursed by the grant.</p> <p><b><u>Views of Responsible Officials:</u></b> See Corrective Action Plan.</p>

**COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

Section III – Findings and Questioned Costs	
State Awards	Description
<p><b>2017 – 011</b> <b>Reporting -</b> Highway Planning and Construction Program</p>	<p><b><u>Criteria and Condition:</u></b> Requests for reimbursement (Form 132 - Billing Statement) should be submitted to TxDOT timely for reimbursement. The local government is allowed to submit reimbursement requests no more frequently than once per month. However, the TxDOT Local Government Project Management Guide states local governments are strongly encouraged to submit invoices and back up materials on a monthly basis when work is performed. For months where no reimbursement request is required, the local government should submit a status stating the reason. We reviewed a detailed listing of requests for reimbursement submitted during the year ended December 31, 2017 and noted requests for reimbursements are not being submitted monthly and/or timely. A request for reimbursement was submitted in September 2017 for the Mile 2 West Project (CSJ: 0921-02-170) which included expenditures incurred dating as far back as 2007. For the FM2220 (Mile 5 - FM19) project (CSJ: 2094-01-038 &amp; 2094-01-044), we noted no consistency in the submission of requests for reimbursement during the year. For example, a request for reimbursement submitted on March 16, 2017 included expenditures from October 2016 to December 2016. However, a request for reimbursement submitted after on May 26, 2017 included expenditures from July 2016 to March 2017.</p> <p><b><u>Cause and Effect:</u></b> Not submitting reimbursement requests timely may result in delayed reimbursements from TxDOT and potentially disallowed costs.</p> <p><b><u>Questioned Cost:</u></b> \$0</p> <p><b><u>Repeat Finding from Prior Year(s):</u></b> 2016-010</p> <p><b><u>Recommendation:</u></b> We recommend management review the TxDOT Local Government Project Management Guide and implement procedures to ensure timely submission of reimbursement requests for all Highway Planning and Construction program projects.</p> <p><b><u>Views of Responsible Officials:</u></b> See Corrective Action Plan.</p>

**COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

<p><b>Section III – Findings and Questioned Costs</b></p> <p><b>State Awards</b></p>	<p><b>Description</b></p>
<p><b>2017 – 012 Reporting – Community Service Agency Veterans General Assistance Grant</b></p>	<p><b>Criteria and Condition:</b> The General Assistance Veterans Grant requires Monthly Expenditure Reports 15 days after month-end along with Quarterly Performance &amp; Narrative Reports 15 days after quarter-end and a Final Closeout Report due within 60 days after contract end. During our review, we noted the following: (1) for all reports submitted between 1/1/17 and 6/30/17, the Agency could not provide supporting documentation to substantiate the balances, figures or date(s) of submission, (2) the August 2017 Monthly Expenditure report was submitted late and did not reflect management approval, and (3) the June 2017 Quarterly Performance &amp; Narrative Report was not submitted.</p> <p><b>Cause and Effect:</b> The Agency's controls are not effectively designed to ensure all reports required by the granting agency are appropriately substantiated by supporting documentation, or completed and/or submitted timely within the provisions of the grant agreement.</p> <p><b>Questioned Cost:</b> \$0</p> <p><b>Repeat Finding from Prior Year(s):</b> No</p> <p><b>Recommendation:</b> We recommend the Agency implement controls to ensure all required reports are substantiated by supporting documentation, and completed and submitted timely within the provisions of the grant agreements.</p> <p><b>Views of Responsible Officials:</b> See Corrective Action Plan.</p>
<p><b>Section IV – Contact Persons Regarding Findings and Questioned Costs</b></p>	<p><b>Description</b></p>
<p><b>Primary Government</b></p>	<p>Maria Arcilia Duran, CPA, County Auditor Hidalgo County Auditor's Office 2808 S. Business Hwy 281 Edinburg, Texas 78539 (956) 383-2511 (956) 383-2577(fax)</p>

# COUNTY of HIDALGO



EDINBURG, TEXAS 78539

**COUNTY OF HIDALGO, TEXAS  
CORRECTIVE ACTION PLAN  
FOR THE YEAR ENDED DECEMBER 31, 2017**

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## **Findings Related to the Financial Statements**

### **2017-001 Hidalgo County – District Clerk Bond Funds**

**Recommendation** – We recommend the District Clerk research the status of all cases for which bond money is held. Forfeited bonds should be transferred to the County Treasurer’s Office. Bond funds that should have been released to individuals should be held pending notification of that individual. If no response is received from the individual, the District Clerk should send bond funds to the State Comptroller’s Office in accordance with State Escheat Laws.

**Corrective Action Plan** – Previous administrations in the District Clerk’s Office did not maintain a list of bond monies received. The District Clerk’s Office has been researching, sending out notices, and contacting attorneys in order to disburse bond monies to the rightful owners. The District Clerk’s Office has disbursed over a million dollars of idle money left in the registry. The District Clerk’s Office has also disbursed unclaimed funds to the State Comptroller and the County Treasurer, in accordance with the unclaimed property schedule. The District Clerk’s Office is also working with the District Attorney’s Office to create orders of transfer for NISI bonds to be disbursed to the County Treasurer. The majority of idle bonds left in the registry are appellate bonds that are so old, that current disbursement laws do not apply. Per legal counsel, the 13th Court of Appeals has been contacted in an effort to determine rightful ownership, but this is still a work in progress.

**Proposed Completion Date** – Due to the extenuating circumstances it is impossible to give a proposed completion date.

**Contact Person** – Sabrina S. Guerra, Senior Accountant, District Clerk’s Office

### **2017-002 Hidalgo County – Internal Audits of Capital Assets**

**Recommendation** – We recommend management develop processes and procedures to ensure a corrective action plan is implemented on internal audit findings. Further, we recommend a follow up audit be conducted to ensure internal audit findings are corrected.

**Corrective Action Plan** – The County Auditor’s Office requests management responses for all audits; however, most of the time, responses are not received. The Purchasing Department is responsible for maintaining an accurate inventory listing of County assets; therefore, copies of the fixed asset audit reports are sent to the Purchasing Department. In addition, the County Executive Officer has been assigned by Commissioners Court to follow-up on audit findings. The County Auditor’s Office will continue to request management responses and will begin to request corrective action plans. If the departments do not respond to the requests, Internal Audit staff will follow-up with the departments by sending emails requesting the management responses and corrective action plans.

**Proposed Completion Date:** September 1, 2018

**Contact Person:** Leticia Chavez, Director of Audit Division, County Auditor’s Office

**COUNTY OF HIDALGO, TEXAS  
CORRECTIVE ACTION PLAN  
YEAR ENDED DECEMBER 31, 2017**

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**2017-003 Hidalgo County – Repeat Findings**

**Recommendation** – To ensure the integrity of the internal control structure as well as to increase the effectiveness and efficiency of the operations of the County, we recommend that reportable conditions and other comments and observations be addressed by management timely.

**Corrective Action Plan** – The Department of Budget and Management in coordination with the Executive Office are and continue to assist departments in resolving prior year findings in a timely manner.

**Proposed Completion Date** – Ongoing

**Contact Person** – Sergio Cruz, Budget Officer, Department of Budget & Management  
Valde Guerra, Executive Officer, Executive Office

**2017-004 Hidalgo County – Adherence to Biometric Electronic Clock Policy**

**Recommendation** – We recommend the Biometric Electronic Clock policy be enforced to require all employees to clock-in and out.

**Corrective Action Plan** – The Hidalgo County Biometric Electronic Clock Policy requires all employees, including FLSA exempt employees, to clock in and out when they report to work and when they leave work, respectively. The biometric system is in the process of being updated to allow additional modifications, so that employees have to clock both in and out, or submit modifications, as necessary, to complete the process that is necessary to document the county timekeeping records for employees. Hidalgo County policy also allows for elected offices to use the biometric time clock method of employee time keeping, as appropriate, as it is one of the approved timekeeping methods that elected officials may utilize.

**Proposed Completion Date** – October 1, 2018

**Contact Person:** Raul Silguero, Director, Department of Human Resources

**2017-005 Hidalgo County - Time and Attendance Application-Information Technology**

**Recommendation** – We recommend the County implement a change control process that includes documentation of approval for changes, code review sign-offs, testing documentation and documentation of production results.

**Corrective Action Plan** – County IT has recently implemented a Change Management Form, that will be required to be approved by management before changes are applied to the application. County IT will document testing and production results of changes. Another County App Developer will review the code on a periodic basis and the County will contract a third-party company to review the code periodically.

**Proposed Completion Date** – February 28, 2019

**Contact Person:** Renan Ramirez, IT Senior Manager II, Information Technology Department

**Findings Related to Financial Statements & Federal Awards**

**2017-006 Community Service Agency – Payroll**

**Recommendation** – We recommend the Agency review and enhance internal control procedures surrounding payroll to ensure time and costs recorded for respective grant programs is appropriate.

**Corrective Action Plan** – The process for reviewing timesheets has been revised. Timesheets will be reviewed by the Fiscal Clerk and the Payroll Specialist to strengthen the checks and balances process. Mentioned staff will make sure timesheets are timely submitted and all information on the timesheets is correct, as well as verifying that all required signatures are in place. Payroll allocations are no longer done manually. The Payroll Specialist is working with another agency on best

**COUNTY OF HIDALGO, TEXAS  
CORRECTIVE ACTION PLAN  
YEAR ENDED DECEMBER 31, 2017**

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practices. The General Accountant Supervisor provides continuous training and guidance to the Payroll Specialist to ensure control procedures are being followed.

**Proposed Completion Date – December 31, 2018**

**Contact Person – Cecilia Carrillo, General Accounting Supervisor, Community Services Agency**

**Findings Related to Federal Awards**

**2017-007 Community Service Agency – Eligibility**

**Recommendation – We recommend the Agency strengthen its processes and procedures with regard to client intake and income-based eligibility for benefits.**

**Corrective Action Plan – Thorough training is provided to new eligibility workers with regards to policies and program requirements. CSA provides continuous trainings for all eligibility workers throughout the year to ensure eligibility compliance requirements are achieved.**

**Proposed Completion Date – December 31, 2018**

**Contact Person – Maria Gallegos, CCFS Supervisor, Community Service Agency**

**2017-008 Community Service Agency – Reporting**

**Recommendation – We recommend the Agency implement controls to ensure all required reports are completed and submitted timely within the provisions of the grant agreements.**

**Corrective Action Plan – The General Accountant Supervisor with the assistance of the Accounts Payable Analyst makes sure that reports are submitted timely. The General Accountant Supervisor records monthly and quarterly deadlines in a calendar to ensure reports are submitted on time. The Accounting Specialist keeps a log of when reports are due and when reports were submitted.**

**Proposed Completion Date – December 31, 2018**

**Contact Person – Cecilia Carrillo, General Accounting Supervisor, Community Service Agency**

**2017-009 Hidalgo County – Reporting-Disaster Grants-Public Assistance**

**Recommendation – We recommend management develop processes and procedures to prevent or detect during the SEFSA preparation process.**

**Corrective Action Plan – The County Auditor’s Office will record a receivable from FEMA when the PW is awarded by the federal government and accepted by Commissioners Court and include the approved PW expenditures on the SEFSA in the year of approval.**

**Proposed Completion Date – September 1, 2018**

**Contact Person – Marceia Luna, Director of Accounting Division, County Auditor’s Office**

**2017-010 Hidalgo County – Reporting-Disaster Grants-Public Assistance**

**Recommendation – We recommend management submit reimbursement requests within the deadline in the Grant Terms and Conditions. If reimbursement requests cannot be submitted timely, we recommend the County request an extension to ensure all eligible costs are reimbursed by the grant.**

**COUNTY OF HIDALGO, TEXAS  
CORRECTIVE ACTION PLAN  
YEAR ENDED DECEMBER 31, 2017**

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**Corrective Action Plan** – The Department of Budget & Management will develop procedures to ensure the timely submittal of reimbursement requests and timely submittal of requests for extensions.

**Proposed Completion Date** – October 31, 2018

**Contact Person** – Sergio Cruz, Budget Officer, Department of Budget and Management

**Findings Related to State Awards**

**2017-011 Hidalgo County – Reporting-Highway Planning and Construction Program**

**Recommendation** – We recommend management review the TxDOT Local Government Project Management Guide and implement procedures to ensure timely submission of reimbursement requests for all Highway Planning and Construction program projects.

**Corrective Action Plan** – Reimbursement requests for all but one TxDOT project have been centralized within the Department of Budget & Management (DBM). DBM has developed internal reviews to ensure timely submittal of reimbursement requests to TxDOT.

**Proposed Completion Date** – Completed

**Contact Person** – Sergio Cruz, Budget Officer, Department of Budget & Management

**2017-012 Community Service Agency – Reporting-Veterans General Assistance Grant**

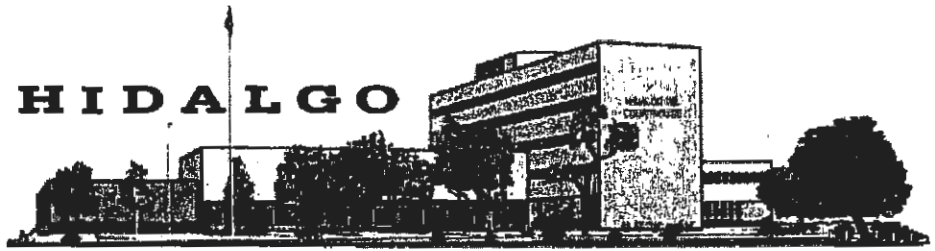
**Recommendation** – We recommend the Agency implement controls to ensure all required reports are substantiated by supporting documentation and completed and submitted timely within the provisions of the grant agreements.

**Corrective Action Plan** – The General Accounting Supervisor, with the assistance of the Accounts Payable Analyst, make sure that reports are submitted timely. The General Accounting Supervisor records monthly and quarterly deadlines in a calendar to ensure reports are submitted on time. The Accounting Specialist keeps a log of when reports are due and when reports were submitted. The 2017 Bravo Zulu grant ended on September 30, 2017. The 2018 Bravo Zulu grant started on July 1, 2018 and controls are in place to ensure reports are timely submitted. All reports have supporting documentation as well as the ledger from the system. The Accounts Payable Analyst, Accounting Specialist, and General Accounting Supervisor are responsible for verifying management approval by initialing the top right hand of the report. The Agency expects to transition to an electronic reporting protocol in October 2018 as per Texas Veterans Commission.

**Proposed Completion Date** – December 31, 2018

**Contact Person** – Cecilia Carrillo, General Accounting Supervisor, Community Service Agency

# COUNTY of HIDALGO



EDINBURG, TEXAS 78539

## COUNTY OF HIDALGO, TEXAS STATUS OF PRIOR YEAR SINGLE AUDIT FINDINGS FOR THE YEAR ENDED DECEMBER 31, 2017

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### Findings Related to the Financial Statements

#### **2016-001 Hidalgo County – Infrastructure Capital Assets**

**Recommendation** – We recommend the County resolve the difference between the two reports as it could affect the amount of recorded fixed assets and depreciation.

**Status** – Completed. During 2017, one staff member was assigned the task and dedicated two months to reconcile the amount on the general ledgers against the report that the contracted engineering firm provided to the County. As of December 2017, the amount reported on the County's infrastructure depreciation report ties to the amount reported on the contracted engineer's report.

#### **2016-002 Hidalgo County – District Clerk Bond Funds**

**Recommendation** - We recommend the District Clerk research the status of all cases for which bond money is held. Forfeited bonds should be transferred to the County Treasurer's Office. Bond funds that should have been released to individuals should be held pending notification of that individual. If no response is received from the individual, the District Clerk should send bond funds to the State Comptroller's Office in accordance with State Escheat Laws.

**Status** – See current year finding 2017-001.

#### **2016-003 Hidalgo County – Internal Audits of Capital Assets**

**Recommendation** – We recommend the Internal Audit Department follow up to ensure a corrective action plan is obtained from the departments audited. Further, we recommend a follow up audit be conducted to ensure internal audit findings are corrected.

**Status** – See current year finding 2017-002.

#### **2016-004 Hidalgo County - Repeat Findings**

**Recommendation** – To ensure the integrity of the internal control structure as well as to increase the effectiveness and efficiency of the operations of the County, we recommend that reportable conditions and other comments and observations be addressed by management timely.

**Status** – See current year finding 2017-003.

#### **2016-005 Hidalgo County - Adherence to Biometric Electronic Clock Policy**

**Recommendation** – We recommend the Biometric Electronic Clock policy be enforced to require all employees to clock-in and out.

**Status** – See current year finding 2017-004.

**COUNTY OF HIDALGO, TEXAS  
STATUS OF PRIOR YEAR SINGLE AUDIT FINDINGS  
YEAR ENDED DECEMBER 31, 2016**

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**2016-006 Community Service Agency – Segregation of Duties**

**Recommendation** – We recommend CSA implement proper segregation of duties as it relates to posting transactions to the general ledger and processing payments.

**Status** – Checks are processed in the Fiscal Department and submitted to administrative personnel for signature stamps. Administrative personnel assigned by the Executive Director are solely responsible for stamping checks. In the absence of the administrative personnel, the Operations Manager is authorized to stamp the checks. The administrative personnel must provide a copy of the stamped checks to the Fiscal Department to file. Check registers are signed by the Fiscal Department employee that processed checks, the Fiscal Department clerk, and the General Accounting Specialist and are filed in a binder. The Fiscal Department employee that processed checks is responsible for writing the name of the administrative personnel responsible for stamping the unsigned checks.

**2016-007 Community Service Agency – Journal Entries**

**Recommendation** – We recommend the Agency update, strengthen and adhere to its fiscal policies and procedures.

**Status** – CSA has implemented processes pertaining to the opening and closing of fiscal years and grant contracts to ensure balances and fiscal years (where applicable) are correct. CSA continues to improve and revise policies and procedures to ensure that consistency and strong internal controls are in place. The 2016 CSA ending balances were reconciled to the 2016 CAFR to ensure balances tied. 2016 journal entries were revised, posted, and removed, if necessary, to tie Abila financials to the CAFR. The 2017 beginning balances were revised and adjusted to ensure balances reflected the 2016 CAFR balances. In addition, Fiscal employees are being trained to properly and timely record account receivables, revenues, interest earned, and expenditures, as well as attaching supporting documentation. The Head Start Program collaborated with CSA in regards to best practices and processes. In addition, an Abila consultant provided training on how to utilize the system effectively. CSA authorized staff to attend a continuous education conference regarding OMB and financial accountability.

**2016-008 Community Service Agency – Payroll**

**Recommendation** – We recommend the Agency review and enhance internal control procedures surrounding payroll to ensure time and costs recorded for respective grant programs is appropriate.

**Status** – See current year finding 2017-006.

**Findings Related to Federal Awards**

**2016-009 Hidalgo County – Highway Planning and Construction-Suspension and Debarment**

**Recommendation** – We recommend the County's procedures be followed to ensure compliance with the suspension and debarment compliance requirements.

**Status** – The Purchasing Department has amended the Purchasing Policies and Procedures to ensure compliance with 2 CFR 200 and other state and federal guidelines. The Purchasing Department is in the process of updating internal processes to create uniformity, be as transparent as possible, and ensure compliance.

**2016-010 Hidalgo County – Reporting-Highway Planning and Construction Program**

**Recommendation** – We recommend management review the TxDOT Local Government Project Management Guide and implement procedures to ensure timely submission of reimbursement requests.

**COUNTY OF HIDALGO, TEXAS  
STATUS OF PRIOR YEAR SINGLE AUDIT FINDINGS  
YEAR ENDED DECEMBER 31, 2016**

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**Status – See current year finding 2017-011.**

**2016-011 Community Service Agency – Eligibility**

**Recommendation – We recommend the Agency strengthen its processes and procedures with regard to client intake and income-based eligibility for benefits.**

**Status – See current year finding 2017-007**

**2016-012 Community Service Agency – Reporting**

**Recommendation – We recommend the Agency implement controls to ensure all required reports are completed and submitted timely within the provisions of the grant agreements.**

**Status – See current year finding 2017-008.**

**Findings Related to State Awards**

**2016-013 Hidalgo County – District Attorney’s Office Border Prosecution Unit**

**Recommendation – We recommend the semi-annual certification requirement outlined in the Uniform Grant Management Standards be reviewed by management and controls be implemented to ensure semi-annual certifications are prepared timely in accordance with the requirement.**

**Status – On July 12, 2017, the Criminal District Attorney’s Office Administration Division, Grants Section established procedures to ensure the timely submission of Certifications of Time Worked. These procedures include scheduled notifications on the internal shared calendar and scheduled recurring e-mail reminders. Also, a wall calendar was set up in the Grants Section with due dates that can be seen on a daily basis. This has enabled us to submit the required documentation in a timely manner. To further this effort, a checklist will be implemented, which will require the Administration Division Supervisor to sign the checklist in line with quarterly and/or semi- annual certification requirements.**

**2016-014 Hidalgo County – Juvenile Probation**

**Recommendation – We recommend the semi-annual certification requirement outlined in the Uniform Grant Management Standards be reviewed by management and controls be implemented to ensure semi-annual certifications are prepared timely in accordance with the requirement.**

**Status – As of August 9, 2017, the procedure has been implemented and continues to be followed.**