



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

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January 28, 2019

512-475-4608
earnest.bunt@tdhca.state.tx.us

Mr. Jaime Longoria
Executive Director
Hidalgo County, Texas-County of Hidalgo Community Service Agency
2524 N Closner Blvd
Edinburg, TX 785416502
jaime.longoria@co.hidalgo.tx.us

RE: MANAGEMENT DECISION FOR SINGLE AUDIT REPORT
FISCAL YEAR END 12/31/2017 **REIMBURSEMENT REQUIRED**

Dear Mr. Longoria:

The Texas Department of Housing and Community Affairs (the "Department") has completed the review of the response pertaining to your Single Audit and determined all findings are sustained. The Department has received the County's response and determined that all findings are sustained except Finding 2017-007.

However, due to the lack of support documentation for finding 2017-006 the Department requires reimbursement by February 5, 2019 for the wages paid to employee for which no timesheet could be located, noted in exception 1. Due to the ongoing issue noted in Finding 2017-006, the Department is requiring that Hidalgo CSA schedule a Training and Technical Assistance (T&TA) visit in order to receive training on how to properly allocate and document support for salaries and wages. Please contact Karen Keith at Karen.keith@tdhca.state.tx.us or (512)475-0471 to schedule the T&TA review.

After careful review of the two CSBG files noted in Finding 2017-007, the Department found that Hidalgo County did not violate any program rules. To qualify for CSBG benefits, an applicant's household income must be at or below 125% of the Federal Poverty Level. Out of the two files noted, one household's income was calculated incorrectly – the Social Security payments made to a parent on behalf of a minor is not considered included income. The addition of this income in the calculation is what erroneously noted this file as ineligible under CSBG guidelines. In addition, completing the intake process in order to determine the applicant's eligibility status is an allowable activity, even when the applicant's household is determined to be income ineligible. The household income of these two files was under 150% of the Federal Poverty Level which makes them eligible for the CEAP services each household received; therefore, the Department does not sustain this finding.




Hidalgo County is currently undergoing Previous Participation review for a possible award of PY2019 CSBG Discretionary Funds. The findings noted in the Single Audit and Plan of Corrective Action will be taken into consideration and reported to the Department's Executive Award Review Advisory Committee ("EARAC"). In accordance with 10 TAC §1.403(i) if there is anything else you would like EARAC to take into consideration please submit your written comments to the Department within five business days from the date of this letter.

If the Hidalgo County disagrees with the auditor's finding(s), and the issue is related to the administration of one of the Department's programs, an appeal process is available to provide an opportunity to explain the disagreement. Please refer to 10 TAC §1.403 (j) for the process to follow.

If you have any questions or need additional information, please contact me. I can be reached at (512) 475-4608 or by email at earnest.hunt@tdhca.state.tx.us.

Sincerely,

A handwritten signature in black ink that reads "EARNEST L. HUNT". The letters are bold and slightly slanted, with a cursive-like flow.

Earnest Hunt
Director of Compliance Subrecipient Monitoring

rlf

cc:
Michael De Young, Director of Community Affairs
Karen Keith, Program Administrator