

COUNTY OF HIDALGO, TEXAS

**INDEPENDENT AUDITORS'
REPORT**

SINGLE AUDIT

December 31, 2013



Burton McCumber & Cortez, L.L.P.
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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, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated June 30, 2014.

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.

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. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section 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 were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material

weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies. [2013-001, 2013-002, 2013-003].

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 June 30, 2014.

The County's Response to Findings

The County's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was 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.

Brenton McLaughlin & Co., LLP

McAllen, Texas
June 30, 2014



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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
OMB CIRCULAR A-133**

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

Report on Compliance for Each Major Federal Program

We have audited the County of Hidalgo, Texas' (the County) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2013. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal 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; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about 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 program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal 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 programs for the year ended December 31, 2013.

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 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 program and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 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 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 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate each major fund, and the aggregate remaining fund information of the County, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated June 30, 2014, 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 awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information 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 awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Buster McCall & Co., LLP

McAllen, Texas
June 30, 2014



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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133 AND THE STATE OF TEXAS UNIFORM GRANT MANAGEMENT STANDARDS CHAPTER IV TEXAS STATE SINGLE AUDIT CIRCULAR

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

Report on Compliance For Each Major State Program

We have audited the County of Hidalgo, Texas' (the County) compliance with the types of compliance requirements described in *OMB Circular A-133 Compliance Supplement* and the State of Texas Uniform Grant Management Standards Chapter IV *Texas State Single Audit Circular* that could have a direct and material effect on each of the County's major state programs for the year ended December 31, 2013. The County's major 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 laws, regulations, contracts and grants applicable to its state programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major 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 provisions of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and, State of Texas Uniform Grant Management Standards Chapter IV *Texas State Single Audit Circular*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major 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 state program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major 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 state programs for the year ended December 31, 2013.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the State of Texas Single Audit Circular and which are described in the accompanying schedule of findings and questioned costs as item 2013-004. Our opinion on each major state program is not modified with respect to these matters.

The County's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. 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 requirements referred to above. In planning and performing our audit, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on a major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major program and to test and report on internal control over compliance in accordance with OMB Circular A-133, and the State of Texas Uniform Grant Management Standards Chapter IV State of *Texas Single Audit Circular*, 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 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 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 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Schedule of Expenditures of State Awards Required by the State of Texas Single Audit Circular

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, 2013, and have issued our report thereon dated June 30, 2014, which contained an unqualified opinion on those financial statements. Our audit was conducted for the purpose of forming our opinions on the financial statements that collectively comprise the County's financial statements. The accompanying schedule of expenditures of state awards is presented for purposes of additional analysis as required by OMB Circular A-133 and the State of Texas Uniform Grant Management Standards Chapter IV State of Texas *Single Audit Circular*, and is not a required part of the 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 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 financial statements or to the 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 state awards is fairly stated in all material respects in relation to the financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over and the results of our testing based on the requirements of OMB Circular A-133 and the State of Texas Uniform Grant Management Standards Chapter IV State of Texas *Single Audit Circular*. Accordingly, this report is not suitable for any other purpose.

Brenton Mc Ghee & Co., LLP

McAllen, Texas
June 30, 2014

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013

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
FEDERAL AWARDS						
PRIMARY GOVERNMENT						
	<u>U.S. Department of Agriculture</u>					
	<u>Passed Through the Texas Citrus Mutual</u>					
N/A	Plant and Animal Disease, Pest Control, and Animal Care	10.025	\$ 11,454	\$ -	\$ 11,454	\$ -
	Total Passed Through Texas Citrus Mutual		11,454	-	11,454	-
	<u>Passed Through the Texas Department of State Health Services</u>					
2013-042599-001A	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	8,457,872	-	8,457,872	-
2014-045054	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	2,460,243	-	2,460,243	-
2013-042599-001A	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	631,829	-	631,829	-
2014-045054	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	161,792	-	161,792	-
2013-042599-001A	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	34,356	-	34,356	-
2014-045054	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	13,962	-	13,962	-
2013-042599-001A	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	45,351	-	45,351	-
2014-045054	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	17,861	-	17,861	-
2012-041053-001	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	40,197	-	40,197	-
2013-042599-001A	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	19,999	-	19,999	-
2014-045054	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	6,770	-	6,770	-
	Total Passed Through Texas Department of State Health Services		11,890,232	-	11,890,232	-
	<u>Passed Through Health & Human Services Commission Office of Inspector General</u>					
N/A	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	840	-	840	-
	Total Passed Through Health & Human Services Commission Office of Inspector General		840	-	840	-
	<u>Total U.S. Department of Agriculture</u>		\$ 11,902,526	\$ -	\$ 11,902,526	\$ -
	<u>U.S. Department of Justice</u>					
	<u>Direct Programs</u>					
2011-AP-BX-0261	State Criminal Alien Assistance Program (SCAAP)	16.606	131	-	131	\$ -
2012-AP-BX-0769	State Criminal Alien Assistance Program (SCAAP)	16.606	43,078	-	43,078	-
	Total U.S. Department of Justice		43,209	-	43,209	-
2011-DJ-BX-2156	Edward Byrne Memorial Justice Assistance Grant Program	16.738	5	-	5	-
2012-DJ-BX-0828	Edward Byrne Memorial Justice Assistance Grant Program	16.738	40,485	-	40,485	-
2013-DJ-BX-0199	Edward Byrne Memorial Justice Assistance Grant Program	16.738	8,661	-	8,661	-
	Total U.S. Department of Justice		49,151	-	49,151	-
2010ULWX0024	Public Safety Partnership and Community Policing Grants (Universal Hiring 13 (COPS))	16.710	589,226	-	589,226	-
	Total U.S. Department of Justice Direct Programs		681,586	-	681,586	-

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013

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
	Passed Through the Organized Crime Drug Enforcement Task Forces					
SW-TXS-0861	The Department of Justice Assets Forfeiture Fund OCDEF (Equipment)	N/A	11,189	-	11,189	-
SW-TXS-0910	The Department of Justice Assets Forfeiture Fund OCDEF (Equipment)	N/A	1,940	-	1,940	-
SW-TXS-0861	The Department of Justice Assets Forfeiture Fund OCDEF (Salary)	N/A	10,540	-	10,540	-
SW-TXS-0910	The Department of Justice Assets Forfeiture Fund OCDEF (Salary)	N/A	3,696	-	3,696	-
SW-TXS-0861	The Department of Justice Assets Forfeiture Fund OCDEF (Equipment)	N/A	6,644	-	6,644	-
	Total Passed Through the Organized Crime Drug Enforcement Task Forces		34,009	-	34,009	-
	Passed Through the Federal Bureau of Investigations					
281D-SA-C46020	The Department of Justice Assets Forfeiture Fund	N/A	7,330	-	7,330	-
	Total Passed Through the Federal Bureau of Investigations		7,330	-	7,330	-
	Passed Through the Office of the Governor, Criminal Justice Division					
JB-11-120-24529-02	Juvenile Accountability Block Grants (JABG)	16.523	26,253	-	26,253	-
JB-12-XXX-24529-03	Juvenile Accountability Block Grants (JABG)	16.523	5,445	-	5,445	-
			31,698	-	31,698	-
254-1902	Juvenile Justice and Delinquency Prevention Allocation to States	16.540	124,026	-	124,026	-
			124,026	-	124,026	-
RT-10-A10-2517501	Residential Substance Abuse Treatment for State Prisoners	16.593	38,969	-	38,969	-
RT-11-A10-2732401	Residential Substance Abuse Treatment for State Prisoners	16.593	20,721	8,819	29,540	-
			59,690	8,819	68,509	-
DJ-11-A10-2725301	Edward Byrne Memorial Justice Assistance Grant Program - Hidalgo County Monitoring High Risk Offenders	16.738	2,804	-	2,804	-
			2,804	-	2,804	-
	Total Passed Through the Office of the Governor, Criminal Justice Division		218,218	8,819	227,037	-
	Passed Through United States Marshals Service					
M-13-D79-0-000774	Fugitive Apprehension Task Force (DOJ-USMS)	N/A	26,992	-	26,992	-
M-14-D79-0-000188	Fugitive Apprehension Task Force (DOJ-USMS)	N/A	448	-	448	-
			27,440	-	27,440	-
	Total Passed Through the United States Marshals Service		27,440	-	27,440	-
	Passed Through Drug Enforcement Administration					
N/A	McAllen DEA HIDTA Initiative	N/A	8,419	-	8,419	-
			8,419	-	8,419	-
	Total Passed Through the Drug Enforcement Administration		8,419	-	8,419	-
	Total U.S. Department of Justice		\$ 977,002	\$ 8,819	\$ 985,821	\$ -

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	EXPENDITURES			PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
			FEDERAL/STATE	LOCAL	TOTAL	
Executive Office of the President for National Drug Control Policy						
<u>Direct Programs</u>						
G10SS0002A	High Intensity Drug Trafficking Areas Program - McAllen Initiative	95.001	\$ 486,019	\$ -	\$ 486,019	\$ -
G12SS0002A	High Intensity Drug Trafficking Areas Program - McAllen Initiative	95.001	182,700	-	182,700	-
N/A	Asset Forfeiture Program	N/A	224,989	-	224,989	-
N/A	Asset Forfeiture Program	N/A	166,962	-	166,962	-
N/A	Asset Forfeiture Program	N/A	1,773	-	1,773	-
			<u>1,062,443</u>	<u>-</u>	<u>1,062,443</u>	<u>-</u>
	Total Executive Office of the President for National Drug Control Policy		\$ 1,062,443	\$ -	\$ 1,062,443	\$ -
<u>U.S. Department of Health and Human Services</u>						
<u>Direct Programs</u>						
HHSP233201200109M	Community Programs to Improve Minority Health Grant Program	93.137	\$ 3,000	\$ -	\$ 3,000	\$ -
			<u>3,000</u>	<u>-</u>	<u>3,000</u>	<u>-</u>
C76HF19799	Health Resources and Services Administration	93.887	1,283	-	1,283	-
			<u>1,283</u>	<u>-</u>	<u>1,283</u>	<u>-</u>
	Total U.S. Department of Health and Human Services Direct Programs		4,283	-	4,283	-
<u>Passed Through Texas Department of State Health Services</u>						
53700-3-0000394231	Strengthening Public Health Services at the Outreach Offices of the US - Mexico Border Health Commission - Border Binational Health Week	93.018	1,343	-	1,343	-
			<u>1,343</u>	<u>-</u>	<u>1,343</u>	<u>-</u>
2013-041204-004	Public Health Emergency Preparedness - CPS Bioterrorism Preparedness	93.069	521,061	-	521,061	-
2014-001134-00	Public Health Emergency Preparedness - CPS Bioterrorism Preparedness	93.069	205,520	-	205,520	-
2013-041204-003	Public Health Emergency Preparedness - PPCPS/PHER	93.069	226,026	-	226,026	-
			<u>952,607</u>	<u>-</u>	<u>952,607</u>	<u>-</u>
2013-041204-006	Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	301,134	-	301,134	-
2014-001400-00	Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	147,431	-	147,431	-
			<u>448,565</u>	<u>-</u>	<u>448,565</u>	<u>-</u>
2013-041204-005	Immunization Grants	93.268	533,060	-	533,060	-
2014-000022-00	Immunization Grants	93.268	216,021	-	216,021	-
			<u>749,081</u>	<u>-</u>	<u>749,081</u>	<u>-</u>
2013-043641-001	Centers for Disease Control and Prevention Investigations and Technical Assistance	93.283	9,925	-	9,925	-
			<u>9,925</u>	<u>-</u>	<u>9,925</u>	<u>-</u>
2013-042398-001	Maternal and Child Health Services Block Grant to the States - Child Health	93.994	11,959	-	11,959	-
214-044665-001	Maternal and Child Health Services Block Grant to the States - Child Health	93.994	4,657	-	4,657	-
2013-042404-001	Maternal and Child Health Services Block Grant to the States - Prenatal/Maternity	93.994	50,125	-	50,125	-
2014-044545-001	Maternal and Child Health Services Block Grant to the States - Prenatal/Maternity	93.994	25,250	-	25,250	-
			<u>91,991</u>	<u>-</u>	<u>91,991</u>	<u>-</u>
	Total Passed Through Texas Department of State Health Services		2,253,512	-	2,253,512	-

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013

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>Passed Through Texas Juvenile Probation Commission</u>					
TJPC-E-2013-108	Foster Care Title IV - E	93.658	593,926	-	593,926	-
TJPC-E-2014-108	Foster Care Title IV - E	93.658	38,603	-	38,603	-
TJPC-E-2013-108	Foster Care Title IV - E	93.658	87,827	-	87,827	-
TJPC-E-2014-108	Foster Care Title IV - E	93.658	48,683	-	48,683	-
			<u>769,039</u>	-	<u>769,039</u>	-
	Total Passed Through Texas Juvenile Probation Commission		769,039	-	769,039	-
	<u>Passed Through Texas Department of Family & Protective Services</u>					
23941008	Foster Care Title IV - E - Legal Services FY13	93.658	95,618	-	95,618	-
23941009	Foster Care Title IV - E - Child Welfare Services FY13	93.658	16,636	-	16,636	-
			<u>112,254</u>	-	<u>112,254</u>	-
	Total Passed Through Texas Department of Family & Protective Services		112,254	-	112,254	-
	<u>Passed Through Office of the Attorney General of Texas</u>					
N/A	Child Support Enforcement	93.563	152,324	-	152,324	-
N/A	Child Support Enforcement	93.563	3,303	-	3,303	-
			<u>155,627</u>	-	<u>155,627</u>	-
	Total Passed Through Office of the Attorney General of Texas		155,627	-	155,627	-
	<u>Passed Through Health & Human Services Commission</u>					
N/A	Medical Assistance Program	93.778	560	-	560	-
N/A	Medical Assistance Program	93.778	50,903	-	50,903	-
			<u>51,463</u>	-	<u>51,463</u>	-
	Total Passed Through Health & Human Services Commission		51,463	-	51,463	-
	Total U.S. Department of Health and Human Services		3,346,178	-	3,346,178	-
	<u>U.S. Department of Homeland Security</u>					
	<u>Passed Through City of McAllen</u>					
EMW-2012PFR-00371	Assistance to Firefighters Grant	97.044	-	227,075	227,075	-
			-	<u>227,075</u>	<u>227,075</u>	-
	Total Passed Through City of McAllen		-	227,075	227,075	-

**COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

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.S. Department of Homeland Security						
Passed Through Division of Emergency Management Office of the Governor						
2010-SS-T0-0008	Homeland Security Grant Program (Operation Stonegarden)	97.067	104,386	-	104,386	-
2010-SS-T0-0008	Homeland Security Grant Program (Operation Stonegarden)	97.067	1,684	-	1,684	-
EMW-2011-SS-0019	Homeland Security Grant Program (Operation Stonegarden)	97.067	451,237	-	451,237	447,087
EMW-2011-SS-0019	Homeland Security Grant Program (Operation Stonegarden)	97.067	4,734	-	4,734	-
EMW-2011-SS-0019	Homeland Security Grant Program (Operation Stonegarden)	97.067	13,805	-	13,805	-
EMW-2012-SS-00018-S01	Homeland Security Grant Program (Operation Stonegarden)	97.067	897,230	-	897,230	162,923
EMW-2012-SS-00018-S01	Homeland Security Grant Program (Operation Stonegarden)	97.067	3,884	-	3,884	-
EMW-2012-SS-00018-S01	Homeland Security Grant Program (Operation Stonegarden)	97.067	27,670	-	27,670	-
EMW-2012-SS-00018-S01	Homeland Security Grant Program (Operation Stonegarden)	97.067	12,234	-	12,234	-
			<u>1,516,864</u>	<u>-</u>	<u>1,516,864</u>	<u>610,010</u>
FEMA DR 1931 TX	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	7,500	2,500	10,000	-
			<u>7,500</u>	<u>2,500</u>	<u>10,000</u>	<u>-</u>
DR-1797-331	Hazard Mitigation Grant	97.036	57,172	-	57,172	57,172
			<u>57,172</u>	<u>-</u>	<u>57,172</u>	<u>57,172</u>
	Total Passed Through Division of Emergency Management Office of the Governor		1,581,536	2,500	1,584,036	667,182
	Total U.S. Department of Homeland Security		1,581,536	2,29,575	1,811,111	\$ 667,182
U.S. Elections Assistance Commission						
Passed Through Office of the Secretary of State						
N/A	Voting Access for Individuals with Disabilities-Grants to States	93.617	48,147	-	48,147	\$ -
N/A	Voting Access for Individuals with Disabilities-Grants to States	93.617	24,939	-	24,939	-
			<u>73,086</u>	<u>-</u>	<u>73,086</u>	<u>-</u>
	Total Passed Through Office of the Secretary of State		73,086	-	73,086	-
	Total U.S. Elections Assistance Commission		73,086	-	73,086	\$ -
Department of Energy						
Office of Energy Efficiency and Renewable Energy						
Passed Through the Texas State Energy Conservation Office						
EE0000912	ARRA - Energy Efficiency and Conservation Block Grant Program (EECBG)	81.128	36,846	-	36,846	\$ -
			<u>36,846</u>	<u>-</u>	<u>36,846</u>	<u>-</u>
	Total Passed Through the Texas State Energy Conservation Office		36,846	-	36,846	\$ -
	Total Department of Energy		36,846	-	36,846	\$ -
	TOTAL PRIMARY GOVERNMENT		18,979,617	238,394	19,218,011	\$ 667,182

**COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE		LOCAL		PASSED THROUGH	
			EXPENDITURES	EXPENDITURES	EXPENDITURES	EXPENDITURES	AMOUNTS TO SUB-RECIPIENTS	
URBAN COUNTY								
U.S. Department of Housing and Urban Development (HUD)								
Direct Programs								
B-03-UC-48-0501	Community Development Block Grant - 29th Year	14.218	\$ 4,443	\$ -	\$ -	\$ 4,443	\$ -	\$ -
B-04-UC-48-0501	Community Development Block Grant - 30th Year	14.218	10,566	-	-	10,566	-	-
B-05-UC-48-0501	Community Development Block Grant - 31th Year	14.218	87,806	-	-	87,806	-	-
B-06-UC-48-0501	Community Development Block Grant - 32th Year	14.218	30,248	-	-	30,248	-	-
B-07-UC-48-0501	Community Development Block Grant - 33th Year	14.218	92,760	-	-	92,760	-	-
B-08-UC-48-0501	Community Development Block Grant - 34th Year	14.218	114,726	-	-	114,726	-	-
B-09-UC-48-0501	Community Development Block Grant - 35th Year	14.218	634,661	-	-	634,661	-	-
B-10-UC-48-0501	Community Development Block Grant - 36th Year	14.218	787,388	5,441	-	792,829	-	-
B-11-UC-48-0501	Community Development Block Grant - 37th Year	14.218	1,348,046	6,012	-	1,354,058	-	-
B-12-UC-48-0501	Community Development Block Grant - 38th Year	14.218	3,309,781	18,219	-	3,328,000	-	408,144
B-13-UC-48-0501	Community Development Block Grant - 39th Year	14.218	847,067	24,200	-	871,267	-	414,502
			<u>7,267,492</u>	<u>53,872</u>	-	<u>7,321,364</u>	-	<u>822,646</u>
M-08-UC-48-0501	Home Investment Partnership Program (HOME)	14.239	(110,350)	-	-	(110,350)	-	-
M-09-UC-48-0501	Home Investment Partnership Program (HOME)	14.239	240	-	-	240	-	-
M-10-UC-48-0501	Home Investment Partnership Program (HOME)	14.239	651,578	-	-	651,578	-	-
M-11-UC-48-0501	Home Investment Partnership Program (HOME)	14.239	622,311	-	-	622,311	-	-
M-12-UC-48-0501	Home Investment Partnership Program (HOME)	14.239	103,958	181,254	-	285,212	-	-
M-13-UC-48-0501	Home Investment Partnership Program (HOME)	14.239	109,757	103,231	-	212,988	-	-
			<u>1,377,494</u>	<u>284,485</u>	-	<u>1,661,979</u>	-	-
E-11-UC-48-0501	Emergency Solutions Grant (HESG)	14.231	178,124	-	-	178,124	-	174,624
E-12-UC-48-0501	Emergency Solutions Grant (HESG)	14.231	583,306	-	-	583,306	-	536,168
E-13-UC-48-0501	Emergency Solutions Grant (HESG)	14.231	41,931	-	-	41,931	-	27,695
			<u>803,361</u>	-	-	<u>803,361</u>	-	<u>738,487</u>
B-08-UN-48-0501	Neighborhood Stabilization Program (Recovery Act Funded)	14.218	384,812	-	-	384,812	-	-
B-11-UN-48-0501	Neighborhood Stabilization Program (Recovery Act Funded)	14.218	701,292	-	-	701,292	-	-
			<u>1,086,104</u>	-	-	<u>1,086,104</u>	-	-
	Total U.S. Department of Housing and Urban Development (HUD) Direct Programs		<u>10,534,451</u>	<u>338,357</u>	-	<u>10,872,808</u>	-	<u>1,561,133</u>
Passed Through Texas Department of Housing and Community Affairs								
70090019	DRP XXXI	14.228	52,438	1,453	-	53,891	-	-
712013	Colonia XXXVIII	14.228	38,052	-	-	38,052	-	-
			<u>90,490</u>	<u>1,453</u>	-	<u>91,943</u>	-	-
	Total Passed through Texas Department of Housing and Community Affairs		<u>90,490</u>	<u>1,453</u>	-	<u>91,943</u>	-	-
Passed Through The Texas General Land Office								
DRS010068	DRS XXXII	14.228	450,793	-	-	450,793	-	-
DRS210068	DRS XXXVI	14.228	988,475	-	-	988,475	-	-
DRS220068	DRS XXXVII	14.228	57,882	-	-	57,882	-	-
			<u>1,497,150</u>	-	-	<u>1,497,150</u>	-	-
	Total Passed through Texas General Land Office		<u>1,497,150</u>	-	-	<u>1,497,150</u>	-	-

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013

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>Passed Through The Texas Department of Agriculture</u>					
711195	Colonia XXXIV	14.228	56,196	-	56,196	-
711245	Colonia XXXV	14.228	293,302	29,384	322,686	-
713005	Colonia XXXIX	14.228	32,006	-	32,006	-
			<u>381,504</u>	<u>29,384</u>	<u>410,888</u>	-
	Total Passed through Texas Department of Agriculture		381,504	29,384	410,889	-
	Total U.S. Department of Housing and Urban Development (HUD)		12,503,594	369,194	12,872,789	1,561,133
	TOTAL URBAN COUNTY		<u>12,503,594</u>	<u>369,194</u>	<u>12,872,789</u>	<u>1,561,133</u>
	<u>HEAD START</u>					
	<u>U.S Department of Health and Human Services</u>					
	<u>Direct Programs</u>					
06CH0183-31	Head Start Program	93.600	24,134,644	6,033,661	30,168,305	-
			<u>24,134,644</u>	<u>6,033,661</u>	<u>30,168,305</u>	-
	Total U.S. Department of Health and Human Services		24,134,644	6,033,661	30,168,305	-
	<u>U.S Department of Agriculture</u>					
	<u>Passed Through Texas Department of Agriculture</u>					
TX-1080006	Child and Adult Care Food Program	10.558	2,050,061	-	2,050,061	-
TX-1080006	Child and Adult Care Food Program	10.558	683,354	-	683,354	-
			<u>2,733,415</u>	-	<u>2,733,415</u>	-
	Total Passed Through Texas Department of Agriculture		2,733,415	-	2,733,415	-
	Total U.S. Department of Agriculture		2,733,415	-	2,733,415	-
	TOTAL HEAD START PROGRAM		<u>26,868,059</u>	<u>6,033,661</u>	<u>32,901,720</u>	<u>\$</u>

**COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

COMMUNITY SERVICE AGENCY	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.S. Department of Health and Human Services and Community Affairs							
<u>Passed Through Texas Department of Housing and Community Affairs</u>							
	58130001631	Low Income Home Energy Assistance	93.568	\$ 2,507,207	\$ -	\$ 2,507,207	\$ -
	58120001690	Low Income Home Energy Assistance	93.568	1,997,280	-	1,997,280	-
				<u>4,504,487</u>	-	<u>4,504,487</u>	-
	61120001323	Community Services Block Grant	93.568	766,142	-	766,142	-
	61130001583	Community Services Block Grant	93.569	696,545	-	696,545	-
	61120001464	Community Services Block Grant- Migrant Seasonal Farmworkers	93.569	43,479	-	43,479	-
				<u>1,506,166</u>	-	<u>1,506,166</u>	-
		Total Passed Through Texas Department of Housing and Community Affairs		6,010,653	-	6,010,653	-
		Total U.S. Department of Health and Human Services and Community Affairs		6,010,653	-	6,010,653	-
		Corporation For National and Community Services					
		<u>Direct Programs</u>					
		Retired Senior Volunteer Program	94.002	\$ 44,095	\$ -	\$ 44,095	\$ -
		Retired Senior Volunteer Program	94.002	39,999	-	39,999	-
				<u>84,094</u>	-	<u>84,094</u>	-
		Total Corporation For National and Community Services Direct Programs		84,094	-	84,094	-
		<u>Passed Through Texas Department on Aging</u>					
		Retired Senior Volunteer Program	94.002	26,355	-	26,355	-
		Retired Senior Volunteer Program	94.002	9,376	-	9,376	-
				<u>35,731</u>	-	<u>35,731</u>	-
		Total Passed Through Texas Department on Aging		35,731	-	35,731	-
		Total Corporation For National and Community Services		119,825	-	119,825	-
		TOTAL COMMUNITY SERVICES AGENCY		6,130,478	-	6,130,478	-
		TOTAL EXPENDITURES OF FEDERAL AWARDS		64,481,749	6,641,249	71,122,999	2,228,315

**COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

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
STATE AWARDS						
PRIMARY GOVERNMENT						
Division of Emergency Management Office of the Governor						
Passed through the Texas Border Sheriff's Coalition.						
LBSP-12-HIDALGO	Local Border Security Program	N/A	2,584 \$	- \$	2,584 \$	-
LBSP-13-HIDALGO	Local Border Security Program	N/A	198,260	-	198,260	-
			<u>200,844</u>	<u>-</u>	<u>200,844</u>	<u>-</u>
	Total Passed Through the Texas Border Sheriff's Coalition		200,844	-	200,844	-
	Total Division of Emergency Management Office of the Governor		200,844 \$	- \$	200,844 \$	-
Division of Criminal Justice Office of the Governor						
CH-10-A10-2283701	Border Prosecution Initiative	N/A	35,428 \$	- \$	35,428 \$	-
CH-13-A10-2537802	Border Prosecution Initiative	N/A	101,846	-	101,846	-
CH-14-A10-2537803	Border Prosecution Initiative	N/A	67,641	-	67,641	-
DC-13-A10-2413903	Hidalgo County DWI Court	N/A	92,855	-	92,855	-
DC-14-A10-2413904	Hidalgo County DWI Court	N/A	47,405	-	47,405	-
DC-13-A10-2431502	Hidalgo County Veterans Court	N/A	69,812	-	69,812	-
DC-14-A10-2431503	Hidalgo County Veterans Court	N/A	27,390	-	27,390	-
			<u>442,377</u>	<u>-</u>	<u>442,377</u>	<u>-</u>
	Total Division of Criminal Justice Office of the Governor		442,377 \$	- \$	442,377 \$	-
Texas Rangers Division						
Texas Department of Public Safety						
LBSP-12-0040	Local Border Security Program FY12	N/A	7,537 \$	- \$	7,537 \$	-
LBSP-13-25	Local Border Security Program FY13	N/A	45,000	-	45,000	-
LBSP-12-0041	Local Border Security Program FY12	N/A	25,066	-	25,066	-
LBSP-13-27	Local Border Security Program FY13	N/A	33,733	-	33,733	-
LBSP-12-0042	Local Border Security Program FY12	N/A	13,912	-	13,912	-
LBSP-13-26	Local Border Security Program FY13	N/A	74,218	-	74,218	-
			<u>199,466</u>	<u>-</u>	<u>199,466</u>	<u>-</u>
	Total Rangers Division		199,466 \$	- \$	199,466 \$	-
	Texas Department of Public Safety		199,466 \$	- \$	199,466 \$	-

**COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

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
Texas Department of State Health Services						
N/A	Health Department - Administration	N/A	242,242	-	242,242	\$ -
2013-041204-002	Preventive Health and Health Services Block Grant	N/A	99,638	-	99,638	-
2014-001052-00	Preventive Health and Health Services Block Grant	N/A	26,135	-	26,135	-
2013-041204-001	Tuberculosis Prevention and Control - State	N/A	312,442	-	312,442	-
2014-001417-00	Tuberculosis Prevention and Control - State	N/A	217,266	-	217,266	-
2014-001417-00	Tuberculosis Prevention and Control - State	N/A	931	-	931	-
			898,654	-	898,654	-
	Total Texas Department State Health Services		\$ 898,654	\$ -	\$ 898,654	\$ -
Texas Adult Probation Commission						
108-900	Basic Supervision	N/A	4,719,423	-	4,719,423	-
108-900	Basic Supervision	N/A	2,741,341	-	2,741,341	-
108-013	Mentally Impaired Caseload	N/A	136,716	-	136,716	-
108-013	Mentally Impaired Caseload	N/A	56,451	-	56,451	-
108-017	Community Corrections (Boot Camp)	N/A	79,019	-	79,019	-
108-006	Treatment Alternatives to Incarceration Program	N/A	150,834	-	150,834	-
108-006	Treatment Alternatives to Incarceration Program	N/A	65,399	-	65,399	-
108-014	Drug Court	N/A	132,195	-	132,195	-
108-014	Drug Court	N/A	53,106	-	53,106	-
108-007	Sex Offender Caseload	N/A	338,898	-	338,898	-
108-007	Sex Offender Caseload	N/A	160,462	-	160,462	-
108-016	Caseload Reduction Program	N/A	808,054	-	808,054	-
108-017	Substance Abuse Treatment Facility	N/A	1,247,918	-	1,247,918	-
108-017	Substance Abuse Treatment Facility	N/A	590,900	-	590,900	-
108-900	Basic Supervision - Rider 80	N/A	298,064	-	298,064	-
108-020	Aftercare Services	N/A	170,385	-	170,385	-
108-020	Aftercare Services	N/A	95,326	-	95,326	-
108-025	CCP_HRP	N/A	55,617	-	55,617	-
108-025	CCP_HRP	N/A	33,166	-	33,166	-
108-027	CCP-RRP	N/A	132,460	-	132,460	-
108-027	CCP-RRP	N/A	76,001	-	76,001	-
108-026	CCP Employment	N/A	28,900	-	28,900	-
108-026	CCP Employment	N/A	16,951	-	16,951	-
			12,187,586	-	12,187,586	-
	Total Texas Adult Probation Commission		\$ 12,187,586	\$ -	\$ 12,187,586	\$ -

**COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

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 Juvenile Probation Commission</u>						
TJPC-M-2013-108	Special Needs (TCOMI) Funding	N/A	66,577	-	66,577	-
TJPC-M-2014-108	Special Needs (TCOMI) Funding	N/A	32,626	-	32,626	-
TJPC-A-2013-108	State Aid	N/A	1,876,764	-	1,876,764	-
TJPC-A-2014-108	State Aid	N/A	1,297,532	-	1,297,532	-
TJPC-A-2014-108	State Aid	N/A	230	-	230	-
TJPC-P-2013-108	Juvenile Justice Alternative Education	N/A	264,255	-	264,255	-
TJPC-P-2014-108	Juvenile Justice Alternative Education	N/A	185,971	-	185,971	-
TJPC-C-2013-108	Commitment Reduction Program	N/A	250,110	-	250,110	-
TJPC-C-2014-108	Commitment Reduction Program	N/A	145,024	-	145,024	-
			<u>4,119,089</u>	-	<u>4,119,089</u>	-
	Total Texas Juvenile Probation Commission		\$ 4,119,089	\$ -	\$ 4,119,089	\$ -
<u>Texas Department of Criminal Justice</u>						
N/A	Offender Transportation Program	N/A	79,852	-	79,852	-
			<u>79,852</u>	-	<u>79,852</u>	-
	Total Texas Department of Criminal Justice		\$ 79,852	\$ -	\$ 79,852	\$ -
<u>Texas State Comptroller's Office</u>						
2-459-78-2965-4008	District Attorney State Supplement	N/A	13,879	-	13,879	-
2-459-78-2965-4008	District Attorney State Supplement	N/A	7,569	-	7,569	-
N/A	Juror Reimbursement	N/A	397,806	-	397,806	-
			<u>419,254</u>	-	<u>419,254</u>	-
	Total Texas State Comptroller's Office		\$ 419,254	\$ -	\$ 419,254	\$ -
<u>Texas Department of Transportation</u>						
8BCF5001	Border Colonia Access Program Round III	N/A	2,273,335	-	2,273,335	-
			<u>2,273,335</u>	-	<u>2,273,335</u>	-
	Total Texas Department of Transportation		\$ 2,273,335	\$ -	\$ 2,273,335	\$ -
<u>Texas Task Force on Indigent Defense</u>						
212-12-D09	Discretionary Grant FY2012 - Texas Indigent Defense Commission	N/A	165,255	-	165,255	-
212-23-D09	Discretionary Grant FY2013 - Texas Indigent Defense Commission	N/A	59,723	-	59,723	-
212-11-108	Formula Grant FY 11 / Equalization FY 11	N/A	566,496	-	566,496	-
			<u>791,474</u>	-	<u>791,474</u>	-
	Total Texas Task Force on Indigent Defense		\$ 791,474	\$ -	\$ 791,474	\$ -
<u>Texas Secretary of State</u>						
N/A	2012 Voter Registration Section 19.002	N/A	21,904	-	21,904	-
			<u>21,904</u>	-	<u>21,904</u>	-
	Total Texas Secretary of State		\$ 21,904	\$ -	\$ 21,904	\$ -

**COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

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 Veterans Commission</u>						
N/A	Texas Veterans Commission Grant	N/A	59,659	-	59,659	-
			<u>59,659</u>	<u>-</u>	<u>59,659</u>	<u>-</u>
	Total Texas Veterans Commission		\$ 59,659	\$ -	\$ 59,659	\$ -
<u>Office of the Attorney General</u>						
1224575	Texas Vine	N/A	21,881	-	21,881	-
1445766	Texas Vine	N/A	6,929	-	6,929	-
N/A	Asset Forfeiture (Article 59.06)	N/A	105,469	-	105,469	-
			<u>134,279</u>	<u>-</u>	<u>134,279</u>	<u>-</u>
	Total Office of the Attorney General		\$ 134,279	\$ -	\$ 134,279	\$ -
TOTAL EXPENDITURES OF STATE AWARDS						
			\$ 21,827,773	\$ -	\$ 21,827,773	\$ -
TOTAL EXPENDITURES OF FEDERAL AND STATE AWARDS						
			\$ 86,309,521	\$ 6,641,249	\$ 92,950,771	\$ 2,228,316

**COUNTY OF HIDALGO, TEXAS
NOTES TO SCHEDULE OF EXPENDITURES OF
FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

General

The accompanying Schedule of Expenditures of Federal and State Awards present the federal and state grant activity for the County of Hidalgo, Texas (the County). The reporting entity is defined in Note 1 to the County's financial statements.

Basis of Presentation

The accompanying Schedule of Expenditures of Federal and State Awards is presented using the modified accrual basis of accounting, which is described in Note 1 of the County's notes to the financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations* and the *State of Texas Single Audit Circular*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

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, 2013**

Reconciliation of Schedule of Federal Awards to Comprehensive Annual Financial Report

The following is a reconciliation of the Schedule of Expenditures of Federal Awards (SEFA) 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 SEFA	\$	18,979,617
Primary Government State Expenditures per SEFA		21,827,773
		40,807,390
Add: Local Expenditures		238,394
Capital Leases		1,977
		41,047,761
Primary Government per CAFR	\$	41,047,761

Head Start Program

Head Start Expenditure per SEFA	\$	26,868,059
Add: Local Expenditures		6,033,661
		32,901,720
Head Start Expenditure per CAFR	\$	32,901,720

Community Services Agency

Community Services Agency Expenditure per SEFA	\$	6,130,478
Add: Non-Federal Expenditures		93,150
		6,223,628
Community Services Agency per CAFR	\$	6,223,628

Urban County

Urban County Expenditure per SEFA	\$	12,503,594
Add: Local Expenditures		369,194
		12,872,788
Urban County Expenditure per CAFR	\$	12,872,788

**COUNTY OF HIDALGO, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

Section I - Summary of Auditors' Results	Description												
Financial Statements													
Type of auditors' report issued:	Unmodified												
Internal control over financial reporting: <ul style="list-style-type: none"> • Material weakness(es) identified? • Significant deficiencies identified not considered to be material weaknesses? 	No Yes												
Noncompliance material to the financial statements?	No												
Federal Awards													
Internal control of major programs: <ul style="list-style-type: none"> • Material weakness(es) identified? • Significant deficiencies identified not considered to be material weaknesses? 	No No												
Type of auditors' report issued on compliance for major programs:	Unmodified												
Any audit findings disclosed that are required to be reported in accordance with Section .510(a) of Circular A-133?	No												
Dollar threshold used to distinguish between Type A and Type B programs:	\$1,945,528												
Auditee qualified as low-risk auditee?	No												
Identification of Major Federal Programs:	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-left: 20px;">Low Income Home Energy Assistance</td> <td style="text-align: right;">93.568</td> </tr> <tr> <td style="padding-left: 20px;">Special Supplemental Nutrition Program for Women, Infants, and Children</td> <td style="text-align: right;">10.557</td> </tr> <tr> <td style="padding-left: 20px;">Community Development Block Grant (CDBG)</td> <td style="text-align: right;">14.218</td> </tr> <tr> <td style="padding-left: 20px;">Head Start Program</td> <td style="text-align: right;">93.600</td> </tr> <tr> <td style="padding-left: 20px;">Home Investment Partnership Program</td> <td style="text-align: right;">14.239</td> </tr> <tr> <td style="padding-left: 20px;">Child and Adult Care Food Program</td> <td style="text-align: right;">10.558</td> </tr> </table>	Low Income Home Energy Assistance	93.568	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	Community Development Block Grant (CDBG)	14.218	Head Start Program	93.600	Home Investment Partnership Program	14.239	Child and Adult Care Food Program	10.558
Low Income Home Energy Assistance	93.568												
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557												
Community Development Block Grant (CDBG)	14.218												
Head Start Program	93.600												
Home Investment Partnership Program	14.239												
Child and Adult Care Food Program	10.558												

**COUNTY OF HIDALGO, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

Section I - Summary of Auditors' Results	Description
State Awards	
Internal control of major programs: <ul style="list-style-type: none"> • Material weakness(es) identified? • Significant deficiencies identified not considered to be material weaknesses? 	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:	\$654,833
Auditee qualified as low-risk auditee?	No
Identification of Major State Programs:	<p>Texas Adult Probation Commission</p> <ul style="list-style-type: none"> Basic Supervision Community Corrections (Boot Camp) Mentally Impaired Caseload Restitution Center Court Residential Treatment Center Treatment Alternatives to Incarceration Program Drug Court Sex Offender Caseload Caseload Reduction Program Substance Abuse Treatment Facility Aftercare Services CCP HRP CCP Employment <p>Texas Juvenile Probation Commission</p> <ul style="list-style-type: none"> State Aid Special Needs (TCOMI) Funding Juvenile Justice Alternative Education Commitment Reduction Program <p>Texas Task Force on Indigent Defense</p> <ul style="list-style-type: none"> Texas Indigent Defense Commission Formula Grant FY 11 / Equalization FY 11

**COUNTY OF HIDALGO, TEXAS
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE YEAR ENDED DECEMBER 31, 2013**

Section I - Summary of Auditors' Results	Description
Identification of Major State Programs (Continued):	Texas Department State Health Services Preventive Health and Health Services Block Grant Tuberculosis Prevention and Control- State Texas Department of Transportation Border Colonia Access Program Round III

**COUNTY OF HIDALGO, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

Section II – Findings and Questioned Costs	
Financial Statement	Description
<p>2013 – 001 Overall (Primary Government)</p>	<p><u>Criteria and Condition:</u> The County requires that “all” employees, regardless of exempt or non-exempt status, clock in and out. However, during our discussion with Internal Audit it was noted that not all exempt employees are clocking in and out.</p> <p><u>Cause and Effect:</u> Exempt employees are not clocking-in and out as required by policy; therefore, may be paid for time not worked.</p> <p><u>Questioned Cost:</u> \$0</p> <p><u>Recommendation:</u> We recommend that the Biometric Electronic Clock policy be enforced to require all employees to clock-in and out.</p> <p><u>Management Response and Planned Corrective Action:</u> The Biometric Clock Electronic Clock policy was approved by Commissioner’s Court on June 11, 2013. In reviewing the policy, you will note that it includes a statement on public integrity, reiterates county work hours, and affirms the notion that “employees should not be paid for time they do not work”.</p> <p>“All employees are required to “clock in” in the morning and “clock out” during their lunch hour, “clock in” upon return to work, “clock out” anytime they leave the office for more than twenty (20) minutes for non-work related matters, and “clock out” at the end of the workday.”</p> <p>The policy does not distinguish between exempt or non-exempt (FLSA or Civil Service). Therefore, unless an exception is approved by the Executive Officer, all Department exempt employees are required to adhere to the Biometric Electronic Clock Policy.</p>

**COUNTY OF HIDALGO, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

Section II – Findings and Questioned Costs	
Financial Statement	Description
<p>2013-002 Overall (Primary Government)</p>	<p><u>Criteria and Condition:</u> In review of bank reconciliations at December 31, 2013, we noted that many reconciliations were prepared and reviewed in March or April 2014.</p> <p><u>Cause and Effect:</u> Untimely preparation and review of bank reconciliation can make the County vulnerable to error or fraud.</p> <p><u>Questioned Cost:</u> \$0</p> <p><u>Recommendation:</u> We recommend that County personnel prepare and review all bank reconciliations timely.</p> <p><u>Management Response and Planned Corrective Action:</u> We agree that bank reconciliations should be prepared and reviewed timely and we take the performance of that activity very seriously; however, it should be noted during 2013 the reconciliation of our records to the bank records doubled during the transition to the County's new depository institution. A timely bank reconciliation (prepared and reviewed) is considered to be one that is completed by the end of the following month. The County Treasurer's Office is responsible for the preparation the bank reconciliations and the Auditor's Office is responsible for reviewing them. We are taking measures to ensure that bank reconciliations are submitted on a timely basis and that the County Auditor's Accounting Division staff reviews them as soon as they are received. Notices will be sent to the County Treasurer's Office if the reconciliations are not received by the 20th of each month.</p>

**COUNTY OF HIDALGO, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

Section III – Findings and Questioned Costs	
Financial Statement	Description
<p>2013 – 003 Treasurers (Primary Government)</p>	<p><u>Criteria and Condition:</u> In review of Bail Bonds - Deeds of Trust as collateral, we noted that the County does not perform tests or review to determine if property, which is being held as collateral, has not been erroneously sold or pledged.</p> <p><u>Cause and Effect:</u> The County could not have proper collateral on Bail Bonds.</p> <p><u>Questioned Cost:</u> \$0</p> <p><u>Recommendation:</u> We recommend the County implement a review to determine that property held as collateral has not been sold or pledged.</p> <p><u>Management Response and Planned Corrective Action:</u> The property pledged as collateral for Bail Bonds are managed by the County Sheriff's Office. The County Treasurer's Office as Secretary of the Bail Bond Board will discuss implementation of periodic reviews of the Deeds of Trust by the Sheriff's Office to ensure proper collateral is in place for bond issuances.</p>

**COUNTY OF HIDALGO, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

Section III – Findings and Questioned Costs	
State Awards	Description
<p>2013-004 Equipment Management – Adult Probation (Primary Government)</p>	<p><u>Criteria and Condition:</u> Provisions of the grant require the Hidalgo County Adult Probation to take a physical inventory of equipment at least once every two years and reconcile to equipment records. The Hidalgo County Adult Probation has not performed a 100% physical inventory in the past two years.</p> <p><u>Cause and Effect:</u> Adult Probation does not have controls in place to ensure that count is performed per grant agreement. Lack of physical inventory of equipment gives rise to the risk of misappropriation of assets.</p> <p><u>Questioned Cost:</u> \$0</p> <p><u>Recommendation:</u> Hidalgo County Adult Probation should implement controls to ensure inventory of equipment is done at least once every two years per grant provisions.</p> <p><u>Management Response and Planned Corrective Action:</u> The adult probation office plans to conduct a full physical count beginning August 1, 2014.</p>

**COUNTY OF HIDALGO, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

Section IV – Contact Persons Regarding Findings and Questioned Costs	Description
Primary Government	Raymundo Eufrazio, County Auditor Hidalgo County Auditor's Office 2808 S. Business Hwy 281 Edinburg, Texas 78539 (956) 383-2511 (956) 383-2577(fax)

**COUNTY OF HIDALGO, TEXAS
SCHEDULE OF STATUS OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2013**

REFERENCE NUMBER	
Program	Description
<p>2002 – 002 County Clerk Bond Funds Held Pending Judgment (Primary Government)</p>	<p><u>Criteria and Condition:</u> The County 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 Judgment are held long after court cases have been tried and are not disposed of timely; cases date back to 1977.</p> <p><u>Cause and Effect:</u> 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 a higher risk for misappropriation.</p> <p><u>Questioned Cost:</u> \$0</p> <p><u>Recommendation:</u> We recommend that the County Clerk maintain a current status on all cases for which bond money has been collected and held pending final outcome of the case. The County Clerk should 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 back to individuals should be held pending notification of that individual. If no response is received from the individual, the County should send bond funds to the State Comptroller's Office in accordance with State Escheat Laws.</p> <p><u>Status:</u> The County Clerk has repeatedly stressed that the practice whereby all cash bonds that are collected by the Sheriff's Office and remitted to the County Clerk's Office prior to the time that the District Attorney's Office accepts the charges is wrong. The County Clerk agrees with Attorney General Opinion JC-0195 where Attorney General summarized that "when no criminal case is filed, a county sheriff is not required to forward cash bail bonds taken by the sheriff to the county clerk or district clerk for deposit in the county's trust depository." Furthermore, the County Clerk has made numerous attempts to correct the situation by informing the sheriff, the county auditor, and the district attorney of his position.</p> <p>On October 15, 2012, our County Auditor wrote a letter to the Sheriff recommending that "the Sheriff's Office only transfer cash bail bonds to the County Clerk's Office upon acceptance and filing of a court case by the District Attorney's Office." He further stated that pursuant to Local Government Code Chapter 117, cash bail bonds related to cases that have not been accepted and filed with a court by the District Attorney's Office are not considered registry funds and should not be tendered to the Clerk for deposit as such.</p>

**COUNTY OF HIDALGO, TEXAS
SCHEDULE OF STATUS OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2013**

REFERENCE NUMBER	
Program	Description
<p>2002 – 002 (Continued) County Clerk Bond Funds Held Pending Judgment (Primary Government)</p>	<p>On November 21, 2012, Hidalgo County District Attorney formally requested in writing that the County Clerk's Office "continue to receive and deposit any and all cash bonds received by the Sheriff of Hidalgo County, Texas."</p> <p>Regrettably, the County Clerk's Office continues to deal with the issue that is caused when cash bail bonds are received by another office and are subsequently forwarded to the County Clerk's Office before charges have been filed against the person from whom the money was received. The County Clerk's current best efforts include using an excel spreadsheet to account for this money followed by periodic checks in Hidalgo County's computerized case management system to see if a case has been filed yet. On many occasions, a case is never filed whereby the money is eventually escheated to the State Comptroller's Office in accordance with State Escheat Laws. All forfeited bonds are transferred to the County Treasurer's Office. Pending no change to Hidalgo County's current practices, the County Clerk's Office sees no end to this yearly audit finding.</p> <p>In conclusion, the County Clerk's office believes that the audit recommendation should include that cash bail bonds received by the Sheriff's Office should not be transferred to the County Clerk until a case is filed, thereby reducing the risk for misappropriation of money.</p>

**COUNTY OF HIDALGO, TEXAS
SCHEDULE OF STATUS OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2013**

REFERENCE NUMBER	
Program	Description
<p>2006 – 001 District Clerk Bond Funds Held Pending Judgment (Primary Government)</p>	<p><u>Criteria and Condition:</u> 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 judgment are held long after court cases have been tried and are not disposed of timely.</p> <p><u>Cause and Effect:</u> 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 a higher risk for misappropriation.</p> <p><u>Questioned Cost:</u> \$0</p> <p><u>Recommendation:</u> We recommend that 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 County should send bond funds to the State Comptroller's Office in accordance with State Escheat Laws.</p> <p><u>Status:</u> The District Clerk's Office continues to identify all forfeiture bonds and will continue to work with the District Attorney Bond Forfeiture Department to provide an agreed judgment and a court order to release these bonds to the County Treasurer. The District Clerk will continue to work with the District Courts to provide a court order to escheat non-forfeiture bonds dated three years and older in accordance with Property Code Chapter 72, Section 72.101. Letters continue to be sent to the McAllen, Edinburg and Weslaco Attorney General's Office for all unclaimed non-criminal cash bonds. Furthermore, it is the policy of the District Clerk's Office not to accept or release funds without a signed Order of the Court.</p> <p>The District Clerk's Office has researched and implemented procedures for the Registry and Trust Division to maintain a current status on bond money collected pending final outcome. In addition, the District Clerk's Office will verify the status of all cases for which bond funds are held through a collaborative effort with the District Attorney's Bond Forfeiture Division. Lastly, our office will research as many of the bonds as possible through our Volume and Page Books, with the exception of cash bail bonds, that have been unclaimed for a period of 3 years or more in order to escheat to the State Comptroller's Office in accordance with Property Code Section 74.101 and Section 74.301.</p>

**COUNTY OF HIDALGO, TEXAS
SCHEDULE OF STATUS OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2013**

REFERENCE NUMBER	
Program	Description
<p>2007-001 Previous Year's Finding (Primary Government)</p>	<p><u>Criteria and Condition:</u> Certain observations previously reported in prior years have not been addressed and resolved by management.</p> <p><u>Cause and Effect:</u> Management has not monitored for resolution of repeat comments thus causing opportunities for improvements in operations and internal controls to not be implemented timely.</p> <p><u>Questioned Costs:</u> \$0</p> <p><u>Recommendation:</u> 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.</p> <p><u>Status:</u> The Department of Budget and Management will be responsible for assisting non-compliant departments/offices in preparing a Corrective Action Plan (CAP) and shall report the progress of each CAP to the Commissioners' Court Executive Officer on a quarterly basis. The Commissioners' Court Executive Officer will advise the Commissioners Court of those CAP's that will require a timeframe of longer than one fiscal year to correct or have not been corrected timely.</p>
<p>2007-003 Infrastructure Depreciation (Primary Government)</p>	<p><u>Criteria and Condition:</u> The County contracted with an engineering firm to assist in the accumulation of assets and infrastructure information to be used by the County in the implementation of Governmental Accounting Standards Board Statement No. 34. The information included in the report prepared by the contracted firm differs from the County's internal reports by approximately 7 percent.</p> <p><u>Cause and Effect:</u> The County had not reconciled the two reports to ensure that fixed assets and corresponding depreciation are reasonably stated.</p> <p><u>Questioned Costs:</u> \$0</p> <p><u>Recommendation:</u> We recommend the County resolve this variance between the reports as these differences could affect the amount of recorded accumulated depreciation.</p> <p><u>Status:</u> In 2014 the County Auditor's Accounting Division will evaluate the infrastructure assets related to the Road Districts. We have obtained maps for each of the road districts and have a list of all the roads within each district. We have requested the assistance of the Planning Department to help in determining if those roads were within the County and in the report provided by TEDSI.</p>

**COUNTY OF HIDALGO, TEXAS
SCHEDULE OF STATUS OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2013**

REFERENCE NUMBER	
Program	Description
<p>2008-001 Stale Dated Checks</p>	<p><u>Criteria and Condition:</u> There were various bank reconciliations that contained outstanding checks older than ninety days.</p> <p><u>Cause and Effect:</u> The County does not have a formal policy to address stale checks, which increases the risk of material misstatement.</p> <p><u>Questioned Cost:</u> \$0</p> <p><u>Recommendation:</u> We recommend outstanding checks be reviewed monthly and appropriate measures taken to clear stale checks.</p> <p><u>Status:</u> District Attorney's Office has completed the Escheating Process as of July 2014.</p> <p>The Tax Office continues to utilize Positive Pay to ensure that checks do not clear after the 90th day of issuance. The office has limited the accountability of stale dated checks to 180 days and under. All other checks previously outstanding have been cleared and are being accounted as liabilities in our balance sheet. These liabilities will be escheated to the State Comptroller and/or County Treasurer after three years.</p> <p>The County Treasurer's Office follows a 180 day void practice on checks issued from bank accounts it oversees (except for Jury Script Fund). Checks issued are reviewed on a monthly basis and appropriate measures are taken to address stale dated checks. Checks are transferred from outstanding list to an escrow account via journal entry. Jury Script Fund checks are voided and funds are transferred to the General Fund after 90 days outstanding per the Government Code - Judicial Branch Section 61.001(f).</p>

**COUNTY OF HIDALGO, TEXAS
SCHEDULE OF STATUS OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2013**

REFERENCE NUMBER	
Program	Description
<p>2008-002 Machinery & Equipment Asset Listing</p>	<p>Criteria and Condition: The listing of machinery and equipment provided by the County was incomplete and did not reconcile to the general ledger.</p> <p>Cause and Effect: The County does not have a complete listing of machinery and equipment which leads to an increased risk of theft or misstatement.</p> <p>Questioned Cost: \$0</p> <p>Recommendation: We recommend that the County have a complete listing of assets that make up machinery and equipment.</p> <p>Status: During a meeting (07/17/14) held in the Purchasing Department Ms. Becky Luna, Director of Accounting and myself (Aggie Garcia, Fixed Asset Manager) came to an agreement that Fixed Assets Division will work on reconciling the FIS Module to the FAS Module. The subsidiary ledgers will no longer be submitted as the yearly reconciliation. Instead a reconciliation of the FIS and FAS modules will be submitted. We will start working on the reconciliation process this month.</p>
<p>2012 – 001 Capital Assets Internal Audit Results</p>	<p>Criteria and Condition: In 2012, the Internal Auditors completed internal audits of capital assets for the following departments, Tax Assessor-Collector, Constable Precinct 2, and Court of Law #7. There were differences in the counts for the Tax Assessor-Collector and Constable Precinct 2 in which the audits concluded that the capital asset count was inaccurate and incomplete.</p> <p>Cause and Effect: The County does not have an approved capital asset policy to address the accuracy and completeness of capital assets.</p> <p>Questioned Cost: \$0</p> <p>Recommendation: The County should implement proper policy/procedures to address the accuracy and completeness of capital assets.</p> <p>Status: In 2013, the Internal Auditors completed a capital assets internal audit of Precinct 1. This audit concluded that the capital asset listing was inaccurate and incomplete. Mr. Alvarado is currently working on finalizing the report to present to court either late August or early September. The Purchasing Department will be presenting to Commissioners' Court the Fixed Asset Manual for approval in 2014.</p>

**COUNTY OF HIDALGO, TEXAS
SCHEDULE OF STATUS OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2013**

REFERENCE NUMBER	
Program	Description
<p>2012 – 002 Segregation of Duties – Community Service Agency</p>	<p>Criteria and Condition: Community Service Agency (CSA), requires dual signatures for all checks. The person who has authority to sign also has access to the County Judge's signature stamp causing a lack of segregation of duties.</p> <p>Cause and Effect: CSA does not have proper internal controls in place or segregation of duties in safekeeping the signature stamps.</p> <p>Questioned Cost: \$0</p> <p>Recommendation: We recommend that CSA implement internal controls and segregation of duties with regards to the signature stamp.</p> <p>Status: Corrective action has been taken. County Judge's signature stamp is held at the administration office and needs to be logged in and out for use.</p>

**COUNTY OF HIDALGO, TEXAS
SCHEDULE OF STATUS OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2013**

REFERENCE NUMBER	
Program	Description
<p>2012 – 003 Suspension and Debarment – Community Service Agency</p>	<p><u>Criteria and Condition:</u> Community Service Agency (the Agency) did not document procedures performed relating to suspension and debarment. The Agency could not provide evidence that procedures were performed related to suspension and debarment for expenditures where grant funding is used. Non-federal entities are prohibited from contracting with or making sub-awards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred. 'Covered transactions' include those procurement contracts for goods and services awarded under a non-procurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed \$25,000 or meet certain other specified criteria.</p> <p><u>Cause and Effect:</u> The Agency failed to follow proper internal controls on contracts entered by the Agency. Policy dictates that when grant funds are used in excess of \$25,000, appropriate suspension and debarment procedures are to be applied and documented to ensure compliance with internal controls and OMB Circular A-133. Failure to properly document compliance with suspension and debarment compliance requirements could result in contracting with suspended or debarred contractors and ultimately result in disallowed costs.</p> <p><u>Questioned Cost:</u> \$1,722,308</p> <p><u>Recommendation:</u> The Agency should ensure verification and documentation of suspension and debarment for all covered transactions.</p> <p><u>Status:</u> Current year review of expenditures revealed no exceptions relating to suspension and debarment.</p>