

**COUNTY OF HIDALGO, TEXAS  
INDEPENDENT AUDITORS' REPORT  
SINGLE AUDIT  
DECEMBER 31, 2011**



**Burton McCumber & Cortez, L.L.P.**  
Certified Public Accountants & Management Consultants

COUNTY OF HIDALGO, TEXAS

INDEPENDENT AUDITORS'  
REPORT

SINGLE AUDIT

December 31, 2011



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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

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

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 of Hidalgo, Texas (the County) as of and for the year ended December 31, 2011, which collectively comprise the County's basic financial statements and have issued our report thereon dated June 30, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

Management of the County is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

*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.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies in internal control over financial reporting [11-01]. 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.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 11-01.

We noted certain other matters that we reported to management of the County in a separate letter dated June 30, 2012.

The County's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the County's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, of the County, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Burton, Mc Cumber & Cortez, LLP*

McAllen, Texas

June 30, 2012



**Burton McCumber & Cortez, L.L.P.**  
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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB  
CIRCULAR A-133**

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

**Compliance**

We have audited the compliance of the County of Hidalgo, Texas (the County) 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, 2011. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about 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. Our audit does not provide a legal determination of the County's compliance with those requirements.

In our opinion, the County complied, in all material respects, with the 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, 2011. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 11-02 and 11-03.

## **Internal Control Over Compliance**

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance 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.

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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying schedule of findings and questioned costs as items 11-02 and 11-03. *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.

## **Schedule of Expenditures of Federal Awards**

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, 2011, and have issued our report thereon dated June 30, 2012, which contained unqualified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements as a whole. The schedule of expenditures of federal awards is presented for the purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic 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 information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the County's responses and, accordingly, we express no opinion on the responses.

This report is intended solely for the information and use of management of the County, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Burton, McCumber & Cortez, LLP.*

McAllen, Texas  
June 30, 2012



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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE  
WITH THE STATE OF TEXAS UNIFORM GRANT MANAGEMENT STANDARDS CHAPTER  
IV STATE OF TEXAS SINGLE AUDIT CIRCULAR A-133**

The Honorable Commissioners' Court  
and Honorable District Judge  
County of Hidalgo, Texas

**Compliance**

We have audited the compliance of the County of Hidalgo, Texas (the County) with the types of compliance requirements described in the State of Texas 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, 2011. The County's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and State of Texas Single Audit Circular. Those standards and the State of Texas Single Audit Circular 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. Our audit does not provide a legal determination of the County's compliance with those requirements.

In our opinion, the County, complied, in all material respects, with the 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, 2011. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, 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 11-04.

### **Internal Control Over Compliance**

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements of laws, regulations, contracts, and grants applicable to state programs. In planning and performing our audit, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with 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.

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 that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies we consider to be significant deficiencies as described in the accompanying schedule of findings and questioned costs as item 11-04. *A significant deficiency in internal control over compliance* is a deficiency or 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.

### **Schedule of Expenditures of State Awards**

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, 2011, and have issued our report thereon dated June 30, 2012, which contained unqualified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements as a whole. The schedule of expenditures of state awards is presented for the purposes of additional analysis as required by 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic 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 information is fairly stated in all material respects in relation to the basic financial statements as a whole.

This report is intended solely for the information and use of management of the County, others within the entity, and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Burton, McCumber & Cortez, LLP*

McAllen, Texas  
June 30, 2012

COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2011

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
<b>FEDERAL AWARDS</b>					
<b>PRIMARY GOVERNMENT</b>					
	<u>U.S. Department of Agriculture</u> <u>Direct Programs</u>				
N/A	Community Facilities Loans and Grants	10.766	\$ 318	\$ -	-
	<b>Total U.S. Department of Agriculture Direct Programs</b>		<b>318</b>	<b>-</b>	<b>-</b>
	<u>Passed Through the Texas Department of State Health Services</u>				
2011-037158	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	8,123,510	-	-
2012-039974	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	2,495,965	-	-
2011-037158	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	749,660	-	-
2012-039974	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	251,396	-	-
2011-037158	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	33,529	-	-
2012-039974	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	13,561	-	-
2011-037158	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	48,022	-	-
2012-039974	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	17,074	-	-
2011-0383000	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	16,099	-	-
	<b>Total Passed Through the Texas Department of State Health Services</b>		<b>11,748,816</b>	<b>-</b>	<b>-</b>
	<u>Passed Through the Health &amp; Human Services Commission</u> <u>Office of Inspector General</u>				
N/A	ARRA- State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	14,280	-	-
	<b>Total Passed Through the Health &amp; Human Services Commission</b> <b>Office of Inspector General</b>		<b>14,280</b>	<b>-</b>	<b>-</b>
	<b>Total U.S. Department of Agriculture</b>		<b>\$ 11,763,414</b>	<b>\$ -</b>	<b>-</b>

COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2011

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
<u>U.S. Department of Justice</u>					
<u>Direct Programs</u>					
2008-AP-BX-1216	State Criminal Alien Assistance Program (SCAAP)	16.606	\$ 7	-	\$ -
2009-AP-BX-0214	State Criminal Alien Assistance Program (SCAAP)	16.606	173,361	-	-
2010-AP-BX-0743	State Criminal Alien Assistance Program (SCAAP)	16.606	304,969	-	-
			478,337	-	-
2009-DJ-BX-0565	Edward Byrne Memorial Justice Assistance Grant Program	16.738	7,588	-	-
2010-DJ-BX-0640	Edward Byrne Memorial Justice Assistance Grant Program	16.738	101,203	-	-
2011-DJ-BX-2156	Edward Byrne Memorial Justice Assistance Grant Program	16.738	272	-	-
			109,063	-	-
2009-JL-FX-0183	Part E - Developing, Testing and Demonstrating Promising New Programs	16.541	295,513	-	-
			295,513	-	-
2010JLWX0024	Public Safety Partnership and Community Policing Grants (Universal Hiring 13 (COPS))	16.710	493,412	-	-
2009CKWX0296	Public Safety Partnership and Community Policing Grants (Technology Program (COPS))	16.710	-	-	-
			493,412	-	-
2009-SB-B9-3110	ARRA - Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program / Grants to Units of Local Government	16.804	519,113	-	-
			519,113	-	-
	<b>Total U.S. Department of Justice Direct Programs</b>		<b>1,895,438</b>	<b>-</b>	<b>-</b>
<u>Passed Through the Texas Department of Criminal Justice</u>					
108-018	ARRA - Recovery Act - State and Local Law Enforcement Assistance Program combating criminal Narcotics Activity Stemming for the Southern Borders of the U. S. - Aftercare Services	16.809	100,724	-	-
108-018	ARRA - Recovery Act - State and Local Law Enforcement Assistance Program combating criminal Narcotics Activity Stemming for the Southern Borders of the U. S. - Aftercare Services	16.809	136,458	-	-
			237,182	-	-
	<b>Total Passed Through the Texas Department Of Criminal Justice</b>		<b>\$ 237,182</b>	<b>-</b>	<b>\$ -</b>

COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2011

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
	<u>Passed Through the Organized Crime Drug Enforcement Task Forces</u>				
SWTXS-0740H	The Department of Justice Assets Forfeiture Fund OCDETF (Equipment)	N/A	\$ 30,660	\$ -	-
SWTXS-0811H	The Department of Justice Assets Forfeiture Fund OCDETF (Equipment)	N/A	3,581	-	-
SWTXS-0740H	The Department of Justice Assets Forfeiture Fund OCDETF (Salary)	N/A	10,008	-	-
SWTXS-0811H	The Department of Justice Assets Forfeiture Fund OCDETF (Salary)	N/A	2,381	-	-
			<u>46,630</u>	-	-
	<b>Total Passed Through the Organized Crime Drug Enforcement Task Forces</b>		<b>46,630</b>	-	-
	<u>Passed Through the Federal Bureau of Investigations</u>				
281D-SA-C46020	The Department of Justice Assets Forfeiture Fund	N/A	17,391	-	-
281D-SA-C46020	The Department of Justice Assets Forfeiture Fund	N/A	7,444	-	-
			<u>24,835</u>	-	-
	<b>Total Passed Through the Federal Bureau of Investigations</b>		<b>24,835</b>	-	-
	<u>Passed Through the Office of the Governor, Criminal Justice Division</u>				
2431501	Edward Byrne Memorial Justice Assistance Grant Program - Hidalgo County Veteran's Court	16.738	43,710	-	-
			<u>43,710</u>	-	-
2332101	ARRA - Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/ Grants to States and Territories	16.803	186,800	-	-
2332101	ARRA - Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/ Grants to States and Territories	16.803	1,021	-	-
DJ-10-A10-22816-01	Edward Byrne Memorial Justice Assistance Grant (JAG) Program - Border Security Crime Reduction Operation	16.738	221,016	-	-
DJ-10-A10-22816-01	Edward Byrne Memorial Justice Assistance Grant (JAG) Program - Border Security Crime Reduction Operation	16.738	38,060	-	-
			<u>446,897</u>	-	-
	<b>Total Passed Through the Office of the Governor, Criminal Justice Division</b>		<b>490,607</b>	-	-
	<u>Passed Through the Texas Border Sheriff's Coalition</u>				
2009-D1-BX-0141	Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program - Operation Linebacker	16.580	6,070	-	-
2010-DD-BX-0484 HIDALGO	Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program - Operation Linebacker	16.580	237,413	-	-
			<u>243,483</u>	-	-
	<b>Total Passed Through the Texas Border Sheriff's Coalition</b>		<b>243,483</b>	-	-

See accompanying notes to Schedule of Expenditures of Federal and State Awards

COUNTY OF HIDALGO, TEXAS  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED DECEMBER 31, 2011

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
	<u>Passed Through the United States Marshals Service.</u>				
D79-11-0090	Fugitive Apprehension Task Force (DOJ-USMS)	N/A	\$ 18,517	-	-
D79-12-6007	Fugitive Apprehension Task Force (DOJ-USMS)	N/A	2,085	-	-
			<u>20,602</u>	<u>-</u>	<u>-</u>
	<u>Total Passed Through the United States Marshals Service</u>				
			20,602	-	-
	<u>Passed Through the Drug Enforcement Administration</u>				
N/A	McAllen DEA HIDTA Initiative	N/A	9,563	-	-
			<u>9,563</u>	<u>-</u>	<u>-</u>
	<u>Total Passed Through the Drug Enforcement Administration</u>				
			9,563	-	-
	<u>Total U.S. Department of Justice</u>				
			<u>\$ 2,968,339</u>	<u>-</u>	<u>\$ -</u>
	<u>Executive Office of the President for National Drug Control Policy</u>				
G10SS0002A	High Intensity Drug Trafficking Areas Program - McAllen Initiative	95.001	246,934	-	-
G10SS0002A	High Intensity Drug Trafficking Areas Program - McAllen Initiative	95.001	7,346	-	-
G11SS0002A	High Intensity Drug Trafficking Areas Program - McAllen Initiative	95.001	442,833	-	-
G09SS0002A	High Intensity Drug Trafficking Areas Program - McAllen Initiative	95.001	48,305	-	-
N/A	Asset Forfeiture Program	N/A	19,232	-	-
N/A	Asset Forfeiture Program	N/A	134,478	-	-
			<u>899,128</u>	<u>-</u>	<u>-</u>
	<u>Total Executive Office of the President for National Drug Control Policy</u>				
			<u>\$ 899,128</u>	<u>-</u>	<u>\$ -</u>

COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2011

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
	<u>U.S. Department of Health and Human Services</u> <u>Passed Through the Texas Department of State Health Services</u>				
53700-0-0000379034	Strengthening Public Health Services at the Outreach Offices of the US - Mexico Border Health Commission - Border Binational Health Week	93.018	\$ 1,480 1,480	-	\$ -
2009-031925	Public Health Emergency Preparedness- CPS Bioterrorism Preparedness	93.069	50,216	-	-
2010-035706	Public Health Emergency Preparedness- CPS Bioterrorism Preparedness	93.069	291,079	-	-
2011-038671	Public Health Emergency Preparedness- CPS Bioterrorism Preparedness	93.069	199,002	18,014	-
2011-038577	Public Health Emergency Preparedness- Office of Border Health in Mass Vaccination EWIDS	93.069	21,552	2,695	-
2011-037518	Public Health Emergency Preparedness - PPSPS/PHER	93.069	713,073	-	-
2009-031556	Public Health Emergency Preparedness- Office of Border Health in Mass Vaccination EWIDS	93.069	23,031	-	-
2010-035483	Public Health Emergency Preparedness- Office of Border Health in Mass Vaccination EWIDS	93.069	46,588	-	-
			1,344,541	20,709	-
2011-037506	Project Grants and Cooperative Agreements for Tuberculosis Control Programs.	93.116	432,122 432,122	-	-
2011-036297	Immunization Grants	93.268	569,541	-	-
2012-039050	Immunization Grants	93.268	222,937 792,478	-	-
2010-035046	Centers for Disease Control and Prevention Investigations and Technical Assistance	93.283	76,230	-	-
2011-037938	Centers for Disease Control and Prevention Investigations and Technical Assistance - Chronic High BP	93.283	9,980 86,210	-	-
2011-035550	Preventive Health and Health Services Block Grant	93.991	75,308	-	-
2012-039525	Preventive Health and Health Services Block Grant	93.991	23,469 98,777	-	-
2012-039426	Maternal and Child Health Services Block Grant to the States - Child Health	93.994	9,251	-	-
2012-039363	Maternal and Child Health Services Block Grant to the States - Prenatal/Maternity	93.994	26,257	-	-
2011-036940 & 2011-036953	Maternal and Child Health Services Block Grant to the States	93.994	252,696 288,204	-	-
	<b>Total Passed Through the Texas Department of State Health Services</b>		\$ 3,043,812	\$ 20,709	\$ -

COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2011

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
<u>Passed Through the Texas Juvenile Probation Commission</u>					
TJPC-E-2010-108	ARRA- Foster Care Title IV - E	93.658	\$ 1,066,256	\$ -	-
TJPC-E-2011-108	ARRA- Foster Care Title IV - E	93.658	25,356	-	-
TJPC-E-2010-108	ARRA- Foster Care Title IV - E	93.658	101,725	-	-
TJPC-E-2011-108	ARRA- Foster Care Title IV - E	93.658	45,260	-	-
			<u>1,238,597</u>	-	-
	<b>Total Passed Through the Texas Juvenile Probation Commission</b>		<b>1,238,597</b>	-	-
<u>Passed Through the Texas Department of Family &amp; Protective Services</u>					
23381024	ARRA- Foster Care Title IV - E - Legal Services FY09	93.658	46,118	-	-
23381024	ARRA- Foster Care Title IV - E - Legal Services FY10	93.658	57,680	-	-
23381024	ARRA- Foster Care Title IV - E - Legal Services FY11	93.658	76,083	-	-
23381024	ARRA- Foster Care Title IV - E - Legal Services FY12	93.658	22,809	-	-
23381025	ARRA- Foster Care Title IV - E - Child Welfare Services FY09	93.658	153	-	-
23381025	ARRA- Foster Care Title IV - E - Child Welfare Services FY10	93.658	228	-	-
23381025	ARRA- Foster Care Title IV - E - Child Welfare Services FY11	93.658	25,607	-	-
23381025	ARRA- Foster Care Title IV - E - Child Welfare Services FY12	93.658	4,093	-	-
			<u>232,771</u>	-	-
	<b>Total Passed Through the Texas Department of Family &amp; Protective Services</b>		<b>232,771</b>	-	-
<u>Passed Through the Office of the Attorney General of Texas</u>					
N/A	Child Support Enforcement	93.563	311,767	-	-
N/A	Child Support Enforcement	93.563	2,717	-	-
			<u>314,484</u>	-	-
	<b>Total Passed Through the Office of the Attorney General of Texas</b>		<b>314,484</b>	-	-
<u>Passed Through the Health &amp; Human Services Commission Office of Inspector General</u>					
N/A	Temporary Assistance for Needy Families	93.558	980	-	-
N/A	Medical Assistance Program	93.778	4,060	-	-
			<u>5,040</u>	-	-
	<b>Total Passed Through the Health &amp; Human Services Commission Office of Inspector General</b>		<b>5,040</b>	-	-
	<b>Total U.S. Department of Health and Human Services</b>		<b>4,834,704</b>	<b>20,709</b>	<b>\$ -</b>

COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2011

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
	<u>U.S. Department of Homeland Security</u> <u>Passed Through the Division of Emergency Management Office of the Governor</u>				
2009-SS-T9-0064	State Homeland Security Program (SHSP-LEAP)	97.073	\$ 606,459 606,459	-	\$ -
2008-SG-T8-0009	Homeland Security Grant Program (Operation Stonegarden)	97.067	80,771	-	62,831
2009-SJ-T90011	Homeland Security Grant Program (Operation Stonegarden)	97.067	658,686	-	556,745
2010-SS-T0-0008	Homeland Security Grant Program (Operation Stonegarden)	97.067	151,258 890,715	-	- 619,576
FEMA 1780-002 DR-1931-TX FEMA 1780 DR TX	Disaster Grants - Public Assistance (Presidentially Declared Disasters) Disaster Grants - Public Assistance (Presidentially Declared Disasters) Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036 97.036 97.036	- 74,283 120,172 194,455	- 36,761 40,057 76,818	- - - 619,576
	Total Passed Through the Division of Emergency Management Office of the Governor		1,691,629	76,818	619,576
	<u>Passed Through the Texas Department of Public Safety And Lower Rio Grande Development COG</u>				
FY 2010 MMRS	Metropolitan Medical Response System (MMRS)	97.071	27,766 27,766	-	-
	Total Passed Through the Texas Department of Public Safety And Lower Rio Grande Development COG		27,766	-	-
	<u>Passed Through the Immigration and Customs Enforcement And Local, County or State Law Enforcement Agency</u>				
111SA1815	US Immigration and Customs Enforcement (ICE)- McAllen, TX	N/A	2,558 2,558	-	-
	Total Passed Through the Immigration and Customs Enforcement And Local, County or State Law Enforcement Agency		2,558	-	-
	Total U.S. Department of Homeland Security		\$ 1,721,953	\$ 76,818	\$ 619,576
	<u>U.S. Elections Assistance Commission</u> <u>Passed Through Office of the Secretary of State</u>				
78583	Help America Vote Act Requirements Payments	90.401	\$ 259,332 259,332	\$ -	\$ -
	Total U.S. Elections Assistance Commission		\$ 259,332	\$ -	\$ -

COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2011

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
<u>U. S. Department of Transportation, National Highway Traffic Safety Administration (NHTSA)</u>					
011-HIDALGOCOS-CIOT-00024	Occupant Protection Incentive Grants - STEP - Click it or Ticket <u>Passed Through the Texas Department of Transportation</u>	20.602	\$ 11,450 <u>11,450</u>	\$ - <u>-</u>	\$ - <u>-</u>
	Total Passed Through the Texas Department of Transportation		11,450	-	-
<u>Total U. S. Department of Transportation, National Highway Traffic Safety Administration (NHTSA)</u>					
			\$ 11,450	\$ -	\$ -
<u>U.S. Department of Commerce</u>					
<u>Economic Development Administration</u>					
08-86-04201	Economic Development Support for Planning Organizations	11.302	\$ 57,428 <u>57,428</u>	\$ 14,357 <u>14,357</u>	\$ - <u>-</u>
	Total U.S. Department of Commerce		57,428	14,357	-
<u>Department of Energy</u>					
<u>Office of Energy Efficiency and Renewable Energy</u>					
<u>Passed Through the Texas State Energy Conservation Office</u>					
EE0000912	ARRA - Energy Efficiency and Conservation Block Grant Program (EECBG)	81.128	\$ 1,252,783 <u>1,252,783</u>	\$ - <u>-</u>	\$ - <u>-</u>
	Total Passed Through the Texas State Energy Conservation Office		1,252,783	-	-
	Total Department of Energy		1,252,783	-	-
<b>TOTAL PRIMARY GOVERNMENT</b>					
			\$ 23,768,531	\$ 111,884	\$ 619,576

COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2011

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
<u>URBAN COUNTY</u>					
<u>U.S. Department of Housing and Urban Development (HUD)</u>					
<u>Direct Programs</u>					
B-01-UC-48-0501	Community Development Block Grant - 27th Year	14.218	\$ 3,200	-	-
B-02-UC-48-0501	Community Development Block Grant - 28th Year	14.218	8,417	-	-
B-03-UC-48-0501	Community Development Block Grant - 29th Year	14.218	9,442	-	-
B-04-UC-48-0501	Community Development Block Grant - 30th Year	14.218	12,110	-	-
B-05-UC-48-0501	Community Development Block Grant - 31th Year	14.218	44,230	-	-
B-06-UC-48-0501	Community Development Block Grant - 32th Year	14.218	93,338	-	-
B-07-UC-48-0501	Community Development Block Grant - 33th Year	14.218	368,477	-	-
B-08-UC-48-0501	Community Development Block Grant - 34th Year	14.218	725,914	-	-
B-09-UC-48-0501	Community Development Block Grant - 35th Year	14.218	1,887,341	-	-
B-10-UC-48-0501	Community Development Block Grant - 36th Year	14.218	3,606,905	-	638,904
B-11-UC-48-0501	Community Development Block Grant - 37th Year	14.218	674,438	-	373,960
			<u>7,433,812</u>	<u>-</u>	<u>1,012,864</u>
M-03-UC-48-0501	Home Investment Partnership Program (HOME)	14.239	16,500	-	-
M-05-UC-48-0501	Home Investment Partnership Program (HOME)	14.239	9,800	-	-
M-06-UC-48-0501	Home Investment Partnership Program (HOME)	14.239	11,837	-	-
M-07-UC-48-0501	Home Investment Partnership Program (HOME)	14.239	38,685	-	-
M-08-UC-48-0501	Home Investment Partnership Program (HOME)	14.239	251,676	-	-
M-09-UC-48-0501	Home Investment Partnership Program (HOME)	14.239	980,518	-	-
M-10-UC-48-0501	Home Investment Partnership Program (HOME)	14.239	689,144	-	-
M-11-UC-48-0501	Home Investment Partnership Program (HOME)	14.239	409,329	-	-
			<u>2,407,489</u>	<u>-</u>	<u>-</u>
S-09-UC-48-0501	Emergency Shelter Grant (ESG)	14.231	119,177	-	119,177
S-10-UC-48-0501	Emergency Shelter Grant (ESG)	14.231	273,942	-	266,334
S-11-UC-48-0501	Emergency Shelter Grant (ESG)	14.231	41,587	-	26,275
			<u>434,706</u>	<u>-</u>	<u>411,786</u>
B-08-UN-48-0501	Neighborhood Stabilization Program	14.218	265,440	-	-
B-11-UN-48-0501	Neighborhood Stabilization Program	14.218	92,000	-	-
			<u>357,440</u>	<u>-</u>	<u>-</u>
B-09-UY-48-0501	ARRA- Community Development Block Grant	14.253	1,164,937	-	-
			<u>1,164,937</u>	<u>-</u>	<u>-</u>
S-09-LY-48-0501	ARRA- Homelessness Prevention and Rapid-Rehousing	14.257	1,671,371	-	1,636,029
			<u>1,671,371</u>	<u>-</u>	<u>1,636,029</u>
	<b>Total U.S. Department of Housing and Urban Development (HUD) Direct Programs</b>		<b>\$ 13,469,755</b>	<b>-</b>	<b>\$ 3,060,679</b>

COUNTY OF HIDALGO, TEXAS  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED DECEMBER 31, 2011

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
	<u>Passed Through the Texas Department of Housing and Community Affairs</u>				
728003	Colonia XXX	14.228	\$ 246,583	-	-
70090019	Colonia XXXI	14.228	1,443,116	-	-
			1,689,699	-	-
	Total Passed through the Texas Department of Housing and Community Affairs		1,689,699	-	-
	<u>Passed Through the Texas General Land Office</u>				
DRS010068	Colonia XXXII	14.228	2,636,123	-	-
	Total Passed through the Texas General Land Office		2,636,123	-	-
	<u>Passed Through the Texas Department of Agriculture</u>				
729055	Colonia XXXIII	14.228	128,237	-	-
711195	Colonia XXXIV	14.228	4,964	-	-
			133,201	-	-
	Total Passed through the Texas Department of Agriculture		133,201	-	-
	Total U.S. Department of Housing and Urban Development (HUD)		\$ 17,928,778	-	\$ 3,060,679
	<b>TOTAL URBAN COUNTY</b>		<b>\$ 17,928,778</b>	<b>-</b>	<b>\$ 3,060,679</b>

COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2011

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
<b>HEAD START PROGRAM</b>					
<u>U.S Department of Health and Human Services</u>					
<u>Direct Programs</u>					
06CH0183-29	Head Start Program	93.600	\$ 24,428,299	\$ 6,133,984	\$ -
			24,428,299	6,133,984	-
06SH0183/02	ARRA - Head Start Program	93.708	1,245,121	340,539	-
			1,245,121	340,539	-
	Total U.S. Department of Health and Human Services		25,673,420	6,474,523	-
	Total U.S. Department of Health and Human Services		\$ 25,673,420	\$ 6,474,523	\$ -
<u>US Department of Agriculture</u>					
<u>Passed Through the Texas Department of Agriculture</u>					
TX-1080006	Child and Adult Care Food Program	10.558	\$ 1,853,293	-	-
TX-1080006	Child and Adult Care Food Program	10.558	929,979	-	-
			2,783,272	-	-
	Total Passed Through the Texas Department of Agriculture		2,783,272	-	-
	Total U.S. Department of Agriculture		\$ 2,783,272	-	-
	TOTAL HEAD START		\$ 28,456,692	\$ 6,474,523	\$ -

COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2011

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
<b>COMMUNITY SERVICE AGENCY</b>					
<u>U.S. Department of Health and Human Services and Community Affairs</u>					
<u>Passed Through the Texas Department of Housing</u>					
58110001083	Low-income Home Energy Assistance	93.568	\$ 4,890,195	\$ -	\$ -
			4,890,195	-	-
61100000866	Community Services Block Grant	93.569	513,795	-	-
61110001131	Community Services Block Grant	93.569	1,204,017	-	-
61110001188	Community Services Block Grant	93.569	23,127	-	-
6100000931	Community Services Block Grant - Migrant Seasonal Farmworkers	93.569	66,379	-	-
			1,807,318	-	-
	<b>Total Passed Through the Texas Department of Housing and Community Affairs</b>		6,697,513	-	-
	<b>Total U.S. Department of Health and Human Services</b>		\$ 6,697,513	\$ -	\$ -
<u>Corporation For National and Community Services</u>					
<u>Direct Programs</u>					
11SRWTX016	Retired Senior Volunteer Program	94.002	\$ 70,373	\$ -	\$ -
08SRWTX016	Retired Senior Volunteer Program	94.002	37,472	-	-
			107,845	-	-
	<b>Total Corporation for National and Community Services</b>		107,845	-	-
<u>Passed Through the Texas Department on Aging</u>					
11RZWTX025	Retired Senior Volunteer Program	94.002	6,640	-	-
09RZWTX011	Retired Senior Volunteer Program	94.002	34,252	-	-
			40,892	-	-
	<b>Total Passed Through the Texas Department on Aging</b>		40,892	-	-
	<b>Total Corporation For National and Community Services</b>		\$ 148,737	\$ -	\$ -
<b>TOTAL COMMUNITY SERVICES AGENCY</b>					
			\$ 6,846,250	\$ -	\$ -
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>					
			\$ 77,000,251	\$ 6,586,407	\$ 3,680,255

COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2011

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
<b>STATE AWARDS</b>					
<b>PRIMARY GOVERNMENT</b>					
	<u>Division of Emergency Management Office of the Governor</u>				
	<u>Passed through the Texas Border Sheriff's Coalition.</u>				
LBSP-10/11-HIDALGO	Local Border Security Program	N/A	\$ 174,780	-	\$ -
			174,780	-	-
	<b>Total Passed through the Texas Border Sheriff's Coalition</b>		174,780	-	-
	<b>Total Division of Emergency Management Office of the Governor</b>		\$ 174,780	-	\$ -
	<u>Division of Criminal Justice Office of the Governor</u>				
CH-10-A10-2283701	Border Prosecution Initiative	N/A	\$ 99,712	-	\$ -
2413901	Hidalgo County DWI Court	N/A	101,882	-	-
2413902	Hidalgo County DWI Court	N/A	38,384	-	-
			239,978	-	-
	<b>Total Division of Criminal Justice Office of the Governor</b>		\$ 239,978	-	\$ -
	<u>Texas Department of State Health Services</u>				
N/A	Health Department - Administration	N/A	-	159,039	\$ -
2011-035282	Tuberculosis Prevention and Control - State	N/A	309,762	-	-
2012-039064	Tuberculosis Prevention and Control - State	N/A	122,626	-	-
2011-039140	Cardio Vascular and Stroke Initiative		5,000	-	-
			437,388	159,039	-
	<b>Total Texas Department State Health Services</b>		\$ 437,388	\$ 159,039	\$ -

COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2011

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
<u>Texas Adult Probation Commission</u>					
108-900	Basic Supervision	N/A	\$ 4,318,402	\$ -	-
108-900	Basic Supervision	N/A	2,156,078	-	-
108-013	Mentally Impaired Caseload	N/A	140,792	-	-
108-013	Mentally Impaired Caseload	N/A	67,844	-	-
108-017	Community Corrections (Boot Camp)	N/A	534,218	-	-
108-017	Community Corrections (Boot Camp)	N/A	227,692	-	-
108-006	Treatment Alternatives to Incarceration Program	N/A	89,584	-	-
108-006	Treatment Alternatives to Incarceration Program	N/A	37,004	-	-
108-014	Drug Court	N/A	160,926	-	-
108-014	Drug Court	N/A	45,502	-	-
108-007	Sex Offender Caseload	N/A	352,046	-	-
108-007	Sex Offender Caseload	N/A	157,355	-	-
108-016	Caseload Reduction Program	N/A	637,027	-	-
108-016	Caseload Reduction Program	N/A	297,578	-	-
108-017	Substance Abuse Treatment Facility	N/A	1,146,320	-	-
108-017	Substance Abuse Treatment Facility	N/A	507,643	-	-
108-900	Basic Supervision - Rider 80	N/A	131,197	-	-
108-900	Basic Supervision - Dedicated Sal	N/A	154,437	-	-
108-017	Mentally Impaired - Rider 80	N/A	6,124	-	-
108-017	Comm Corr - Rider 80	N/A	8,132	-	-
108-014	Drug Court - Rider 80	N/A	2,905	-	-
108-007	Sex Offender Caseload - Rider 80	N/A	11,444	-	-
108-016	DP Caseload Reduction	N/A	24,565	-	-
108-017	SATF - Rider 80	N/A	21,583	-	-
108-019	Court Residential Treatment Center	N/A	442,407	-	-
108-019	CRTF - Rider80	N/A	13,912	-	-
108-020	Aftercare Services	N/A	8,014	-	-
			<u>11,700,731</u>	<u>-</u>	<u>-</u>
	<b>Total Texas Adult Probation Commission</b>		<b>\$ 11,700,731</b>	<b>\$ -</b>	<b>\$ -</b>

COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2011

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
<u>Texas Juvenile Probation Commission</u>					
TJPC-M-2011-108	Special Needs (TCOMI) Funding	N/A	\$ 66,310	\$ -	-
TJPC-M-2012-108	Special Needs (TCOMI) Funding	N/A	31,021	-	-
TJPC-Z-2011-108	Salary Adjustment Funding	N/A	106,798	5,000	-
TJPC-A-2011-108	State Aid	N/A	221,656	-	-
TJPC-A-2012-108	State Aid	N/A	1,284,279	-	-
TJPC-Y-2011-108	Community Corrections	N/A	434,925	-	-
	N/A	N/A	6,253	-	-
	Computerization (Interest Earnings on Fund 1294)	N/A	325,717	-	-
TJPC-P-2011-108	Juvenile Justice Alternative Education	N/A	210,456	-	-
TJPC-P-2012-108	Juvenile Justice Alternative Education	N/A	125,702	75,000	-
TJPC-F-2011-108	Progressive Sanctions JPO	N/A	58,693	51,531	-
TJPC-O-2011-108	Progressive Sanctions ISJPO	N/A	218,761	-	-
TJPC-H-2011-108	Diversionary Placement Fund	N/A	36,732	-	-
TJPC-X-2011-108	Intensive Community Based Program	N/A	109,234	-	-
TJPC-C-2011-108	Commitment Reduction Program	N/A	117,465	-	-
TJPC-C-2012-108	Commitment Reduction Program	N/A	224,332	-	-
TJPC-L-2011-108	Secure Felony Placement Fund	N/A	140,184	-	-
TJPC-V-2011-108	Local Post-Adjudication Fund	N/A	3,718,518	131,531	-
	<b>Total Texas Juvenile Probation Commission</b>		<b>\$ 3,718,518</b>	<b>\$ 131,531</b>	
<u>Texas Department of Criminal Justice</u>					
N/A	Offender Transportation Program	N/A	\$ 81,989	\$ -	-
			81,989	-	-
	<b>Total Texas Department of Criminal Justice</b>		<b>\$ 81,989</b>	<b>\$ -</b>	
<u>Texas State Comptroller's Office</u>					
2-459-78-2965-4008	District Attorney State Supplement	N/A	\$ 15,704	\$ -	-
2-459-78-2965-4008	District Attorney State Supplement	N/A	7,405	-	-
N/A	Tobacco Compliance Grant	N/A	423	-	-
N/A	Juror Reimbursement	N/A	471,928	-	-
			495,460	-	-
	<b>Total Texas State Comptroller's Office</b>		<b>\$ 495,460</b>	<b>\$ -</b>	

COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2011

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
	<u>Texas Department of Transportation</u>				
58CF5001	Border Colonia Access Program Round II	N/A	\$ 32,730	\$ -	\$ -
88CF5001	Border Colonia Access Program Round III	N/A	3,775,084	-	-
			<u>3,807,814</u>	-	-
	Total Texas Department of Transportation		\$ 3,807,814	\$ -	\$ -
	<u>Texas Task Force on Indigent Defense</u>				
212-11-108	Formula Grant FY 11 / Equalization FY 11	N/A	\$ 1,270,165	\$ -	\$ -
			<u>1,270,165</u>	-	-
	Total Texas Task Force on Indigent Defense		\$ 1,270,165	\$ -	\$ -
	<u>Texas Secretary of State</u>				
N/A	2009 Voter Registration Section 19.002	N/A	\$ 62,808	\$ -	\$ -
			<u>62,808</u>	-	-
	Total Texas Secretary of State		\$ 62,808	\$ -	\$ -
	<u>Office of the Attorney General</u>				
1224575	Texas Vine	N/A	\$ 30,710	\$ -	\$ -
1014273	Victim Coordinator and Liaison Grant - District Attorney	N/A	22,402	-	-
1014281	Victim Coordinator and Liaison Grant - Sheriff	N/A	24,729	-	-
N/A	Asset Forfeiture (Article 59.06)	N/A	391,474	-	-
			<u>469,315</u>	-	-
	Total Office of the Attorney General		\$ 469,315	\$ -	\$ -
	<u>Lower Rio Grande Valley Development Council</u>				
N/A	911 Program	N/A	\$ 23,877	\$ -	\$ -
			<u>23,877</u>	-	-
	Total Lower Rio Grande Valley Development Council		\$ 23,877	\$ -	\$ -
	TOTAL EXPENDITURES OF STATE AWARDS		\$ 22,482,824	\$ 290,570	\$ -
	TOTAL EXPENDITURES OF FEDERAL AND STATE AWARDS		\$ 99,483,075	\$ 6,876,977	\$ 3,680,255

See accompanying notes to Schedule of Expenditures of Federal and State Awards

**COUNTY OF HIDALGO, TEXAS  
NOTES TO SCHEDULE OF EXPENDITURES OF  
FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

**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, 2011**

**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	\$	22,482,824
Primary Government State Expenditures per SEFA		23,768,531
		46,251,355
Add: Local Expenditures		402,455
		46,653,810
Primary Government Expenditures per CAFR	\$	46,653,810

**Head Start Program**

Head Start Program Federal Expenditures per SEFA	\$	28,456,692
Add: Local Expenditures		6,474,523
		34,931,215
Head Start Program Federal Expenditures per CAFR	\$	34,931,215

**Community Service Agency**

Community Service Agency Federal Expenditures per SEFA	\$	6,846,250
Add: Non-Federal Expenditures		65,563
		6,911,813
Community Service Agency Federal Expenditures per CAFR	\$	6,911,813

**COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

<b>Section I - Summary of Auditors' Results</b>	<b>Description</b>												
<b>Financial Statements</b>													
Type of auditors' report issued:	Unqualified												
Internal control over financial reporting:													
• Material weakness(es) identified?	No												
• 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?	No												
• Significant deficiencies identified not considered to be material weaknesses?	Yes												
Type of auditors' report issued on compliance for major programs:	Unqualified												
Any audit findings disclosed that are required to be reported in accordance with Section .510(a) of Circular A-133?	Yes												
Dollar threshold used to distinguish between Type A and Type B programs:	\$2,310,008												
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;">Homelessness Prevention and Rapid Re-Housing Program - ARRA</td> <td style="text-align: right; vertical-align: bottom;">14.257</td> </tr> <tr> <td style="padding-left: 20px;">Low-Income Home Energy Assistance</td> <td style="text-align: right; vertical-align: bottom;">93.568</td> </tr> <tr> <td style="padding-left: 20px;">Energy Efficiency and Conservation Block Grant Program (EECBG) - ARRA</td> <td style="text-align: right; vertical-align: bottom;">81.128</td> </tr> <tr> <td colspan="2"><b><u>CDBG Cluster</u></b></td> </tr> <tr> <td style="padding-left: 40px;">Community Development Block Grant (CDBG)</td> <td style="text-align: right; vertical-align: bottom;">14.218</td> </tr> <tr> <td style="padding-left: 40px;">CDBG – ARRA</td> <td style="text-align: right; vertical-align: bottom;">14.253</td> </tr> </table>	Homelessness Prevention and Rapid Re-Housing Program - ARRA	14.257	Low-Income Home Energy Assistance	93.568	Energy Efficiency and Conservation Block Grant Program (EECBG) - ARRA	81.128	<b><u>CDBG Cluster</u></b>		Community Development Block Grant (CDBG)	14.218	CDBG – ARRA	14.253
Homelessness Prevention and Rapid Re-Housing Program - ARRA	14.257												
Low-Income Home Energy Assistance	93.568												
Energy Efficiency and Conservation Block Grant Program (EECBG) - ARRA	81.128												
<b><u>CDBG Cluster</u></b>													
Community Development Block Grant (CDBG)	14.218												
CDBG – ARRA	14.253												

**COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

<b>Section I - Summary of Auditors' Results</b>	<b>Description</b>
Identification of Major Federal Programs (Continued):	<p><b><u>Head Start Cluster</u></b></p> <p style="padding-left: 40px;">Head Start Program 93.600</p> <p style="padding-left: 40px;">Head Start Program – ARRA 93.708</p> <p style="padding-left: 40px;">Home Investment Partnership Program 14.239</p> <p style="padding-left: 40px;">CDBG-State Administered Grants 14.228</p>
<b>State Awards</b>	
Internal control of major programs:	No
<ul style="list-style-type: none"> <li>• Material weakness(es) identified?</li> <li>• Significant deficiencies identified not considered to be material weaknesses?</li> </ul>	Yes
Type of auditors' report issued on compliance for major programs:	Unqualified
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:	\$674,485
Auditee qualified as low-risk auditee?	No
Identification of Major State Programs:	<p>Texas Adult Probation Commission</p> <p style="padding-left: 20px;">Basic Supervision</p> <p style="padding-left: 20px;">Community Corrections (Boot Camp)</p> <p style="padding-left: 20px;">Mentally Impaired Caseload</p> <p style="padding-left: 20px;">Restitution Center</p> <p style="padding-left: 20px;">Court Residential Treatment Center</p> <p style="padding-left: 20px;">Treatment Alternatives to Incarceration Program</p> <p style="padding-left: 20px;">Drug Court</p> <p style="padding-left: 20px;">Sex Offender Caseload</p> <p style="padding-left: 20px;">Caseload Reduction Program</p> <p style="padding-left: 20px;">Substance Abuse Treatment Facility</p> <p>Texas Juvenile Probation Commission</p> <p style="padding-left: 20px;">State Aid</p> <p style="padding-left: 20px;">Progressive Sanctions JPO</p> <p style="padding-left: 20px;">Diversionary Placement Fund</p> <p style="padding-left: 20px;">Special Needs (TCOMI) Funding</p> <p style="padding-left: 20px;">Progressive Sanctions ISJPO</p> <p style="padding-left: 20px;">Juvenile Justice Alternative Education</p>

**COUNTY OF HIDALGO, TEXAS  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 FOR THE YEAR ENDED DECEMBER 31, 2011**

<b>Section I - Summary of Auditors' Results</b>	<b>Description</b>
Identification of Major State Programs (Continued):	Texas Juvenile Probation Commission - Continued Local Post – Adjudication Fund Intensive Community Based Program Community Corrections Salary Adjustment Funding Commitment Reduction Program Secure Felony Placement Fund Computerization (Interest Earnings on Fund 1294)  Texas Task Force on Indigent Defense Formula Grant FY 11 / Equalization FY 11  Texas Department of Transportation Border Colonia Access Program Round II Border Colonia Access Program Round III

**COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Section II – Findings and Questioned Costs  Financial Statement	Description
<p><b>11 – 01 Purchasing – Precinct 1</b></p>	<p><b><u>Criteria and Condition:</u></b> An internal audit of Precinct 1 purchasing policies revealed that an employee was not verifying invoiced goods to actual receipt of items. The County paid for certain amount of guardrail to be installed at various County roads, verification of items and amounts invoiced did not match the correct amount of gaurdrailing received.</p> <p><b><u>Cause and Effect:</u></b> Employee would provide signature as received but admitted to actually not observing. Employee did not follow procedure and verify items received matched the amount invoiced.</p> <p><b><u>Questioned Cost:</u></b> \$143,182, as of 04/23/2012. Final amount pending the completion of an ongoing investigation.</p> <p><b><u>Recommendation:</u></b> We recommend that Precinct 1 enforce and actually follow internal controls relating to goods and services purchased and received.</p> <p><b><u>Management Response and Planned Corrective Action:</u></b> Management has taken corrective action to re-enforce policy and procedure. Met with staff and reviewed procurement procedures and authorized limited personnel to obtain goods and services for the Precinct. Also, met with Accounting Department separately to review any concerns.</p>

**COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Section III – Findings and Questioned Costs	
Federal Awards	Description
<p><b>11 – 02</b> <b>Suspension and Debarment –</b> <b>Community Service Agency</b></p>	<p><b><u>Criteria and Condition:</u></b> 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><b><u>Cause and Effect:</u></b> 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><b><u>Questioned Cost:</u></b> \$0</p> <p><b><u>Recommendation:</u></b> The Agency should ensure verification and documentation of suspension and debarment for all covered transactions.</p> <p><b><u>Management Response and Planned Corrective Action:</u></b> CSA has completed its verification of vendors for Suspension and Debarment on June 22, 2012, with no results found. We will continue to maintain and secure compliance to assure verification is met as per contract obligations.</p>

**COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Section III – Findings and Questioned Costs	
Federal Awards	Description
<p><b>11 – 03 Reporting– Urban County Program</b></p>	<p><b><u>Criteria and Condition:</u></b> Section 3 requirements state that recipients of Housing and/or Community Development Assistance exceeding \$200,000 must submit a HUD 60002 report on a yearly basis. It was noted that for the HOME, NSP1, NSP3 and CDBG-R programs, a report was not submitted for 2011.</p> <p><b><u>Cause and Effect:</u></b> Urban County does not meet Section 3 reporting requirements.</p> <p><b><u>Questioned Cost:</u></b> \$0</p> <p><b><u>Recommendation:</u></b> We recommend submission of a HUD 60002 report for all grants that meet criteria as per Section 3 requirements.</p> <p><b><u>Management Response and Planned Corrective Action:</u></b> A Section 3 Plan was adopted by the County Commissioners' Court on April 10, 2012 that identifies the triggers for Section 3 compliance. Section 3 requirements were clarified in this policy for the submittal of Section 3 reports for all of the federal programs administered by UCP. In the past, the only report Section 3 submitted was the CDBG Program.</p>

**COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Section III – Findings and Questioned Costs	Description
<p><b>State Awards</b></p> <p><b>11 – 04 Equipment Management – Adult Probation (Primary Government)</b></p>	<p><b><u>Criteria and Condition:</u></b> Provisions of the grant require the Hidalgo County Adult Probation maintain equipment records, take a physical inventory at least once every two years and reconcile to equipment records, implement an appropriate control system to safeguard equipment and maintain equipment adequately. The Hidalgo County Adult Probation has not performed a 100% physical inventory within the past two years.</p> <p><b><u>Cause and Effect:</u></b> Procedures in place to inventory all fixed assets at least once every 2 years were not performed. Lack of physical inventory on equipment gives rise to the risk of misappropriation of assets.</p> <p><b><u>Questioned Cost:</u></b> \$0</p> <p><b><u>Recommendation:</u></b> Hidalgo County Adult Probation should perform inventory of equipment at least once every two years.</p> <p><b><u>Management Response and Planned Corrective Action:</u></b> The Adult Probation inventory has been an on-going inventory due to the many changes that have occurred (boot camp and restitution being closed) for Adult Probation. The staff member performs verifications of items purchased and transferred out to Surplus several times during the year. Within the next couple of months a final inventory (for 2012) will be performed at 100% and certified.</p> <p>The Hidalgo County CSCD will perform a full physical inventory of assets prior to the next financial audit.</p>

**COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

<b>Section IV – Contact Persons Regarding Findings and Questioned Costs</b>	<b>Description</b>
<b>Primary Government</b>	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, 2011**

REFERENCE NUMBER	
Program	Description
<p><b>00 – 3</b> <b>District Clerk Cost Deposits –</b> <b>County of Hidalgo (Primary</b> <b>Government)</b></p>	<p><b><u>Criteria and Condition:</u></b> The District Clerk maintains an account to record “court cost deposits.” The subsidiary ledger for court cost deposits is incomplete; certain amounts are lacking information to determine the depositor.</p> <p><b><u>Cause and Effect:</u></b> The County has not been able to update the subsidiary ledger to include all deposits. The District Clerk’s Costs Deposits liability account has an unreconciled balance at December 31, 2011 of \$1,983,957.</p> <p><b><u>Questioned Cost:</u></b> \$0</p> <p><b><u>Recommendation:</u></b> We recommend that amounts be identified to specific depositors and unidentified deposits be escheated in accordance with state statutes as unclaimed funds, after approval by legal counsel.</p> <p><b><u>Status:</u></b> The District Clerk’s office continues to do research in efforts of identifying the specific depositors. We are working with the Auditor’s Office to resolve this finding. Since 2009, the balance has been decreasing. As of December 31, 2011, a total of \$499,782 has been recognized as revenue by the Auditor’s Office and \$1,469,181 has been recorded as Due to General Fund, reducing the Costs Deposits liability (COD-Prior to 2003) account to \$20,000. Journal entries have been made and our financial statements now reflect the identified funds.</p> <p>The District Clerk’s office will continue to work on identifying specific depositors in order to dispose of the remaining balance. We are working closely with legal counsel which has expressed a legal opinion regarding this matter.</p>
<p><b>02 – 2</b> <b>County Clerk Bond Funds Held</b> <b>Pending Judgment</b> <b>(Primary Government)</b></p>	<p><b><u>Criteria and Condition:</u></b> 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><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 a higher risk for misappropriation.</p> <p><b><u>Questioned Cost:</u></b> \$0</p>

**COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF STATUS OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

REFERENCE NUMBER	
Program	Description
<p><b>02 – 2 (Continued)</b>  <b>County Clerk Bond Funds Held Pending Judgment (Primary Government)</b></p>	<p><b><u>Recommendation:</u></b> 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 Comptrollers Office in accordance with State Escheat Laws.</p> <p><b><u>Status:</u></b> The County Clerk’s Office continues to use an excel spreadsheet to account for cash bonds. Since the Sheriff’s Office remits cash bonds prior to the time that the District Attorney’s Office accepts the charges, a case number or case status will not be immediately known at the time the cash bond is receipted in the Registry.</p> <p>The Registry is in the Civil Case Management Module and most cash bonds are related to criminal cases which are in the Criminal Case Management Module. Since both modules are not linked, the excel spreadsheet is the only way to keep track of the bonds.</p> <p>Because there is a difference between the time a cash bond is receipted and the time a case is accepted and issued a number, manual searches have to be done to update the case and case status in the excel spreadsheet. In some situations, the District Attorney’s Office does not accept the charges and, therefore, no case number is issued.</p> <p>Efforts to update the case status continue. However, since there are submittals of cash bonds prior to the time a case number is issued, there will always be cash bonds that do not have a case number or a case status.</p> <p>Management will review its procedures.</p>
<p><b>04 – 5</b>  <b>Equipment Management – Texas Juvenile Probation Commission (Primary Government)</b></p>	<p><b><u>Criteria and Condition:</u></b> Provisions of the grant require the Hidalgo County Juvenile Probation maintain equipment records, take a physical inventory at least once every two years and reconcile to equipment records, implement an appropriate control system to safeguard equipment and maintain equipment adequately. As of December 31, 2010 the Hidalgo County Juvenile Probation has not performed a 100% physical inventory within the past two years.</p>

**COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF STATUS OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

REFERENCE NUMBER	
Program	Description
<p><b>04 – 5 (Continued)</b>  <b>Equipment Management –</b>  <b>Texas Juvenile Probation</b>  <b>Commission</b>  <b>(Primary Government)</b></p>	<p><b><u>Cause and Effect:</u></b> Procedures in place to inventory all fixed assets at least once every 2 years were not performed. Lack of physical inventory on equipment gives rise to the risk of misappropriation of assets.</p> <p><b><u>Questioned Cost:</u></b> \$0</p> <p><b><u>Recommendation:</u></b> Hidalgo County Juvenile Probation should perform inventory of equipment at least once every two years.</p> <p><b><u>Status:</u></b> Purchasing Department finalized and certified the inventory on May 30, 2012.</p>
<p><b>06 – 01</b>  <b>District Clerk Bond Funds Held</b>  <b>Pending Judgment</b>  <b>(Primary Government)</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 Judgment 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 a higher risk for misappropriation.</p> <p><b><u>Questioned Cost:</u></b> \$0</p> <p><b><u>Recommendation:</u></b> 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 Comptrollers Office in accordance with State Escheat Laws.</p> <p><b><u>Status:</u></b> The District Clerk's Office continues to research all bonds being held and is making all efforts to escheat any bonds in accordance with Chapter 72, Property Code. Cash bail bonds require an order from the court as stated in the 2012 Texas District Clerk Procedures Manual. The manual states "when the case has been disposed of, the judge must enter an order authorizing the Clerk to refund the cash." The order will state to whom the refund is to be made and in what amount. Furthermore, it is policy of the District Clerk's Office not to accept or release funds without order(s) of the court.</p>

**COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF STATUS OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

REFERENCE NUMBER	
Program	Description
<p><b>06 – 01 (Continued)</b>  <b>District Clerk Bond Funds Held Pending Judgment</b>  <b>(Primary Government)</b></p>	<p>The District Clerk’s Office will research and implement procedures for the Registry and Trust Division to maintain a current status on bond money collected pending final outcome. In addition, our office will verify the status of all cases for which bond funds are held. Lastly, our Office will research all bonds, 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 Sec. 74.101 and Sec. 74.301.</p>
<p><b>07–01</b>  <b>Previous Year’s Finding</b>  <b>(Primary Government)</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 repeat comments thus causing opportunities for improvements in operations and internal controls to not be implemented timely.</p> <p><b><u>Questioned Costs:</u></b> \$0</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 that reportable conditions and other comments and observations be addressed by management timely.</p> <p><b><u>Status:</u></b> Corrective Action Plan reviews are conducted on a regular basis to ensure findings are resolved by non-compliant departments/offices.</p> <p>Corrective Action Plan reviews will continue to be conducted on a regular basis to ensure findings are resolved by non-compliant departments/offices.</p>
<p><b>07–02</b>  <b>Audit Committee</b>  <b>(Primary Government)</b></p>	<p><b><u>Criteria and Condition:</u></b> During the course of the audit, we conducted inquiries of County personnel regarding a variety of issues. During these inquiries, we received certain responses related to concerns regarding lack of training and lack of concrete policies and procedures in certain areas. Also, there lacked a formal venue in which internal controls could be discussed amongst management and addressed.</p> <p><b><u>Cause and Effect:</u></b> The County has not resolved to take action as to whether the creation of an audit committee would be beneficial.</p>

**COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF STATUS OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

REFERENCE NUMBER	
Program	Description
<p><b>07-02 (Continued) Audit Committee (Primary Government)</b></p>	<p><b><u>Questioned Cost:</u></b> \$0</p> <p><b><u>Recommendation:</u></b> Due to the proven effectiveness that an audit committee has on an organization's internal control structure, we recommend the establishment of an audit committee. Many organizations have formal audit committees and have found that these committees have made significant contributions to their organizations.</p> <p>The charge of the audit committee can be broad; however, the committee might consider the following objectives:</p> <ul style="list-style-type: none"> <li>• Oversee internal control structure and issues and concerns</li> <li>• Review internal audits and encourage management to address observations and findings</li> <li>• Meet with elected officials, department heads and Commissioner's Court as needed to discuss the status of findings and observations made by the independent and internal auditors.</li> </ul> <p>Communicate with the County Commissioner's Court to ensure that adequate attention and resources are provided for management to address observations and findings.</p> <p>The ultimate size and participants of the audit committee could be determined by the Commissioner's Court but should include members of management who are able to respond to the audit findings timely.</p> <p><b><u>Status:</u></b> We have recommended the establishment of an audit committee for the past four years. Management will continue to consider the formation of an audit committee. Finding has been removed and does not warrant any further action at this time.</p>

**COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF STATUS OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

REFERENCE NUMBER	
Program	Description
<p><b>07-03</b> <b>Infrastructure Depreciation</b> <b>(Primary Government)</b></p>	<p><b><u>Criteria and Condition:</u></b> 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><b><u>Cause and Effect:</u></b> The County had not reconciled the two reports to ensure that fixed assets and corresponding depreciation are reasonably stated.</p> <p><b><u>Questioned Costs:</u></b> \$0</p> <p><b><u>Recommendation:</u></b> We recommend the County resolve this variance between the reports as these differences could affect the amount of recorded accumulated depreciation.</p> <p><b><u>Status:</u></b> The Fixed Asset Division only recognizes the Infrastructure Depreciation Report (approved by Commissioners' Court on February 27, 2007 and updated annually) as being the sole inventory for the County's Roadway Inventory and maintains and submits this report to the County Auditor's Office for review.</p> <p>The Fixed Asset Division only recognizes the Infrastructure Depreciation Report (prepared by the engineer and approved by Commissioners' Court) as being the sole inventory for the County's Roadway Inventory, which is updated (with information provided by the Precincts and the Planning Department) and submitted to the County Auditor's Office for annual review.</p>
<p><b>07-10</b> <b>Information System Operations –</b> <b>Disaster Recovery Plan (Urban</b> <b>County Program)</b></p>	<p><b><u>Criteria and Condition:</u></b> The Urban County Program (UCP) does not have a formal disaster recovery plan to prevent the complete loss of financial information. A written disaster recovery plan should document emergency procedures for procurement, recovery and implementation of key financial equipment and financial information.</p> <p><b><u>Cause and Effect:</u></b> Management has not implemented a formal disaster recovery plan. Such written policies and procedures during high management turnover or emergency situations should reduce the risk of complete financial data loss and reduce turnover time required to become fully operational.</p> <p><b><u>Questioned Cost:</u></b> \$0</p>

**COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF STATUS OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

REFERENCE NUMBER	
Program	Description
<p><b>07-10 (Continued)</b>  <b>Information System Operations –  Disaster Recovery Plan (Urban  County Program)</b></p>	<p><b><u>Recommendation:</u></b> We recommend that a comprehensive contingency plan be developed and documented to ensure continuity of data processing services in the event of a disaster.</p> <p><b><u>Status:</u></b> As of March 2011, UCP is online with County of Hidalgo IT Department. All backups are done to the County's main server by IT.</p> <p>Since March 2011, UCP has been online with County of Hidalgo IT Department. All backups are done to the County's main server by IT.</p>
<p><b>08-01</b>  <b>Stale Dated Checks</b></p>	<p><b><u>Criteria and Condition:</u></b> There were various bank reconciliations that contained outstanding checks older than ninety days.</p> <p><b><u>Cause and Effect:</u></b> The County does not have a formal policy to address stale checks, which increases the risk of material misstatement.</p> <p><b><u>Questioned Cost:</u></b> \$0</p> <p><b><u>Recommendation:</u></b> We recommend outstanding checks be reviewed monthly and appropriate measures taken to clear stale checks.</p> <p><b><u>Status:</u></b> The Hidalgo County CSCD does review the outstanding checks on a monthly basis, and any check over 120 days is marked stale. Our practice is 120 days instead of the 90 days, as noted on the check, due to checks from the restitution account clearing later than the 90 days.</p> <p>The County's depository continues to honor checks that are past the 90 day voided notice printed on the checks. Thus, the County Clerk continues adjusting stale dated checks once a year. This is done at the time that the County Clerk escheats unclaimed funds to the State Comptroller's Office and to the County's Treasurer's Office.</p> <p>The Office of the County Treasurer has a stale dated check policy (see attached) which addresses the process that will be taken for checks approaching the County's 90 day outstanding status. The Office of the County Treasurer will make every effort to monitor all check activity, but there may be some outstanding checks beyond the 90 day void limit due to events that are out of our control. All bank accounts overseen by the Office of the County Treasurer are enrolled in the County's depository bank, First National Bank (FNB), authorized check pay program called Positive Pay. Furthermore, the Office of the County Treasurer will research the change of the 90 day void rule to 180 days.</p>

**COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF STATUS OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

REFERENCE NUMBER	
Program	Description
<p><b>08-01 (Continued)</b> <b>Stale Dated Checks</b></p>	<p>District Attorney's Office staff is currently working on escheating the monies on the stale checks to the state.</p> <p>Outstanding checks are reviewed monthly and appropriate measures are taken to clear stale checks. The Tax Office has implemented positive pay to our bank accounts.</p> <p>We have taken appropriate measures to clear outstanding checks more than ninety (90) days, including "stale" checks. In progress, we have escheated outstanding and "stale" checks to the Comptroller's Office. Since March 2, 2012, we have prepared and mailed four (4) reports totaling at least \$40,000.</p> <p>Outstanding checks are reviewed monthly and appropriate measures are taken in place. As of December 2011, Positive Pay was implemented. With this tool, checks after 90 days are automatically stopped from being cleared at the bank. This tool is a security measure for the checks not to clear after 90 days from the bank; however, they remain outstanding on the bank reconciliation. Our office clears stale dated checks from the bank reconciliation at the end of the year and puts them in a balance sheet account under outstanding checks. Another measure is that all stale dated checks are being escheated to the state comptroller after three years.</p> <p>The Hidalgo County CSCD will follow your recommendation of clearing checks every 90 days.</p> <p>The County Treasurer's Office follows its Stale Dated Check Policy (see attached). For years, the Treasurer's Office practiced a 90-day void on checks issued. With the enrollment in an authorized payment system (Positive Pay) offered by First National Bank (depository bank), the Treasurer's Office has modified its policy to adopt the banking standard of 180-day void on all checks issued by the County Treasurer's Office (except Jury Script Fund). Accounts are reviewed on a monthly basis and action is taken to remove checks un-cashed beyond 180 days from each bank account's outstanding list. The Treasurer's Office has been working with the third-party administrator that handled the Health Benefits Self-Insured Fund (checks were not issued by Treasurer's Office) to close this account since it is no longer in use. As for the Workers Compensation Trust Fund, the Treasurer's Office does not issue these checks nor oversees the operation of this trust account.</p> <p>Management will revise its procedures.</p>

**COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF STATUS OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

REFERENCE NUMBER  Program	Description
<p><b>08-02 Machinery &amp; Equipment Asset Listing</b></p>	<p><b><u>Criteria and Condition:</u></b> The listing of machinery and equipment provided by the County was incomplete and did not reconcile to the general ledger.</p> <p><b><u>Cause and Effect:</u></b> The County does not have a complete listing of machinery and equipment which leads to an increased risk of theft or misstatement.</p> <p><b><u>Questioned Cost:</u></b> \$0</p> <p><b><u>Recommendation:</u></b> We recommend the County have a complete listing of assets that make up machinery and equipment.</p> <p><b><u>Status:</u></b> The reconciliation of the machinery and equipment asset listing is an on-going project that will take time before it can be resolved completely, but once reconciled it will be maintained regularly. Once the Fixed Asset Division reconciles the modules (Fixed Asset Inventory module and Financial Accounting System module), an individual will be assigned to reconcile on a monthly basis so as to have both modules balanced.</p> <p>This project is an on-going process due to the man hours needed to finish the reconciliation of the FIS/FAS module in Alio. Also issues arise when discrepancies that occur prior to 2005 and no documents are accessible to the Fixed Asset Division (2005 was the year that the Fixed Asset Division was created at Purchasing). The only form of research is a spreadsheet (from Carter Pertain/Legacy) that the Auditor's Office provided to the Fixed Asset Division.</p>
<p><b>10-01 Reporting – Foster Care Grant</b></p>	<p><b><u>Criteria and Condition:</u></b> The County has not yet remitted required reports for the Foster Care Grant in accordance with the provisions of the grant agreement for 2010.</p> <p><b><u>Cause and Effect:</u></b> Policies and procedure in place to ensure timely remittance of required reports were not followed.</p> <p><b><u>Questioned Cost:</u></b> \$0</p> <p><b><u>Recommendation:</u></b> We recommend that the Foster Care reports be submitted in accordance with the grant agreement.</p> <p><b><u>Status:</u></b> All four quarterly reports for 2010 for the Foster Care Grant were submitted on June 30 2011.</p> <p>All quarterly reports have been filed on time since June 30 2011.</p>

**COUNTY OF HIDALGO, TEXAS  
SCHEDULE OF STATUS OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

REFERENCE NUMBER	
Program	Description
<p><b>10-02</b>  <b>Subrecipient Agreement –  Homelessness Prevention and  Rapid Re-Housing Program - ARRA</b></p>	<p><b><u>Criteria and Condition:</u></b> The County of Hidalgo – Urban County Program is required to identify to the subrecipients the award name, CFDA title and number, name of federal agency and award amount as well as compliance requirements under the grant. Urban County did not provide CFDA title and number information in their subrecipient agreements.</p> <p><b><u>Cause and Effect:</u></b> Management did not have a policy to ensure that agreements with subrecipients provide CFDA title and number information.</p> <p><b><u>Questioned Cost:</u></b> \$0</p> <p><b><u>Recommendation:</u></b> We recommend that Urban County include CFDA title and number in all subrecipient agreements.</p> <p><b><u>Status:</u></b> Starting on July 5, 2011, all subrecipient agreements now include the CFDA title and number.</p> <p>Since July 5, 2011, all subrecipient agreements have included the CFDA title and number.</p>