COUNTY OF HIDALGO, TEXAS
INDEPENDENT AUDITORS' REPORT
SINGLE AUDIT
DECEMBER 31, 2012

BMC

Burton McCumber & Cortez, L.L.P.

Certified Public Accountants & Management Consultants

COUNTY OF HIDALGO, TEXAS

INDEPENDENT AUDITORS' REPORT

SINGLE AUDIT

December 31, 2012

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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 the County of Hidalgo, Texas (the County), as of and for the year ended December 31, 2012, 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 14, 2013.

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. [12-01]

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 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 12-02.

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.

Burton McCabe & Carter, LLP

McAllen, Texas
June 14, 2013

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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's (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, 2012. The County's major federal 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 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, 2012.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, 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 item 12-03. Our opinion on each major federal 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 federal 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, 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses and/or significant deficiencies.

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, 2012, and have issued our report thereon dated June 14, 2013, 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 federal awards is presented for purposes of additional analysis as required by OMB Circular A-133, 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 federal 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. Accordingly, this report is not suitable for any other purpose.

Burton McCall & Carter, L.L.P.

McAllen, Texas
June 14, 2013

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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's (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, 2012. 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, 2012.

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 12-04. 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses and/or significant deficiencies.

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, 2012, and have issued our report thereon dated June 14, 2013, 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.

Burton McCall & Carter, L.L.P.

McAllen, Texas
June 14, 2013

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2012

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
FEDERAL AWARDS PRIMARY GOVERNMENT					
	U.S. Department of Agriculture				
	Passed Through the Texas Citrus Mutual				
N/A	Plant and Animal Disease, Pest Control, and Animal Care	10.025	$ 9,215	$ -	$ -
			9,215	-	-
	Total Passed Through Texas Citrus Mutual		9,215	-	-
	Passed Through the Texas Department of State Health Services				
2012-039974	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	8,247,041	-	-
2012-039974	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	2,639,190	-	-
2012-039974	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	700,627	-	-
2012-039974	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	203,815	-	-
2012-039974	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	29,439	-	-
2012-039974	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	11,144	-	-
2012-039974	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	44,336	-	-
2012-039974	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	17,149	-	-
2011-0383000	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	28,296	-	-
2011-0383000	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	9,780	-	-
2011-0383000	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	24,000	-	-
			11,954,817	-	-
	Total Passed Through Texas Department of State Health Services		11,954,817	-	-
	Passed Through Health and Human Services Commission Office of Inspector General				
N/A	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	4,760	-	-
			4,760	-	-
	Total Passed Through Health and Human Services Commission Office of Inspector General		4,760	-	-
	Total U.S. Department of Agriculture		$ 11,968,792	$ -	$ -

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2012

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
	U.S. Department of Justice				
	Direct Programs				
2009-AP-BX-0214	State Criminal Alien Assistance Program (SCAAP)	16.606	$ 1,206	$ -	$ -
2010-AP-BX-0743	State Criminal Alien Assistance Program (SCAAP)	16.606	113,897	-	-
2011-AP-BX-0261	State Criminal Alien Assistance Program (SCAAP)	16.606	200,149	-	-
			315,252	-	-
2010-DJ-BX-0640	Edward Byrne Memorial Justice Assistance Grant Program	16.738	2,403	-	-
2011-DJ-BX-2156	Edward Byrne Memorial Justice Assistance Grant Program	16.738	85,243	-	-
2012-DJ-BX-0828	Edward Byrne Memorial Justice Assistance Grant Program	16.738	26,031	-	-
			113,677	-	-
2010ULWX0024	Public Safety Partnership and Community Policing Grants (Universal Hiring 13 (COPS)	16.710	566,009	-	-
			566,009	-	-
	Total U.S. Department of Justice Direct Programs		994,938	-	-
	Passed Through the Texas Department of Criminal Justice				
108-018	ARRA - Recovery Act - State and Local Law Enforcement Assistance Program Combating Criminal Narcotics Activity Stemming from the Southern Borders of the U.S. - Aftercare Services	16.809	93,387	-	-
			93,387	-	-
	Total Passed Through the Texas Department Of Criminal Justice		93,387	-	-
	Passed Through the Organized Crime Drug Enforcement Task Forces				
SW-TXS-0811H	The Department of Justice Assets Forfeiture Fund OCDETF (Equipment)	N/A	11,384	-	-
SW-TXS-0861	The Department of Justice Assets Forfeiture Fund OCDETF (Equipment)	N/A	1,239	-	-
SW-TXS-0811H	The Department of Justice Assets Forfeiture Fund OCDETF (Salary)	N/A	7,536	-	-
SW-TXS-0861	The Department of Justice Assets Forfeiture Fund OCDETF (Salary)	N/A	1,869	-	-
SW-TXS-0811H	The Department of Justice Assets Forfeiture Fund OCDETF (Equipment)	N/A	15,145	-	-
SW-TXS-0811H	The Department of Justice Assets Forfeiture Fund OCDETF (Equipment)	N/A	14,406	-	-
			51,579	-	-
	Total Passed Through the Organized Crime Drug Enforcement Task Forces		51,579	-	-
	Passed Through the Federal Bureau of Investigations				
281D-SA-C46020	The Department of Justice Assets Forfeiture Fund	N/A	19,311	-	-
281D-SA-C46020	The Department of Justice Assets Forfeiture Fund	N/A	8,539	-	-
			27,850	-	-
	Total Passed Through the Federal Bureau of Investigations		27,850	-	-

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2012

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
	Passed Through the Office of the Governor, Criminal Justice Division				
JB-10-J20-24529-01	Juvenile Accountability Block Grants (JABG)	16.523	35,919	3,991	-
JB-11-J20-24529-02	Juvenile Accountability Block Grants (JABG)	16.523	14,162	1,574	-
			50,081	5,565	-
RT-10-A10-2517501-01	Residential Substance Abuse Treatment for State Prisoners	16.593	231,882	-	-
			231,882	-	-
DC-13-A10-24315-01	Edward Byrne Memorial Justice Assistance Grant Program - Hidalgo County Veteran's Court	16.738	33,732	-	-
DC-13-A10-24315-02	Edward Byrne Memorial Justice Assistance Grant Program - Hidalgo County Veteran's Court	16.738	26,676	-	-
			60,408	-	-
	Total Passed Through the Office of the Governor, Criminal Justice Division		342,371	5,565	-
	Passed Through United States Marshals Service				
D79-12-6007	Fugitive Apprehension Task Force (DOJ-USMS)	N/A	26,308	-	-
			26,308	-	-
	Total Passed Through the United States Marshals Service		26,308	-	-
	Passed Through Drug Enforcement Administration				
N/A	McAllen DEA HIDTA Initiative	N/A	5,200	-	-
N/A	McAllen DEA HIDTA Initiative	N/A	2,201	-	-
			7,401	-	-
	Total Passed Through the Drug Enforcement Administration		7,401	-	-
	Total U.S. Department of Justice		$ 1,543,834	$ 5,565	$ -
	Executive Office of the President for National Drug Control Policy				
G10SS0002A	High Intensity Drug Trafficking Areas Program - McAllen Initiative	95.001	$ 65,782	$ -	$ -
G11SS0002A	High Intensity Drug Trafficking Areas Program - McAllen Initiative	95.001	265,124	-	-
G12SS0002A	High Intensity Drug Trafficking Areas Program - McAllen Initiative	95.001	503,005	-	-
G09SS0002A	High Intensity Drug Trafficking Areas Program - McAllen Initiative	95.001	14,164	-	-
N/A	Asset Forfeiture Program	N/A	27,594	-	-
N/A	Asset Forfeiture Program	N/A	140,972	-	-
N/A	Asset Forfeiture Program	N/A	45,832	-	-
			1,062,473	-	-
	Total Executive Office of the President for National Drug Control Policy		$ 1,062,473	$ -	$ -

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2012

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
	U.S. Department of Health and Human Services				
	Direct Programs				
C76HF19799	Health Resources and Services Administration	93.887	$ 361,100	$ -	$ -
			361,100	-	-
	Total U.S. Department of Health and Human Services Direct Programs		361,100	-	-
	U.S. Department of Health and Human Services				
	Passed Through Texas Department of State Health Services				
2012-040814-001	Strengthening Public Health Services at the Outreach Offices of the US - Mexico Border Health Commission - Border Binational Health Week	93.018	8,542	-	-
53700-0-0000379034	Strengthening Public Health Services at the Outreach Offices of the US - Mexico Border Health Commission - Border Binational Health Week	93.018	710	-	-
53700-2-0000379034	Strengthening Public Health Services at the Outreach Offices of the US - Mexico Border Health Commission - Border Binational Health Week	93.018	3,474	-	-
			12,726	-	-
2013-041204-004	Public Health Emergency Preparedness - CPS Bioterrorism Preparedness	93.069	185,142	16,130	-
2011-038671-001B	Public Health Emergency Preparedness - CPS Bioterrorism Preparedness	93.069	468,653	47,341	-
2011-038577-001A	Public Health Emergency Preparedness- Office of Border Health in Mass Vaccination EWIDS	93.069	49,653	(2,052)	-
2013-041204-003	Public Health Emergency Preparedness - PPCPS/PHER	93.069	11,154	1,239	-
			714,602	62,658	-
2012-040152-001A	Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	258,624	-	-
2013-041204-006	Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	115,302	-	-
			373,926	-	-
2012-039050-001	Immunization Grants	93.268	531,174	-	-
2013-041204-005	Immunization Grants	93.268	224,998	-	-
			756,172	-	-
2012-039525-001A	Preventive Health and Health Services Block Grant	93.991	96,163	-	-
			96,163	-	-
2012-039426-001	Maternal and Child Health Services Block Grant to the States - Child Health	93.994	9,032	-	-
2013-042399-001	Maternal and Child Health Services Block Grant to the States - Child Health	93.994	3,769	-	-
2012-039363-001	Maternal and Child Health Services Block Grant to the States - Prenatal/Maternity	93.994	46,322	-	-
2013-042404-001	Maternal and Child Health Services Block Grant to the States - Prenatal/Maternity	93.994	17,843	-	-
			76,966	-	-
	Total Passed Through Texas Department of State Health Services		2,030,555	62,658	-

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2012

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
	Passed Through Texas Juvenile Probation Commission				
TJPC-E-2012-108	Foster Care Title IV - E	93.658	253,918	-	-
TJPC-E-2013-108	Foster Care Title IV - E	93.658	61,413	-	-
TJPC-E-2012-108	Foster Care Title IV - E	93.658	134,445	-	-
TJPC-E-2013-108	Foster Care Title IV - E	93.658	46,420	-	-
			496,196	-	-
	Total Passed Through Texas Juvenile Probation Commission		496,196	-	-
	Passed Through Texas Department of Family and Protective Services				
23941008	Foster Care Title IV - E - Legal Services FY12	93.658	56,658	-	-
23941009	Foster Care Title IV - E - Child Welfare Services FY12	93.658	10,871	-	-
			67,529	-	-
	Total Passed Through Texas Department of Family and Protective Services		67,529	-	-
	Passed Through Office of the Attorney General of Texas				
N/A	Child Support Enforcement	93.563	129,719	-	-
N/A	Child Support Enforcement	93.563	4,458	-	-
			134,177	-	-
	Total Passed Through Office of the Attorney General of Texas		134,177	-	-
	Passed Through Health and Human Services Commission Office of Inspector General				
N/A	Temporary Assistance for Needy Families	93.558	420	-	-
N/A	Medical Assistance Program	93.778	1,260	-	-
			1,680	-	-
	Total Passed Through Health and Human Services Commission Office of Inspector General		1,680	-	-
	Total U.S. Department of Health and Human Services		$ 3,091,237	$ 62,658	$ -

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2012

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
	U.S. Department of Homeland Security				
	Passed Through Division of Emergency Management				
	Office of the Governor				
2009-SS-T9-0064	State Homeland Security Program (SHSP-LEAP)	97.073	$ 358,108	$ -	$ -
2008-GE-T8-0034	State Homeland Security Program (SHSP)	97.073	5,015	-	-
			363,123	-	-
2009-SJ-T90011	Homeland Security Grant Program (Operation Stonegarden)	97.067	569,481	-	167,062
2010-SS-T0-0008	Homeland Security Grant Program (Operation Stonegarden)	97.067	661,356	-	512,415
2010-SS-T0-0008	Homeland Security Grant Program (Operation Stonegarden)	97.067	3,447	-	-
2010-SS-T0-0008	Homeland Security Grant Program (Operation Stonegarden)	97.067	15,984	-	-
2010-SS-T0-0008	Homeland Security Grant Program (Operation Stonegarden)	97.067	21,695	-	-
EMW-2011-SS-0019	Homeland Security Grant Program (Operation Stonegarden)	97.067	217,601	-	-
EMW-2011-SS-0019	Homeland Security Grant Program (Operation Stonegarden)	97.067	14,696	-	-
			1,504,260	-	679,477
FEMA FM 2754 TX	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	5,175		
FEMA DR 1780 TX	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	19,964	6,655	-
FEMA DR 1931 TX	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	32,644	10,881	-
			57,783	17,536	-
	Total Passed Through Division of Emergency Management Office of the Governor		1,925,166	17,536	679,477
	Passed Through Immigration and Customs Enforcement				
	And Local, County or State Law Enforcement Agency				
111SA1815	US Immigration and Customs Enforcement (ICE)- McAllen, TX	N/A	1,342	-	-
			1,342	-	-
	Total Passed Through Immigration and Customs Enforcement And Local, County or State Law Enforcement Agency		1,342	-	-
	Total U.S. Department of Homeland Security		$ 1,926,508	$ 17,536	$ 679,477
	U.S. Elections Assistance Commission				
	Passed Through Office of the Secretary of State				
78583	HAVA General Compliance- Additional	90.401	$ 45,334	$ -	$ -
			45,334	-	-
N/A	HAVA Program Income	N/A	299,437		
			299,437	-	-
	Total Passed Through Office of the Secretary of State		344,771	-	-
	Total U.S. Elections Assistance Commission		$ 344,771	$ -	$ -

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2012

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
	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	$ 972,326	$ -	$ 424,948
			972,326	-	424,948
	Total Passed Through the Texas State Energy Conservation Office		972,326	-	424,948
	Total Department of Energy		$ 972,326	$ -	$ 424,948
TOTAL PRIMARY GOVERNMENT			**$ 20,909,941**	**$ 85,759**	**$ 1,104,425**
URBAN COUNTY					
	U.S. Department of Housing and Urban Development (HUD)				
	Direct Programs				
B-02-UC-48-0501	Community Development Block Grant - 28th Year	14.218	$ 8,394	$ -	$ -
B-03-UC-48-0501	Community Development Block Grant - 29th Year	14.218	2,774	-	-
B-04-UC-48-0501	Community Development Block Grant - 30th Year	14.218	2,764	-	-
B-05-UC-48-0501	Community Development Block Grant - 31th Year	14.218	45,015	-	-
B-06-UC-48-0501	Community Development Block Grant - 32th Year	14.218	116,702	-	-
B-07-UC-48-0501	Community Development Block Grant - 33th Year	14.218	457,425	-	-
B-08-UC-48-0501	Community Development Block Grant - 34th Year	14.218	244,549	-	-
B-09-UC-48-0501	Community Development Block Grant - 35th Year	14.218	1,121,046	-	-
B-10-UC-48-0501	Community Development Block Grant - 36th Year	14.218	2,960,511	-	-
B-11-UC-48-0501	Community Development Block Grant - 37th Year	14.218	3,519,186	-	470,115
B-12-UC-48-0501	Community Development Block Grant - 38th Year	14.218	779,160	-	440,993
			9,257,526	-	911,108
M-03-UC-48-0501	Home Investment Partnership Program (HOME)	14.239	5,395	-	-
M-08-UC-48-0501	Home Investment Partnership Program (HOME)	14.239	72,048	-	-
M-09-UC-48-0501	Home Investment Partnership Program (HOME)	14.239	183,299	-	-
M-10-UC-48-0501	Home Investment Partnership Program (HOME)	14.239	1,449,275	-	-
M-11-UC-48-0501	Home Investment Partnership Program (HOME)	14.239	753,365	-	-
M-12-UC-48-0501	Home Investment Partnership Program (HOME)	14.239	107,596	-	-
			2,570,978	-	-
S-10-UC-48-0501	Emergency Shelter Grant (ESG)	14.231	28,905	-	28,905
E-11-UC-48-0501	Emergency Solutions Grant (HESG)	14.231	358,880	-	336,798
E-12-UC-48-0501	Emergency Solutions Grant (HESG)	14.231	72,781	-	70,493
			460,566	-	436,196

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2012

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
B-08-UN-48-0501	Neighborhood Stabilization Program (Recovery Act Funded)	14.218	89,717	-	-
B-11-UN-48-0501	Neighborhood Stabilization Program (Recovery Act Funded)	14.218	237,809	-	-
			327,526	-	-
B-09-UY-48-0501	ARRA - Community Development Block Grant	14.253	609,464	-	-
			609,464	-	-
S-09-UY-48-0501	ARRA- Homelessness Prevention and Rapid-Rehousing	14.257	656,915	-	606,964
			656,915	-	606,964
	Total U.S. Department of Housing and Urban Development (HUD) Direct Programs		13,882,975	-	1,954,268
	Passed Through The Texas Department of Housing and Community Affairs				
728003	Colonia XXX	14.228	145,382	-	-
70090019	DRP XXXI	14.228	361,860	-	-
712013	Colonia XXXVIII	14.228	8,028	-	-
			515,270	-	-
	Total Passed through Texas Department of Housing and Community Affairs		515,270	-	-
	Passed Through The Texas General Land Office				
DRS010068	DRS XXXII	14.228	2,471,983	-	-
DRS210068	DRS XXXVI	14.228	764,461	-	-
DRS220068	DRS XXXVII	14.228	638	-	-
			3,237,082	-	-
	Total Passed through Texas General Land Office		3,237,082	-	-
	Passed Through The Texas Department of Agriculture				
729055	Colonia XXXIII	14.228	87,447	-	-
711195	Colonia XXXIV	14.228	245,892	-	-
711245	Colonia XXXV	14.228	68,602	-	-
			401,941	-	-
	Total Passed through The Texas Department of Agriculture		401,941	-	-
	Total U.S. Department of Housing and Urban Development (HUD)		$ 18,037,268	$ -	$ 1,954,268
TOTAL URBAN COUNTY			**$ 18,037,268**	**$ -**	**$ 1,954,268**

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2012

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
HEAD START PROGRAM					
	U.S Department of Health and Human Services Direct Programs				
06CH0183-31	Head Start Program	93.600	$ 25,634,607	$ 6,408,652	$ -
			25,634,607	6,408,652	-
	Total U.S. Department of Health and Human Services		$ 25,634,607	$ 6,408,652	$ -
	US Department of Agriculture Passed Through Texas Department of Agriculture				
TX-1080006	Child and Adult Care Food Program	10.558	$ 2,392,933	$ -	$ -
TX-1080006	Child and Adult Care Food Program	10.558	797,644	-	-
			3,190,577	-	-
	Total Passed Through Texas Department of Agriculture		3,190,577	-	-
	Total U.S. Department of Agriculture		$ 3,190,577	$ -	$ -
TOTAL HEAD START PROGRAM			$ 28,825,184	$ 6,408,652	$ -

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2012

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
COMMUNITY SERVICE AGENCY					
	U.S. Department of Health and Human Services				
	Passed Through Texas Department of Housing and Community Affairs				
58120001359	Low-Income Home Energy Assistance	93.568	$ 3,884,394	$ -	$ -
			3,884,394	-	-
61110001131	Community Services Block Grant	93.569	458,207	-	-
611200001323	Community Services Block Grant	93.569	919,222	-	
61000001437	Community Services Block Grant	93.569	136,316	-	
	Community Services Block Grant- Migrant Seasonal Farmworkers	93.569	1,000	-	
61120001464	Community Services Block Grant- Migrant Seasonal Farmworkers	93.569	8,121	-	
			1,522,866	-	-
	Total Passed Through Texas Department of Housing and Community Affairs		5,407,260	-	-
	Total U.S. Department of Health and Human Services		$ 5,407,260	$ -	$ -
	Corporation For National and Community Services				
	Direct Programs				
11SRWTX06	Retired Senior Volunteer Program	94.002	$ 21,849	$ -	$ -
11SRWTX016	Retired Senior Volunteer Program	94.002	32,656	-	-
			54,505	-	-
	Total Corporation For National and Community Services Direct Programs		54,505	-	-
	Passed Through Texas Department of Aging				
11RZWTX025	Retired Senior Volunteer Program	94.002	18,829	-	
11RZWTX025	Retired Senior Volunteer Program	94.002	8,681	-	
			27,510	-	-
	Total Passed Through Texas Department on Aging		27,510	-	-
	Total Corporation For National and Community Services		$ 82,015	$ -	$ -
TOTAL COMMUNITY SERVICES AGENCY			$ 5,489,275	$ -	$ -
TOTAL EXPENDITURES OF FEDERAL AWARDS			$ 73,261,668	$ 6,494,411	$ 3,058,693

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2012

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL 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-11-HIDALGO	Local Border Security Program	N/A	$ 67,927	$ -	$ -
LBSP-12-HIDALGO	Local Border Security Program	N/A	100,031	-	-
			167,958	-	-
	Total Passed Through the Texas Border Sheriff's Coalition		167,958	-	-
	Total Division of Emergency Management Office of the Governor		$ 167,958	$ -	$ -
	Division of Criminal Justice Office of the Governor				
CH-10-A10-2283701	Border Prosecution Initiative	N/A	$ 177,735	$ -	$ -
2413901	Hidalgo County DWI Court	N/A	80,632	-	-
2413902	Hidalgo County DWI Court	N/A	44,294	-	-
			302,661	-	-
	Total Division of Criminal Justice Office of the Governor		$ 302,661	$ -	$ -
	Texas Rangers Division				
	Texas Department of Public Safety				
LBSP-12-0040	Local Border Security Program FY12	N/A	$ 32,329	$ -	$ -
LBSP-12-0041	Local Border Security Program FY12	N/A	14,384	-	-
LBSP-12-0042	Local Border Security Program FY12	N/A	25,873	-	-
			72,586	-	-
	Total Rangers Division				
	Texas Department of Public Safety		$ 72,586	$ -	$ -
	Texas Department of State Health Services				
N/A	Health Department - Administration	N/A	$ -	$ 156,607	$ -
2013-041204-002	Preventive Health and Health Services Block Grant	N/A	24,706	-	-
2012-039064-001	Tuberculosis Prevention and Control - State	N/A	326,323	-	-
2013-041204-001	Tuberculosis Prevention and Control - State	N/A	139,644	-	-
			490,673	156,607	-

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2012

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
	Total Texas Department State Health Services		$ 490,673	$ 156,607	$ -
	Texas Adult Probation Commission				
108-900	Basic Supervision	N/A	$ 4,628,757	$ -	$ -
108-900	Basic Supervision	N/A	2,227,809	-	-
108-013	Mentally Impaired Caseload	N/A	137,975	-	-
108-013	Mentally Impaired Caseload	N/A	67,586	-	-
108-017	Community Corrections (Boot Camp)	N/A	482,393	-	-
108-017	Community Corrections (Boot Camp)	N/A	212,590	-	-
108-006	Treatment Alternatives to Incarceration Program	N/A	83,405	-	-
108-006	Treatment Alternatives to Incarceration Program	N/A	43,268	-	-
108-014	Drug Court	N/A	116,693	-	-
108-014	Drug Court	N/A	57,473	-	-
108-007	Sex Offender Caseload	N/A	306,352	-	-
108-007	Sex Offender Caseload	N/A	144,925	-	-
108-016	Caseload Reduction Program	N/A	629,426	-	-
108-016	Caseload Reduction Program	N/A	292,032	-	-
108-017	Substance Abuse Treatment Facility	N/A	1,015,924	-	-
108-017	Substance Abuse Treatment Facility	N/A	496,890	-	-
108-900	Basic Supervision - Rider 80	N/A	307,808	-	-
108-900	Basic Supervision - Dedicated Sal	N/A	149,943	-	-
108-020	Aftercare Services	N/A	91,870	-	-
108-020	Aftercare Services	N/A	64,789	-	-
			11,557,908	-	-
	Total Texas Adult Probation Commission		$ 11,557,908	$ -	$ -

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2012

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
	Texas Juvenile Probation Commission				
TJPC-M-2012-108	Special Needs (TCOMI) Funding	N/A	$ 66,363	$ -	$ -
TJPC-M-2013-108	Special Needs (TCOMI) Funding	N/A	30,807	-	-
TJPC-A-2011-108	State Aid	N/A	22,588	-	-
TJPC-A-2012-108	State Aid	N/A	1,865,106	-	-
TJPC-A-2013-108	State Aid	N/A	1,031,181	-	-
TJPC-P-2012-108	Juvenile Justice Alternative Education	N/A	303,123	-	-
TJPC-P-2013-108	Juvenile Justice Alternative Education	N/A	205,084	-	-
TJPC-C-2011-108	Commitment Reduction Program	N/A	278,361	-	-
TJPC-C-2012-108	Commitment Reduction Program	N/A	145,716	-	-
			3,948,329	-	-
	Total Texas Juvenile Probation Commission		$ 3,948,329	$ -	$ -
	Texas Department of Criminal Justice				
N/A	Offender Transportation Program	N/A	$ 80,481	$ -	$ -
			80,481	-	-
	Total Texas Department of Criminal Justice		$ 80,481	$ -	$ -
	Texas State Comptroller's Office				
2-459-78-2965-4008	District Attorney State Supplement	N/A	$ 12,318	$ -	$ -
2-459-78-2965-4008	District Attorney State Supplement	N/A	6,376	-	-
N/A	Tobacco Compliance Grant	N/A	5,849	-	-
N/A	Juror Reimbursement	N/A	426,328	-	-
			450,871	-	-
	Total Texas State Comptroller's Office		$ 450,871	$ -	$ -
	Texas Department of Transportation				
8BCF5001	Border Colonia Access Program Round III	N/A	$ 2,083,944	$ -	$ -
			2,083,944	-	-
	Total Texas Department of Transportation		$ 2,083,944	$ -	$ -

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2012

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIPIENTS
	Texas Task Force on Indigent Defense				
212-12-D09	Discretionary Grant FY2012 - Texas Indigent Defense Commission	N/A	$ 123,690	$ 30,922	$ -
212-23-D09	Discretionary Grant FY2013 - Texas Indigent Defense Commission	N/A	54,657	13,664	-
212-11-108	Formula Grant FY 11 / Equalization FY 11	N/A	819,674	-	-
			998,021	44,586	-
	Total Texas Task Force on Indigent Defense		$ 998,021	$ 44,586	$ -
	Texas Secretary of State				
N/A	Voter Registration Section 13.121 - permit and postage	N/A	$ 4,605	$ -	$ -
N/A	2009 Voter Registration Section 19.002	N/A	285	-	-
N/A	2009 Voter Registration Section 19.002	N/A	8,175	-	-
			13,065	-	-
	Total Texas Secretary of State		$ 13,065	$ -	$ -
	Office of the Attorney General				
1224575	Texas Vine	N/A	$ 30,710	$ -	$ -
1224575	Texas Vine	N/A	7,294	-	-
N/A	Asset Forfeiture (Article 59.06)	N/A	167,855	-	-
			205,859	-	-
	Total Office of the Attorney General		$ 205,859	$ -	$ -
	Lower Rio Grande Valley Development Council				
N/A	911 Program	N/A	$ 42	$ -	$ -
			42	-	-
	Total Lower Rio Grande Valley Development Council		$ 42	$ -	$ -
TOTAL EXPENDITURES OF STATE AWARDS			**$ 20,372,398**	**$ 201,193**	**$ -**
TOTAL EXPENDITURES OF FEDERAL AND STATE AWARDS			**$ 93,634,066**	**$ 6,695,604**	**$ 3,058,693**

COUNTY OF HIDALGO, TEXAS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2012

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, 2012

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	$	20,909,941
Primary Government State Expenditures per SEFA		20,372,398
		41,282,339
Add: Local Expenditures		286,952
Capital Leases		662,718
Primary Government per CAFR	$	42,232,009
Head Start Program		
Head Start Expenditure per SEFA	$	28,825,184
Add: Local Expenditures		6,408,652
Head Start Expenditure per CAFR	$	35,233,836
Community Services Agency		
Community Services Agency Expenditure per SEFA	$	5,489,275
Add: Non-Federal Expenditures		89,230
Community Services Agency per CAFR	$	5,578,505
Urban County		
Urban County Expenditure per SEFA	$	18,037,268
Add: Local Expenditures		-
Urban County Expenditure per CAFR	$	18,037,268

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2012

Section I - Summary of Auditors' Results	Description
Financial Statements	
Type of auditors' report issued:	Unqualified
Internal control over financial reporting: • 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: • 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:	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:	$2,197,850
Auditee qualified as low-risk auditee?	No
Identification of Major Federal Programs:	Homelessness Prevention and Rapid Re-Housing Program - ARRA 14.257 Low-Income Home Energy Assistance 93.568 Special Supplemental Nutrition Program for Women, Infants, and Children 10.557 CDBG Cluster 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, 2012

Section I - Summary of Auditors' Results	**Description**
Identification of Major Federal Programs (Continued):	Head Start Program 93.600 Home Investment Partnership Program 14.239 Child and Adult Care Food Program 10.558
State Awards	
Internal control of major programs: • 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:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with the *State of Texas Single Audit Circular*?	Yes
Dollar threshold used to distinguish between Type A and Type B programs:	$611,172
Auditee qualified as low-risk auditee?	No
Identification of Major State Programs:	Texas Adult Probation Commission 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 Texas Juvenile Probation Commission State Aid Progressive Sanctions JPO Diversionary Placement Fund Special Needs (TCOMI) Funding Progressive Sanctions ISJPO Juvenile Justice Alternative Education

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2012

Section I - Summary of Auditors' Results	Description
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 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 II Border Colonia Access Program Round III

Section II – Findings and Questioned Costs Financial Statement	Description
12 – 01 **Capital Assets Internal Audit Results**	**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. **Cause and Effect:** The County does not have an approved capital asset policy to address the accuracy and completeness of capital assets. **Questioned Cost:** $0 **Recommendation:** The County should implement proper policy/procedures to address the accuracy and completeness of capital assets. **Management Response and Planned Corrective Action:** The Fixed Asset Division has been working on reconciling the FIS and FAS modules. (County's Inventory System and General Ledger). This process encompasses reconciling the general ledger and the inventory system to the results of the physical inventories. The County Fixed Asset Policy and Procedures Manual has been completed and will be delivered for final revision to the County Auditor's Office, Internal Audit Division, Accounting Division, the County's Executive Office, and the Budget Officer. After review and corrections are made, the Purchasing Department/Fixed Asset Division will present the final Fixed Asset Policy and Procedures Manual to be approved by County Commissioners' Court, tentatively by August 20, 2013.

Section II – Findings and Questioned Costs Financial Statement	Description
12 – 02 **Segregation of Duties – Community Service Agency**	**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 Judges signature causing a lack of segregation of duties. **Cause and Effect:** CSA does not have proper internal controls in place or segregation of duties in safekeeping the signature stamps. **Questioned Cost:** $0 **Recommendation:** We recommend that CSA implement internal controls and segregation of duties with regards to the signature stamp. **Management Response and Planned Corrective Action:** CHCSA assures the implementation of proper internal controls and segregation of duties with regards to the signature stamp. CHCSA also assures to obtain necessary approval from all parties involved in a timely manner in order to implement the proper internal controls recommended.

Section III – Findings and Questioned Costs Federal Awards	Description
12 – 03 **Suspension and Debarment – Community Service Agency**	**Criteria and Condition:** 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. **Cause and Effect:** 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. **Questioned Cost:** $1,722,308 **Recommendation:** The Agency should ensure verification and documentation of suspension and debarment for all covered transactions. **Management Response and Planned Corrective Action:** The Agency did verify some of the vendors it works with however effective January 1, 2013 the agency implemented a 100% verification for all covered transactions and assures that it will continue to complete this process as required.

Section III – Findings and Questioned Costs State Awards	Description
12-04 **Equipment Management – Adult Probation (Primary Government)**	**Criteria and Condition:** 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. **Cause and Effect:** 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. **Questioned Cost:** $0 **Recommendation:** Hidalgo County Adult Probation should implement controls to ensure inventory of equipment is done at least once every two years per grant provisions. **Management Response and Planned Corrective Action:** The Hidalgo County CSCD will perform a full physical inventory of assets prior to the next financial audit.

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2012

Section IV – Contact Persons Regarding Findings and Questioned Costs	Description
Primary Government	Raymundo Eufracio, 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, 2012

REFERENCE NUMBER Program	Description
02 – 2 **County Clerk Bond Funds Held** **Pending Judgment** **(Primary Government)**	**Criteria and Condition:** 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. **Cause and Effect:** 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. **Questioned Cost:** $0 **Recommendation:** 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. **Status:** 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. 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.

REFERENCE NUMBER Program	Description
02 – 2 (Continued) **County Clerk Bond Funds Held** **Pending Judgment** **(Primary Government)**	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." 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. 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.

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF STATUS OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2012

REFERENCE NUMBER Program	Description
06 – 01 **District Clerk Bond Funds Held Pending Judgment (Primary Government)**	**Criteria and Condition:** 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. **Cause and Effect:** 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. **Questioned Cost:** $0 **Recommendation:** 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. **Status:** The District Clerk's Office continues to identify all forfeiture bonds and will work with the District Attorney to provide a court order to release these bonds to the County Treasurer. The District Clerk's Office will work with the State Comptroller to provide a court order to escheat non forfeiture bonds dated 3 years and older in accordance with Property Code Chapter 72, Sec. 72.101. Letters have been sent to the McAllen, Edinburg, and Weslaco Attorney General Offices 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(s) of the court. 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 to Property Code Sec. 74.101 and Sec. 74.301.

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF STATUS OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2012

REFERENCE NUMBER Program	Description
07–01 **Previous Year's Finding** **(Primary Government)**	**Criteria and Condition:** Certain observations previously reported in prior years have not been addressed and resolved by management. **Cause and Effect:** Management has not monitored for resolution of repeat comments thus causing opportunities for improvements in operations and internal controls to not be implemented timely. **Questioned Costs:** $0 **Recommendation:** To ensure the integrity of the internal control structure as well as to increase the effectiveness and efficiency of the operations of the County, we recommend that reportable conditions and other comments and observations be addressed by management timely. **Status:** Corrective Action Plan reviews will continue to be conducted on a regular basis to ensure findings are resolved by non-compliant department/offices.
07–03 **Infrastructure Depreciation** **(Primary Government)**	**Criteria and Condition:** 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. **Cause and Effect:** The County had not reconciled the two reports to ensure that fixed assets and corresponding depreciation are reasonably stated. **Questioned Costs:** $0 **Recommendation:** We recommend the County resolve this variance between the reports as these differences could affect the amount of recorded accumulated depreciation. **Status:** The difference between the engineer's report and the County's internal report of infrastructure assets has been identified as assets pertaining to various Road Districts. When the engineer's report was presented to and accepted by the County, the County Auditor's Office adjusted the County's internal records to reflect what the engineer's report contained. However, infrastructure assets related to the Road Districts were not adjusted because it was not clear if the engineer's report included infrastructure assets of the Road Districts. Additional research is needed to determine if these road District assets were included in the engineer's report.

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF STATUS OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2012

REFERENCE NUMBER Program	Description
08-01 **Stale Dated Checks**	**Criteria and Condition:** There were various bank reconciliations that contained outstanding checks older than ninety days. **Cause and Effect:** The County does not have a formal policy to address stale checks, which increases the risk of material misstatement. **Questioned Cost:** $0 **Recommendation:** We recommend outstanding checks be reviewed monthly and appropriate measures taken to clear stale checks. **Status:** Adult Probation outstanding checks become stale every 90 days as recommended. The Department will also send out letters to the payees in order to attempt to clear out the stale checks. District Attorney's Office will take adequate measures to correct any concerns. The Office will not send money to the State until all procedures to locate rightful owners are exhausted. The Tax Office continues to utilize Positive Pay to ensure that checks do not clear after the 180th day of issuance. All outstanding checks are properly accounted and remain outstanding in our bank reconciliation. All stale dated checks are cleared and escheated to the state comptroller after three years. The County Clerk's Office has revised its procedure in removing stale dated checks from its current outstanding checks. The Office of the County Treasurer has a stale dated check policy which addresses the process that will be taken for checks approaching the County's 180 day outstanding status. The Office of the County Treasurer's Accountant will monitor all check activity on a monthly basis. All bank accounts overseen by the Office of the County Treasurer are enrolled in the County's depository bank, Lone Star National Bank (LSNB) authorized check pay program called Positive Pay. This program assists in deterring any check over the 180 days from clearing bank accounts overseen by the Office of the County Treasurer.

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF STATUS OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2012

REFERENCE NUMBER Program	Description
08-02 **Machinery & Equipment Asset Listing**	**Criteria and Condition:** The listing of machinery and equipment provided by the County was incomplete and did not reconcile to the general ledger. **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. **Questioned Cost:** $0 **Recommendation:** We recommend that the County have a complete listing of assets that make up machinery & equipment. **Status:** The Fixed Asset Division is short staffed and did not have the man power last year (and are still short the manpower) to work on the reconciliation of the FIS and FAS modules. The Fixed Asset Division will start reconciling once the 2012 subsidiary ledgers are submitted to the Accounting Division.
11-01 **Purchasing – Precinct 1**	**Criteria and Condition:** 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 of amount of guardrail received. **Cause and Effect:** 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. **Questioned Cost:** $143,182, as of 4/23/2012. Final amount pending the completion of an ongoing investigation. **Recommendation:** We recommend that Precinct 1 enforce internal controls relating to goods and services purchased and received. **Status:** Precinct 1 staff has reviewed the internal controls and are enforcing policies. All invoices are being verified and accounted for before signing off that goods were received. The Precinct has staff that visibly checks on site and attests to goods and/or services being received and /or conducted prior to signing any invoice. Limited staff is authorized to be involved in the procurement process.

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF STATUS OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2012

REFERENCE NUMBER Program	Description
11 – 03 **Reporting–** **Urban County Program**	**Criteria and Condition:** 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. **Cause and Effect:** Urban County does not meet Section 3 reporting requirements. **Questioned Cost:** $0 **Recommendation:** We recommend submission of a HUD 60002 report for all grants that meet criteria as per Section 3 requirements. **Status:** Since Section 3 policy was clarified in 2012, reports are being submitted according to each grant's guidelines.