COUNTY OF HIDALGO, TEXAS
INDEPENDENT AUDITORS' REPORT
SINGLE AUDIT
DECEMBER 31, 2015

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

COUNTY OF HIDALGO, TEXAS

INDEPENDENT AUDITORS' REPORT

SINGLE AUDIT

December 31, 2015

BMC

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of County of Hidalgo, Texas (the County), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated July 22, 2016.

Internal Control over Financial Reporting

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

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be a material weaknesses. [2015-001 and 2015-004]

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies. [2015-002 and 2015-003]

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

We noted certain other matters that we reported to management of the County in a separate letter dated July 22, 2016.

County's Responses to Findings

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Burton McCall & Cato, LLP

McAllen, Texas
July 22, 2016

BMC

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

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

Report on Compliance for Each Major Federal Program

We have audited the County of Hidalgo, Texas' (the County) compliance with the types of compliance requirements described in the *OMB 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, 2015. 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 federal statutes, regulations, and the terms and conditions of its federal awards 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; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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, 2015.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2015-006, 2015-007, and 2015-008. Our opinion on each major federal program is not modified with respect to these matters.

The County's response to the noncompliance findings identified in our audit is described in the accompanying 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 types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 2015-005 and 2015-009 that we consider to be significant deficiencies.

The County's response to the internal control over compliance findings identified in our audit is described in the accompanying 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 Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate each major fund, and the aggregate remaining fund information of the County, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated July 22, 2016, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Burton McCall & Cook - LLP

McAllen, Texas
July 22, 2016

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

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

Report on Compliance for Each Major State Program

We have audited the County of Hidalgo, Texas' (the County) compliance with the types of compliance requirements described in 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, 2015. 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 state and federal statutes, regulations, and the terms and conditions of its state awards 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; and the State of Texas Uniform Grant Management Standards Chapter IV *Texas State Single Audit Circular*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major 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, 2015.

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 Uniform Grant Management Standards Chapter IV *Texas State Single Audit Circular* and which are described in the accompanying schedule of findings and questioned costs as item 2015-010. Our opinion on each major federal program is not modified with respect to these matters.

The County's response to the noncompliance findings identified in our audit is described in the accompanying 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 types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on 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 state program 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. 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. However, material weaknesses may exist that have not been identified.

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

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate each major fund, and the aggregate remaining fund information of the County, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated July 22, 2016, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming our opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of state awards is presented for 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 basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of state awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over and the results of our testing based on the requirements of 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 McCullough & Co., LLP

McAllen, Texas
July 22, 2016

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2015

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	TOTAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIEPIENTS
FEDERAL AWARDS						
PRIMARY GOVERNMENT						
	U.S. Department of Agriculture					
	Passed Through the Texas Department of State Health Services					
2015-047381	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	$ 7,754,240	$ -	$ 7,754,240	$ -
2016-048872-001	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	2,398,050	-	2,398,050	-
2015-047381	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	514,137	-	514,137	-
2016-048872-001	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	180,974	-	180,974	-
2015-047381	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	39,318	-	39,318	-
2016-048872-001	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	14,489	-	14,489	-
2015-047381	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	60,257	-	60,257	-
2015-047381	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	11,249	-	11,249	-
2015-047381	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	208,815	-	208,815	-
2016-048872-001	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	56,569	-	56,569	-
2016-048872-001	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	4,034	-	4,034	-
			11,242,132	-	11,242,132	-
	Total Passed Through Texas Department of State Health Services		11,242,132	-	11,242,132	-
	Passed Through Health & Human Services Commission Office of Office of Inspector General					
N/A	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	1,260	-	1,260	-
			1,260	-	1,260	-
	Total Passed Through Health & Human Services Commission Office of Inspector General		1,260	-	1,260	-
	Total U.S. Department of Agriculture		$ 11,243,392	$ -	$ 11,243,392	$ -
	U.S. Department of Justice					
	Direct Programs					
2011-AP-BX-0261	State Criminal Alien Assistance Program (SCAAP)	16.606	$ 115	$ -	$ 115	$ -
2012-AP-BX-0769	State Criminal Alien Assistance Program (SCAAP)	16.606	23	-	23	-
2013-AP-BX-0830	State Criminal Alien Assistance Program (SCAAP)	16.606	5,897	-	5,897	-
2014-AP-BX-0059	State Criminal Alien Assistance Program (SCAAP)	16.606	26,728	-	26,728	-
			32,763	-	32,763	-
2014-DJ-BX-0263	Edward Byrne Memorial Justice Assistance Grant Program	16.738	37,018	-	37,018	-
2015-DJ-BX-0610	Edward Byrne Memorial Justice Assistance Grant Program	16.738	15,519	-	15,519	-
			52,537	-	52,537	-
2010ULWX0024	Public Safety Partnership and Community Policing Grants (Universal Hiring 13 (COPS))	16.710	8,131	323,490	331,621	-
			8,131	323,490	331,621	-

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2015

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	TOTAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIEPIENTS
TX1080000	Equitable Sharing Program	16.922	647,791	-	647,791	-
TX1082700	Equitable Sharing Program	16.922	33,454	-	33,454	-
TX108015A	Equitable Sharing Program	16.922	28,773	-	28,773	-
TX1082000	Equitable Sharing Program	16.922	31,445	-	31,445	-
			741,463	-	741,463	-
	Total U.S. Department of Justice Direct Programs		834,894	323,490	1,158,384	-
	Passed Through the Organized Crime Drug Enforcement Task Forces					
SW-TXS-0968	The Department of Justice Assets Forfeiture Fund OCDETF (Equipment)	16.U01	9,424	-	9,424	-
SW-TXS-1006	The Department of Justice Assets Forfeiture Fund OCDETF (Equipment)	16.U01	1,013	-	1,013	-
SW-TXS-0968	The Department of Justice Assets Forfeiture Fund OCDETF (Salary)	16.U01	10,251	-	10,251	-
SW-TXS-1006	The Department of Justice Assets Forfeiture Fund OCDETF (Salary)	16.U01	2,089	-	2,089	-
SW-TXS-0968	The Department of Justice Assets Forfeiture Fund OCDETF (Salary)	16.U01	5,821	-	5,821	-
			28,598	-	28,598	-
	Total Passed Through the Organized Crime Drug Enforcement Task Forces		28,598	-	28,598	-
	Passed Through the Federal Bureau of Investigations					
281D-SA-C46020	The Department of Justice Assets Forfeiture Fund	16.U02	5,113	-	5,113	-
281D-SA-C46020	The Department of Justice Assets Forfeiture Fund	16.U02	1,976	-	1,976	-
			7,089	-	7,089	-
	Total Passed Through the Federal Bureau of Investigations		7,089	-	7,089	-
	Passed Through the Office of the Governor, Criminal Justice Division					
JB-12-XXX-24529-04	Juvenile Accountability Block Grants (JABG)	16.523	16,883	-	16,883	-
			16,883	-	16,883	-
2011-RT-A10 (2732401)	Residential Substance Abuse Treatment for State Prisoners	16.593	(269)	-	(269)	-
2013-RT-BX-0006 (2928001)	Residential Substance Abuse Treatment for State Prisoners	16.593	16,133	-	16,133	-
			15,864	-	15,864	-
2015-VA-GX-0009 (2924301)	Crime Victim Assistance	16.575	5,079	1,693	6,772	-
			5,079	1,693	6,772	-
2015-WF-AX-0032 (2931301)	Violence Against Women Formula Grants	16.588	2,792	1,215	4,007	-
			2,792	1,215	4,007	-
DJ-11-A10-2725301	Edward Byrne Memorial Justice Assistance Grant Program	16.738	(50)	-	(50)	-
DJ-12-A10-2725302	Edward Byrne Memorial Justice Assistance Grant Program	16.738	21,320	-	21,320	-
			21,270	-	21,270	-
	Total Passed Through the Office of the Governor, Criminal Justice Division		61,888	2,908	64,796	-

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2015

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	TOTAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIEPIENTS
	Passed Through United States Marshals Service					
M-15-D79-0-000140	Fugitive Apprehension Task Force (DOJ-USMS)	16.U03	24,654	-	24,654	-
			24,654	-	24,654	-
	Total Passed Through the United States Marshals Service		24,654	-	24,654	-
	Total U.S. Department of Justice		$ 957,123	$ 326,398	$ 1,283,521	$ -
	Executive Office of the President for National Drug Control Policy					
	Direct Programs					
G14SS0002A	High Intensity Drug Trafficking Areas Program - McAllen Initiative	95.001	$ 257,989	$ -	$ 257,989	$ -
G15SS0002A	High Intensity Drug Trafficking Areas Program - McAllen Initiative	95.001	499,238	-	499,238	-
			757,227	-	757,227	-
	Total Executive Office of the President for National Drug Control Policy		$ 757,227	$ -	$ 757,227	$ -
	U.S. Department of Health and Human Services					
	Passed Through Texas Department of State Health Services					
53700-4-0000404051	Strengthening Public Health Services at the Outreach Offices of the US - Mexico Border Health Commission - Border Binational Health Week	93.018	$ 2,187	$ -	$ 2,187	$ -
			2,187	-	2,187	-
2015-001134-01	Public Health Emergency Preparedness - CPS Bioterrorism Preparedness	93.069	336,746	-	336,746	-
2015-001134-01	Public Health Emergency Preparedness - CPS Bioterrorism Preparedness	93.069	278,800	-	278,800	-
2015-047253-001	Public Health Emergency Preparedness - PPCPS/PHER	93.069	147,191	-	147,191	-
			762,737	-	762,737	-
2015-001400-00	Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	501,865	-	501,865	-
			501,865	-	501,865	-
2015-000022-00	Immunization Cooperative Agreements	93.268	487,419	-	487,419	-
2015-000022-00	Immunization Cooperative Agreements	93.268	228,829	-	228,829	-
			716,248	-	716,248	-
2016-001052-00	Preventive Health and Health Services Block Grant	93.991	35,366	-	35,366	-
2015-047239-00	Preventive Health and Health Services Block Grant	93.991	43,376	-	43,376	-
2016-003876-00	Preventive Health and Health Services Block Grant	93.991	20,725	-	20,725	-
			99,467	-	99,467	-
2015-046149-001	Maternal and Child Health Services Block Grant to the States	93.994	31,273	-	31,273	-
2016-003931-00	Maternal and Child Health Services Block Grant to the States	93.994	3,845	-	3,845	-
			35,118	-	35,118	-
	Total Passed Through Texas Department of State Health Services		2,117,622	-	2,117,622	-

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2015

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	TOTAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIEPIENTS
	Passed Through Texas Juvenile Probation Commission					
TJPC-E-2015-108	Foster Care Title IV - E	93.658	458,031	-	458,031	-
TJPC-E-2016-108	Foster Care Title IV - E - DS	93.658	37,468	-	37,468	-
TJPC-E-2016-108	Foster Care Title IV - E - Det Pre	93.658	11,492	-	11,492	-
			506,991	-	506,991	-
	Total Passed Through Texas Juvenile Probation Commission		506,991	-	506,991	-
	Passed Through Texas Department of Family & Protective Services					
23941008	Foster Care Title IV - E - Legal Services FY15	93.658	84,647	-	84,647	-
23941009	Foster Care Title IV - E - Child Welfare Services FY15	93.658	14,036	-	14,036	-
			98,683	-	98,683	-
	Total Passed Through Texas Department of Family & Protective Services		98,683	-	98,683	-
	Passed Through Office of the Attorney General of Texas					
N/A	Child Support Enforcement	93.563	330,849	-	330,849	-
			330,849	-	330,849	-
	Total Passed Through Office of the Attorney General of Texas		330,849	-	330,849	-
	Passed Through Health & Human Services Commission					
N/A	Temporary Assistance for Needy Families	93.558	560	-	560	-
			560	-	560	-
N/A	Medical Assistance Program	93.778	700	-	700	-
N/A	Medical Assistance Program	93.778	388,097	-	388,097	-
			388,797	-	388,797	-
	Total Passed Through Health & Human Services Commission		389,357	-	389,357	-
	Total U.S. Department of Health and Human Services		$ 3,443,502	$ -	$ 3,443,502	$ -
	U.S. Department of Homeland Security					
	Passed Through Division of Emergency Management Office of the Governor					
EMW-2013-SS-00045	Homeland Security Grant Program (Operation Stonegarden)	97.067	$ 1,142,538	$ -	$ 1,142,538	$ 327,782
EMW-2013-SS-00045	Homeland Security Grant Program (Operation Stonegarden)	97.067	13,793	-	13,793	-
EMW-2013-SS-00045	Homeland Security Grant Program (Operation Stonegarden)	97.067	10,194	-	10,194	-
EMW-2013-SS-00045	Homeland Security Grant Program (Operation Stonegarden)	97.067	1,870	-	1,870	-
EMW-2013-SS-00045	Homeland Security Grant Program (Operation Stonegarden)	97.067	7,594	-	7,594	-
EMW-2014-SS-00029	Homeland Security Grant Program (Operation Stonegarden)	97.067	1,704,718	-	1,704,718	905,399
EMW-2014-SS-00029	Homeland Security Grant Program (Operation Stonegarden)	97.067	22,212	-	22,212	-
EMW-2014-SS-00029	Homeland Security Grant Program (Operation Stonegarden)	97.067	87,587	-	87,587	-
EMW-2014-SS-00029	Homeland Security Grant Program (Operation Stonegarden)	97.067	85,237	-	85,237	-
EMW-2014-SS-00029	Homeland Security Grant Program (Operation Stonegarden)	97.067	90,929	-	90,929	-
			3,166,672	-	3,166,672	1,233,181

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2015

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	TOTAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIEPIENTS
DR-1797-331	Disaster Grants - Public Assistance (Presidentially Declared Disasters) - Hazard Mitigation	97.036	157,754	-	157,754	157,754
			157,754	-	157,754	157,754
	Total Passed Through Division of Emergency Management Office of the Governor		3,324,426	-	3,324,426	1,390,935
	Passed Through Immigration and Customs Enforcement and Local, County or State Law Enforcement Agency					
115SA1815	US Immigration and Customs Enforcement (ICE)- McAllen, TX	97.U01	233	-	233	-
115SA1815	US Immigration and Customs Enforcement (ICE)- McAllen, TX	97.U01	258	-	258	-
117SA1815	US Immigration and Customs Enforcement (ICE)- McAllen, TX	97.U01	465	-	465	-
			956	-	956	-
	Total Passed Through Immigration and Customs Enforcement and Local, County or State Law Enforcement Agency		956	-	956	-
	Total U.S. Department of Homeland Security		$ 3,325,382	$ -	$ 3,325,382	$ 1,390,935
	National Highway Traffic Safety Administration Passed through the Texas Department of Transportation					
586EGF5220	National Priority Safety Programs	20.616	$ 3,108	$ 777	$ 3,885	$ -
			3,108	777	3,885	-
	Total National Highway Traffic Safety Administration		$ 3,108	$ 777	$ 3,885	$ -
	U.S. Department of Treasury Direct Programs					
TX1080000	Equitable Sharing Program	21.U01	$ 270,444	$ -	$ 270,444	$ -
TX1082700	Equitable Sharing Program	21.U01	293,225	-	293,225	-
TX1082000	Equitable Sharing Program	21.U01	3,348	-	3,348	-
TX1081600	Equitable Sharing Program	21.U01	2,220	-	2,220	-
			569,237	-	569,237	-
	Total U.S. Department of Treasury		$ 569,237	$ -	$ 569,237	$ -
TOTAL PRIMARY GOVERNMENT			$ 20,298,971	$ 327,175	$ 20,626,146	$ 1,390,935

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2015

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	TOTAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIEPIENTS
URBAN COUNTY						
	U.S. Department of Housing and Urban Development (HUD) Direct Programs					
B-02-UC-48-0501	Community Development Block Grant/Entitlement Grants - 28th Year	14.218	$ 28,301	$ -	$ 28,301	$ -
B-04-UC-48-0501	Community Development Block Grant/Entitlement Grants - 30th Year	14.218	2,500	-	2,500	-
B-05-UC-48-0501	Community Development Block Grant/Entitlement Grants - 31th Year	14.218	12,994	-	12,994	-
B-06-UC-48-0501	Community Development Block Grant/Entitlement Grants - 32th Year	14.218	5,870	-	5,870	-
B-08-UC-48-0501	Community Development Block Grant/Entitlement Grants - 34th Year	14.218	16,504	-	16,504	-
B-09-UC-48-0501	Community Development Block Grant/Entitlement Grants - 35th Year	14.218	64,382	-	64,382	-
B-10-UC-48-0501	Community Development Block Grant/Entitlement Grants- 36th Year	14.218	203,720	111,693	315,413	-
B-11-UC-48-0501	Community Development Block Grant/Entitlement Grants - 37th Year	14.218	673,054	-	673,054	-
B-12-UC-48-0501	Community Development Block Grant/Entitlement Grants - 38th Year	14.218	1,214,261	-	1,214,261	-
B-13-UC-48-0501	Community Development Block Grant/Entitlement Grants - 39th Year	14.218	1,140,895	37,042	1,177,937	-
B-14-UC-48-0501	Community Development Block Grant/Entitlement Grants - 40th Year	14.218	2,963,326	65,120	3,028,446	412,533
B-15-UC-48-0501	Community Development Block Grant/Entitlement Grants - 41th Year	14.218	427,683	-	427,683	410,195
			6,753,490	213,855	6,967,345	822,728
M-06-UC-48-0501	Home Investment Partnership Program (HOME)	14.239	16,115	-	16,115	-
M-07-UC-48-0501	Home Investment Partnership Program (HOME)	14.239	31,250	-	31,250	-
M-08-UC-48-0501	Home Investment Partnership Program (HOME)	14.239	63,940	-	63,940	-
M-09-UC-48-0501	Home Investment Partnership Program (HOME)	14.239	26,000	-	26,000	-
M-10-UC-48-0501	Home Investment Partnership Program (HOME)	14.239	9,654	-	9,654	-
M-11-UC-48-0501	Home Investment Partnership Program (HOME)	14.239	66,619	-	66,619	-
M-12-UC-48-0501	Home Investment Partnership Program (HOME)	14.239	922,907	-	922,907	-
M-13-UC-48-0501	Home Investment Partnership Program (HOME)	14.239	1,008,162	-	1,008,162	-
M-14-UC-48-0501	Home Investment Partnership Program (HOME)	14.239	331,601	68,047	399,648	-
M-15-UC-48-0501	Home Investment Partnership Program (HOME)	14.239	101,420	95,731	197,151	-
			2,577,668	163,778	2,741,446	-
E-13-UC-48-0501	Emergency Solutions Grant Program (HESG)	14.231	3,619	-	3,619	3,619
E-14-UC-48-0501	Emergency Solutions Grant Program (HESG)	14.231	476,080	-	476,080	444,203
E-15-UC-48-0501	Emergency Solutions Grant Program (HESG)	14.231	170,265	-	170,265	169,812
			649,964	-	649,964	617,634
	Total U.S. Department of Housing and Urban Development (HUD) Direct Programs		9,981,122	377,633	10,358,755	1,440,362
	Passed Through Texas Department of Housing and Community Affairs					
712013	Community Development Block Grants/State's program (Colonia XXXVIII)	14.228	197,978	-	197,978	-
			197,978	-	197,978	-
	Total Passed Through Texas Department of Housing and Community Affairs		197,978	-	197,978	-

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2015

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	TOTAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIEPIENTS
	Passed Through The Texas General Land Office					
DRS010068	Community Development Block Grants/State's Program (DRS XXXII)	14.228	2,218	-	2,218	-
DRS210068	Community Development Block Grants/State's Program (DRS XXXVI)	14.228	4,509,345	192,648	4,701,993	-
DRS220068	Community Development Block Grants/State's Program (DRS XXXVII)	14.228	48,345	-	48,345	-
			4,559,908	192,648	4,752,556	-
	Total Passed through Texas General Land Office		4,559,908	192,648	4,752,556	-
	Passed Through The Texas Department of Agriculture					
713005	Community Development Block Grants/State's Program (Colonia XXXIX)	14.228	46,142	-	46,142	-
713045	Community Development Block Grants/State's Program (Colonia XL)	14.228	10,029	-	10,029	-
			56,171	-	56,171	-
	Total Passed trough Texas Department of Agriculture		56,171	-	56,171	-
	Total U.S. Department of Housing and Urban Development (HUD)		$ 14,795,179	$ 570,281	$ 15,365,460	$ 1,440,362
TOTAL URBAN COUNTY			$ 14,795,179	$ 570,281	$ 15,365,460	$ 1,440,362
HEAD START						
	U.S. Department of Health and Human Services					
	Direct Programs					
06CH0183-34	Head Start Program	93.600	$ 25,789,303	$ 6,447,326	$ 32,236,629	$ -
06CH0183-33	Head Start Program	93.600	181,747	-	181,747	-
			25,971,050	6,447,326	32,418,376	-
	Total U.S. Department of Health and Human Services		$ 25,971,050	$ 6,447,326	$ 32,418,376	$ -
	US Department of Agriculture					
	Passed Through Texas Department of Agriculture					
TX-1080006	Child and Adult Care Food Program	10.558	$ 2,109,309	$ -	$ 2,109,309	$ -
TX-1080006	Child and Adult Care Food Program	10.558	849,184	-	849,184	-
			2,958,493	-	2,958,493	-
	Total Passed Through Texas Department ofAgriculture		2,958,493	-	2,958,493	-
	Total US Department of Agriculture		$ 28,929,543	$ 6,447,326	$ 35,376,869	$ -
TOTAL HEAD START PROGRAM			$ 28,929,543	$ 6,447,326	$ 35,376,869	$ -

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2015

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	TOTAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIEPIENTS
COMMUNITY SERVICE AGENCY						
	U.S. Department of Health and Human Services					
	Passed Through Texas Department of Housing and Community Affairs					
58150002108	Low-Income Home Energy Assistance	93.568	$ 4,258,560	$ -	$ 4,258,560	$ -
58140002229	Low-Income Home Energy Assistance	93.568	967,706	-	967,706	-
			5,226,266	-	5,226,266	-
61140001850	Community Services Block Grant	93.569	617,464	-	617,464	-
61150002185	Community Services Block Grant	93.569	904,874	-	904,874	-
			1,522,338	-	1,522,338	-
	Total Passed Through Texas Department of Housing and Community Affairs		6,748,604	-	6,748,604	-
	Total U.S. Department of Health and Human Services		$ 6,748,604	$ -	$ 6,748,604	$ -
	Corporation For National and Community Services					
	Direct Programs					
14SRWTX001-2	Retired and Senior Volunteer Program	94.002	$ 25,000	$ -	$ 25,000	$ -
14SRWTX001-3	Retired and Senior Volunteer Program	94.002	48,572	-	48,572	-
			73,572	-	73,572	-
	Total Corporation For National and Community Services Direct Programs		73,572	-	73,572	-
	Passed Through Texas Department on Aging and Disability Services					
13RZWTX018-2	Retired and Senior Volunteer Program	94.002	21,659	-	21,659	-
15SRWTX020-1	Retired and Senior Volunteer Program	94.002	7,274	-	7,274	-
			28,933	-	28,933	-
	Total Passed Through Texas Department on Aging and Disability Services		28,933	-	28,933	-
	Total Corporation For National and Community Services		$ 102,505	$ -	$ 102,505	$ -
TOTAL COMMUNITY SERVICE AGENCY			$ 6,851,109	$ -	$ 6,851,109	$ -
TOTAL EXPENDITURES OF FEDERAL AWARDS			$ 70,874,802	$ 7,344,782	$ 78,219,584	$ 2,831,297

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2015

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	TOTAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIEPIENTS
STATE AWARDS						
PRIMARY GOVERNMENT						
	District Courts					
	Direct Program					
N/A	Asset Forfeiture COCP 18.18 Grand Jury	N/A	$ 61,009	$ -	$ 61,009	$ -
N/A	Asset Forfeiture HB65 - Chapter 59 DA	N/A	703,629	-	703,629	-
N/A	Asset Forfeiture HB65 - Chapter 59 Sheriff's Office	N/A	55,078	-	55,078	-
N/A	Asset Forfeiture HB65 - Chapter 59 Constable Pct #3	N/A	1,632	-	1,632	-
N/A	Asset Forfeiture HB65 - Chapter 59 Constable Pct #4	N/A	26,099	-	26,099	-
			847,447	-	847,447	-
	Total District Courts		$ 847,447	$ -	$ 847,447	$ -
	Division of Criminal Justice Office of the Governor					
CH-14-A10-2537803	Border Prosecution Initiative	N/A	$ (426)	$ -	$ (426)	$ -
CH-15-A10-2537804	Border Prosecution Initiative	N/A	144,907	-	144,907	-
CH-16-A10-2537805	Border Prosecution Initiative	N/A	72,244	-	72,244	-
DC-15-A10-2413905	Hidalgo County DWI Court	N/A	124,019	-	124,019	-
2016-DC-ST-0012 (2413906)	Hidalgo County DWI Court	N/A	57,933	-	57,933	-
DC-15-A10-2431504	Hidalgo County Veterans Court	N/A	61,473	-	61,473	-
2016-SF-ST-0015 (2431505)	Hidalgo County Veterans Court	N/A	30,553	-	30,553	-
SF-15-A10-27520-02	Hidalgo County Prostitution Court	N/A	83,828	-	83,828	-
2016-SF-ST-0015 (2752003)	Hidalgo County Prostitution Court	N/A	39,020	-	39,020	-
SF-15-A10-28003-01	Hidalgo County Re-Entry Court	N/A	102,480	-	102,480	-
2016-SF-ST-0015 (2800302)	Hidalgo County Re-Entry Court	N/A	46,071	-	46,071	-
2016-SF-ST-0015 (2881401)	Hidalgo County Misdemeanor DWI Court	N/A	42,017	-	42,017	-
			804,119	-	804,119	-
	Total Division of Criminal Office of the Governor		$ 804,119	$ -	$ 804,119	$ -
	Texas Rangers Division					
	Texas Department of Public Safety					
LBSP-14-0032	Local Border Security Program FY14	N/A	$ 1,455	$ -	$ 1,455	$ -
LBSP-14-0028	Local Border Security Program FY14	N/A	2,514	-	2,514	-
LBSP-14-0030	Local Border Security Program FY14	N/A	11,274	-	11,274	-
LBSP-15-0038	Local Border Security Program FY15	N/A	175,000	-	175,000	-
LBSP-15-0039	Local Border Security Program FY15	N/A	44,426	-	44,426	-
LBSP-15-0040	Local Border Security Program FY15	N/A	43,499	-	43,499	-
LBSP-15-0041	Local Border Security Program FY15	N/A	74,925	-	74,925	-
LBSP-15-0042	Local Border Security Program FY15	N/A	64,785	-	64,785	-
			417,878	-	417,878	-
	Total Texas Rangers Division Texas Department of Public Safety		$ 417,878	$ -	$ 417,878	$ -

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2015

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	TOTAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIEPIENTS
	Texas Department of State Health Services					
2015-047694-00	Lactation Support Center Services - Strategic Expansion Program	N/A	$ 108,143	$ -	$ 108,143	$ -
N/A	Health Department - Administration	N/A	79,944	-	79,944	-
2015-001052-00	RLSS/Local Public Health System - PnP (RLSS/LPHS)	N/A	62,443	-	62,443	-
2015-001417-00	Tuberculosis Prevention and Control - State	N/A	485,010	-	485,010	-
2016-001417-00	Tuberculosis Prevention and Control - State	N/A	233,558	-	233,558	-
2015-046009-001	Maternal and Child Health Services Block Grant to the States - Prenatal/Maternity	N/A	107,814	-	107,814	-
2016-003894-00	Maternal and Child Health Services Block Grant to the States - Prenatal/Maternity	N/A	25,376	-	25,376	-
2014-0045531-00	Infectious Disease control Unit/Foodborne Associated Infections Interviews	N/A	(31)	-	(31)	-
2015-0046497-00	Infectious Disease control Unit/Foodborne Associated Infections Interviews	N/A	49,137	-	49,137	-
2016-003779-00	Infectious Disease control Unit/Foodborne Associated Infections Interviews	N/A	17,808	-	17,808	-
2016-003832-00	Infectious Disease control Unit/Surveillance and Epidemiology Ebola Activities	N/A	6,263	-	6,263	-
			1,175,465	-	1,175,465	-
	Total Texas Department State Health Services		$ 1,175,465	$ -	$ 1,175,465	$ -
	Texas Department of Criminal Justice-Community Justice Assistance Division					
108-900	Basic Supervision	N/A	$ 6,132,862	$ -	$ 6,132,862	$ -
108-900	Basic Supervision	N/A	2,680,086	-	2,680,086	-
108-013	Mentally Impaired Caseload	N/A	121,354	-	121,354	-
108-013	Mentally Impaired Caseload	N/A	55,386	-	55,386	-
108-006	Treatment Alternatives to Incarceration Program	N/A	99,589	-	99,589	-
108-006	Treatment Alternatives to Incarceration Program	N/A	48,236	-	48,236	-
108-014	Drug Court	N/A	137,661	-	137,661	-
108-014	Drug Court	N/A	66,784	-	66,784	-
108-007	Sex Offender Caseload	N/A	351,704	-	351,704	-
108-007	Sex Offender Caseload	N/A	161,531	-	161,531	-
108-017	Substance Abuse Treatment Facility	N/A	1,391,042	-	1,391,042	-
108-017	Substance Abuse Treatment Facility	N/A	643,014	-	643,014	-
108-020	Aftercare Services	N/A	135,922	-	135,922	-
108-020	Aftercare Services	N/A	63,011	-	63,011	-
108-025	CCP_HRP	N/A	70,784	-	70,784	-
108-025	CCP_HRP	N/A	33,675	-	33,675	-
108-027	CCP-RRP	N/A	157,712	-	157,712	-
108-027	CCP-RRP	N/A	99,412	-	99,412	-
108-026	CCP Employment	N/A	160,787	-	160,787	-
108-026	CCP Employment	N/A	17,480	-	17,480	-
108-029	Assessment Unit	N/A	144,952	-	144,952	-
108-900	Transfer Out - RSAT Match	N/A	4,033	-	4,033	-
			12,777,017	-	12,777,017	-
	Total Texas Department of Criminal Justice-Community Justice Assistance Division		$ 12,777,017	$ -	$ 12,777,017	$ -

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2015

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	TOTAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIEPIENTS
	Texas Juvenile Probation Commission					
TJPC-M-2015-108	Special Needs (TCOMI) Funding	N/A	$ 64,156	$ -	$ 64,156	$ -
TJPC-M-2016-108	Special Needs (TCOMI) Funding	N/A	33,903	-	33,903	-
TJPC-A-2015-108	State Aid	N/A	1,493,150	-	1,493,150	-
TJPC-A-2016-108	State Aid - CI	N/A	142,835	-	142,835	-
TJPC-A-2016-108	State Aid - DS	N/A	222,380	-	222,380	-
TJPC-A-2016-108	State Aid - YS	N/A	42,043	-	42,043	-
TJPC-A-2016-108	State Aid - CBG	N/A	26,189	-	26,189	-
TJPC-A-2016-108	State Aid -Mental CBMH	N/A	70,125	-	70,125	-
TJPC-A-2016-108	State Aid -Pre & Post Adj PANS	N/A	205,918	-	205,918	-
TJPC-A-2016-108	State Aid -Diversion PANS	N/A	376,489	-	376,489	-
TJPC-A-2016-108	State Aid -Pre & Post Adj PAS	N/A	361,300	-	361,300	-
TJPC-A-2016-108	State Aid -Pre & Post Adj Det Pre	N/A	13,767	-	13,767	-
TJPC-A-2015-108	State Aid	N/A	85	-	85	-
TJPC-P-2015-108	Juvenile Justice Alternative Education	N/A	166,668	-	166,668	-
TJPC-P-2016-108	Juvenile Justice Alternative Education	N/A	82,216	-	82,216	-
TJPC-C-2015-108	Commitment Reduction Program	N/A	294,805	-	294,805	-
TJPC-N-2015-108	Commitment Reduction Program	N/A	153,299	-	153,299	-
			3,749,328	-	3,749,328	-
	Total Texas Juvenile Probation Commission		$ 3,749,328	$ -	$ 3,749,328	$ -
	Texas Department of Criminal Justice					
N/A	Offender Transportation Program	N/A	$ 89,720	$ -	$ 89,720	$ -
			89,720	-	89,720	-
	Total Texas Department of Criminal Justice		$ 89,720	$ -	$ 89,720	$ -
	Texas State Comptroller's Office					
2-459-78-2965-4008	District Attorney State Supplement	N/A	$ 9,770	$ -	$ 9,770	$ -
2-459-78-2965-4008	District Attorney State Supplement	N/A	6,604	-	6,604	-
			16,374	-	16,374	-
	Total Texas State Comptroller's Office		$ 16,374	$ -	$ 16,374	$ -
	Texas Department of Transportation					
8BCF5001	Border Colonia Access Program Round III	N/A	$ 371,709	$ -	$ 371,709	$ -
			371,709	-	371,709	-
	Total Texas Department of Transportation		$ 371,709	$ -	$ 371,709	$ -

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2015

GRANT NUMBER	FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ STATE GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/STATE EXPENDITURES	LOCAL EXPENDITURES	TOTAL EXPENDITURES	PASSED THROUGH AMOUNTS TO SUB-RECIEPIENTS
	Texas Task Force on Indigent Defense					
212-25-D09	Discretionary Grant FY2015 - Texas Indigent Defense Commission	N/A	$ 155,410	$ -	$ 155,410	$ -
212-11-108	Formula Grant FY 15	N/A	655,857	-	655,857	-
			811,267	-	811,267	-
	Total Texas Task Force on Indigent Defense		$ 811,267	$ -	$ 811,267	$ -
	Texas Secretary of State					
N/A	2013 Voter Registration Section 19.002	N/A	$ 13,804	$ -	$ 13,804	$ -
N/A	2014 Voter Registration Section 19.002	N/A	4,784	-	4,784	-
			18,588	-	18,588	-
	Total Texas Secretary of State		$ 18,588	$ -	$ 18,588	$ -
	Texas Veterans Commission					
FVA-14B-0181	Texas Veterans Commission Grant	N/A	$ 37,286	$ -	$ 37,286	$ -
			37,286	-	37,286	-
	Total Veterans Commission		$ 37,286	$ -	$ 37,286	$ -
	Office of the Attorney General					
1554914	Statewide Automated Victim Notification Service (SAVNS) Texas Vine	N/A	$ 20,786	$ -	$ 20,786	$ -
1659895	Statewide Automated Victim Notification Service (SAVNS) Texas Vine	N/A	6,929	-	6,929	-
1682352	Victim Coordinator and Liaison Grant (TCCP Article 59.04)	N/A	8,735	-	8,735	-
N/A	Asset Forfeiture (Article 59.06)	N/A	89,295	-	89,295	-
N/A	Asset Forfeiture (Other State Sharing)	N/A	44,801	-	44,801	-
			170,546	-	170,546	-
	Total Office of the Attorney General		$ 170,546	$ -	$ 170,546	$ -
TOTAL EXPENDITURES OF STATE AWARDS			$ 21,286,744	$ -	$ 21,286,744	$ -
TOTAL FEDERAL AND STATE AWARDS			$ 92,161,546	$ 7,344,782	$ 99,506,328	$ 2,831,297

COUNTY OF HIDALGO, TEXAS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2015

General

The accompanying Schedule of Expenditures of Federal and State Awards (SEFSA) present the federal and state grant activity for the County of Hidalgo, Texas (the County) for the year ended December 31, 2015. The reporting entity is defined in Note 1 to the County's financial statements. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the *State of Texas Single Audit Circular*. Because the SEFSA presents only a selected portion of the operations of the County, it is not intended and does not present the financial position, changes in net assets, or cash flows of the County.

Basis of Presentation

The accompanying 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. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and State of Texas Single Audit Circular, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the SEFSA represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The County has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

Relationship to Federal and State Financial Reports

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

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

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

Primary Government		
Primary Government Federal Expenditures per SEFSA	$	20,298,971
Primary Government State Expenditures per SEFSA		21,286,744
		41,585,715
Add: Local Expenditures		327,175
Primary Government per CAFR	$	41,912,890
Urban County		
Urban County Expenditure per SEFSA	$	14,795,179
Add: Local Expenditures		570,281
Urban County Expenditure per CAFR	$	15,365,460
Head Start Program		
Head Start Expenditure per SEFSA	$	28,929,543
Add: Local Expenditures		6,447,326
Head Start Expenditure per CAFR	$	35,376,869
Community Services Agency		
Community Services Agency Expenditure per SEFSA	$	6,851,109
Add: Non-Federal Expenditures		113,152
Community Services Agency per CAFR	$	6,964,261

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2015

Section I - Summary of Auditors' Results	Description
Financial Statements	
Type of auditors' report issued:	Unmodified
Internal control over financial reporting: • Material weakness(es) identified? • Significant deficiencies identified not considered to be material weaknesses?	 Yes 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:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)?	Yes
Dollar threshold used to distinguish between Type A and Type B programs:	$2,126,244
Auditee qualified as low-risk auditee?	No
Identification of Major Federal Programs:	Low Income Home Energy Assistance 93.568 Special Supplemental Nutrition Program for Women, Infants, and Children 10.557 Community Development Block Grant (CDBG) 14.218 Head Start Program 93.600 CDBG State Administered Grants 14.228 Home Investment Partnership Program 14.239 Community Services Block Grant 93.569

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2015

Section I - Summary of Auditors' Results	Description
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:	Unmodified
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:	$638,602
Auditee qualified as low-risk auditee?	No
Identification of Major State Programs:	Texas Department of Criminal Justice – Community Justice Assistance Division Basic Supervision Mentally Impaired Caseload Treatment Alternatives to Incarceration Program Drug Court Sex Offender Caseload Substance Abuse Treatment Facility Aftercare Services CCP HRP CCP Employment Assessment Unit Transfer Out – RSAT Match Division of Criminal Justice Office of the Governor (Specialty Courts Program) DWI Court Veterans Court Prostitution Court Re-entry Court Misdemeanor DWI Court Texas Rangers Division: Texas Department of Public Safety Local Border Security Program

Section II – Findings and Questioned Costs Financial Statements	Description
2015 – 001 **Journal Entries -** **Community Services Agency**	**Criteria and Condition:** Journal entries must be reviewed, approved and supported by underlying documentation. We noted a significant number of journal entries were posted without the appropriate underlying support to document the basis for the journal entries. In addition, no evidence of review and approval for posting of journal entries was documented. Consequently, individual grant trial balances for audit purposes could not be provided timely. **Cause and Effect:** CSA did not adhere to processes and procedures as outlined in the agency's fiscal procedures manual. The lack of supporting documentation and evidence of a review and approval for journal entries may result in material misstatements due to error and/or fraud. **Questioned Cost:** $0 **Recommendation:** We recommend CSA strengthen and follow fiscal policies and procedures. **Management Response and Planned Corrective Action:** We have currently updated our fiscal policies and procedures and will submit to our board for approval at the next available board meeting. We will also be sending our fiscal staff to ABILA training to further their knowledge in our accounting software to improve fiscal accuracy.

Section II – Findings and Questioned Costs Financial Statements	Description
2015 – 002 **Segregation of Duties - Community Services Agency**	**Criteria and Condition:** Segregation of duties is a key component of a sound internal control structure. Checks are signed by use of a signature stamp. We noted fiscal personnel with access for posting transactions to the general ledger are given access to the signature stamp for processing payment. **Cause and Effect:** The lack of segregation of duties between fiscal personnel with the ability to post transactions to the general ledger and those who have access to the signature stamp is a weakness in internal control. The lack of segregation in these duties may present an opportunity for misappropriation of cash. **Questioned Cost:** $0 **Recommendation:** We recommend CSA implement proper segregation of duties as it relates to posting transactions to the general ledger and processing payments. **Management Response and Planned Corrective Action:** Only Administration will have access to the signature stamps and will verify signatures on API and check the information to confirm. Administration will stamp the checks after they have been verified. We will update the fiscal policies and present for the board for approval.

Section II – Findings and Questioned Costs Financial Statements	Description
2015 – 003 Fund Accounting - Community Services Agency	**Criteria and Condition:** Monies received from all grants are maintained in a single operating bank account. Each grant/fund is assigned a unique general ledger code to track general ledger balances and activities. Instances were noted in which general ledger postings had been erroneously recorded to funds with similar general ledger coding. Because the combined general ledger cash balances agreed in total, the posting errors were not identified and corrected timely. Our review of general ledger cash balances at December 31, 2015 revealed approximately $30,545 for which its source and purpose could not be identified. **Cause and Effect:** The Agency's fiscal policies and procedures are not effectively designed to prevent or detect erroneous entries in order to ensure cash on hand is appropriately identified and segregated. Failure to identify the source of cash balances on hand may result in the use of funds for purposes other than those allowed by its granting agency. **Questioned Cost:** $30,545 **Recommendation:** We recommend the Agency implement procedures to properly track general ledger balances by grant/fund. For example, the Agency may consider maintaining separate bank accounts for each major grant program. **Management Response and Planned Corrective Action:** We have currently updated our fiscal policies and procedures and will submit to the board for approval at the next board meeting. We are inquiring on separating into multiple bank accounts to separate our CSBG, CEAP and Veterans grants with our financial institutions.

Section II – Findings and Questioned Costs Financial Statements	Description
2015 – 004 **Payroll -** **Community Services Agency**	**Criteria and Condition:** CSA salaries and related costs are charged to grants and other programs based on the hours reported to each grant on the approved timesheets. We selected eight pay periods for testing and identified the following exceptions: (1) for three pay periods, all timesheets could not be located, (2) for five pay periods, timesheets were lacking employee signatures and/or supervisor approval, (3) three pay periods lacked evidence of management approval to process payroll, and (4) for each of the eight pay periods tested, we noted instances where 1 or more employees where time recorded on timesheets did not agree with the time entered and processed with CSBG funds. **Cause and Effect:** The Agency's controls are not effectively designed to ensure that time and related allowable costs are appropriately allocated to the respective grant programs based upon approved employee timesheets. **Questioned Cost:** Unknown **Recommendation:** We recommend the Agency review and enhance internal control procedures surrounding payroll to ensure time and costs recorded for respective grant programs is appropriate. **Management Response and Planned Corrective Action:** We are implementing a bi-weekly meeting with our fiscal department for grant updates and stress proper procedures and internal controls. We are also implementing dual controls. The Accounting Clerk will review and sign that all documents for the pay period are completed and the General Accounting Supervisor will review and confirm the documents are complete.

Section III – Findings and Questioned Costs Federal Awards	Description
2015 – 005 **Cash Management -** **Community Services Agency** CFDA #93.568 – Low Income Home Energy Assistance CFDA #93.569 – Community Services Block Grant	**Criteria and Condition:** When awards provide for advance payments, recipients must follow procedures to minimize the time elapsing between the transfer of funds and disbursement. We noted several instances where projected cash needs did not reasonably correspond to actual subsequent expenditures incurred. Further, monthly advance requests for projected cash needs lacked documentation supporting the basis and/or calculations for estimated amounts. **Cause and Effect:** The Agency did not have formal cash management procedures in place to minimize the time elapsing between the transfer of funds and disbursement. **Questioned Cost:** $0 **Recommendation:** To more effectively utilize and manage cash, we recommend the Agency adopt and implement formal procedures and document the methods and basis used for determining monthly projected cash needs. Formalized written procedures could include (1) periodic cash-flow analysis reviewed and approved by management (2) immediate and long-term cash needs forecasted and updated periodically based on management's review of changing conditions. **Management Response and Planned Corrective Action:** The Agency has developed a more formal process to anticipate cash needs with actual expenses. The template takes into account all anticipated obligations for the month together with anticipated operational expenses. The Agency is cognizant of the on-hand surplus cash restriction placed by the grantors and will continue to refine its forecasting abilities.

Section III – Findings and Questioned Costs Federal Awards	Description
2015 – 006 **Eligibility -** **Community Services Agency** CFDA #93.568 – Low Income Home Energy Assistance	**Criteria and Condition:** The Systematic Alien Verification for Entitlements (SAVE) Certification Form is required. Of the 60 client files reviewed, we noted 3 instances were there was no SAVE Certification Form completed at the time of the application. **Cause and Effect:** The SAVE Certification form was not completed during the initial intake process. Failure to obtain all required documentation may result in incorrect eligibility determinations. **Questioned Cost:** $0 **Recommendation:** We recommend internal controls be followed and all required documentation be obtained when determining eligibility. **Management Response and Planned Corrective Action:** We are implementing a bi-weekly meeting with our case management and eligibility specialists for grant updates and stress proper procedures and internal controls.

Section III – Findings and Questioned Costs Federal Awards	Description
2015 – 007 **Eligibility -** **Community Services Agency** CFDA #93.569 – Community Services Block Grant	**Criteria and Condition:** CSA, as a sub-recipient of CSBG, is required to establish an applicant's identity. Additionally, per 10 TAC 5.201(i), sub-recipients must complete and maintain an intake form that documents income, assesses client needs and captures the demographic and household characteristic data. Of the 53 files reviewed, we noted 1 instance where establishment of the applicant's identity was not documented and 15 instances were no record of the applicants' needs assessments form could be provided. **Cause and Effect:** Information required to determine eligibility was not performed and/or not maintained on file. Failure to obtain all required information and maintaining the information on file may result in incorrect eligibility assessments. **Questioned Cost:** $0 **Recommendation:** We recommend CSA adhere to policies and procedures and obtain all required documentation for determining eligibility. For example, an eligibility checklist may be used to ensure all required documentation and management approval is obtained. **Management Response and Planned Corrective Action:** We are implementing bi-weekly meetings with our case management and eligibility specialists for grant updates and stress proper procedures and internal controls.

Section III – Findings and Questioned Costs Federal Awards	Description
2015 – 008 **Reporting -** **Community Services Agency** CFDA #93.568 – Low Income Home Energy Assistance CFDA #93.569 – Community Services Block Grant	**Criteria and Condition:** CSBG and CEAP require monthly expenditure and performance reports to be submitted by the 15th day after month end and a final report to be submitted by the 45th day after contract term ended. CSBG and CEAP also require an equipment inventory report to be submitted by the 45th day after contract term end. The equipment inventory report should be cumulative of all tools and equipment purchased, in whole or part with CSBG or CEAP funds. We noted 24 of the 64 required reports where monthly and/or final expenditure and performance reports were not submitted timely to the granting agency. Additionally, 2 equipment inventory reports due within the calendar year have not been submitted to the granting agency. **Cause and Effect:** The Agency's controls are not effectively designed to ensure all reports required by the granting agency are appropriately completed and submitted timely. **Questioned Cost:** $0 **Recommendation:** We recommend the Agency implement controls to ensure all required reports are completed and submitted timely within the provisions of the grant agreements. **Management Response and Planned Corrective Action:** We are implementing a bi-weekly meeting with our fiscal department for grant updates and stress proper procedures and internal controls.

Section III – Findings and Questioned Costs Federal Awards	Description
2015 – 009 **Cash Management -** **Community Services Agency** CFDA #93.568 – Low Income Home Energy Assistance	**Criteria and Condition:** With regard to CEAP utility assistance payments, funds returned to the Agency for closed customer accounts are required to be matched to the original grant contract funding source. Amounts belonging to current, open grant contracts, are permitted to be retained and netted against subsequent cash requests. Otherwise, amounts belonging to closed grant contracts must be refunded to the grantor. Balances due to grantor agencies at December 31, 2014 were not refunded to grantor and remained payable at December 31, 2015. **Cause and Effect:** The Agency did not perform an internal review of cash receipts to appropriately determine and reimburse amounts due to grantor under past CEAP contracts. **Questioned Cost:** $0 **Recommendation:** We recommend the Agency implement procedures to adequately identify and monitor funds returned by utility companies which should be refunded to the grantor. Further, we recommend the agency perform an internal review of cash receipts and return outstanding funds due to the grantor. **Management Response and Planned Corrective Action:** Currently all reimbursements from energy providers are being identified and traced back to the grant that issued the payment for posting. Management expects to complete this process by the end of the fourth quarter of 2016.

Section III – Findings and Questioned Costs State Awards	Description
2015 – 010 **Suspension & Debarment - Adult Probation**	**Criteria and Condition:** 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" includes those procurement contracts for goods and services that are expected to equal or exceed $25,000. When entering into a covered transaction with an entity, the non-federal entity must verify that the vendor is not suspended or debarred or otherwise excluded. The verification may be accomplished by (1) checking the Excluded Parties List System (EPLS) maintained by the General Services Administration (GSA) and available at www.sam.gov, (2) collecting certification from the entity, or (3) adding a clause or condition to the covered transaction with that entity. We noted one instance where Adult Probation did not take the appropriate steps to verify the vendor was not suspended or debarred or otherwise excluded. **Cause and Effect:** Hidalgo County Adult Probation did not verify that the vendor was not suspended or debarred or otherwise excluded. Failure to perform the verification on the Excluded Parties List System (www.sam.gov) may result in contracting with individuals or entities who are suspended or debarred or otherwise excluded. **Questioned Cost:** $0 **Recommendation:** We recommend internal controls be properly followed to ensure no contracts are entered into with parties that are suspended or debarred or otherwise excluded. We recommend suspension and debarment certifications and/or a printout of the search performed on www.sam.gov be maintained on file as evidence of the verification being performed. **Management Response and Planned Corrective Action:** The debarment form for the TrakSoftware vendor was obtained and forwarded to the County Auditor's office. In the future, procedures will be properly followed to ensure a copy of such forms is maintained by the Adult Probation Department. The Adult Probation submitted to the County Auditor's Office the TrakSoftware debarment form dated August 2, 2016 (after execution of the contract in 2014).

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)

REFERENCE NUMBER Program	Description
2006 – 001 **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 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:** Because of the security measures added to secure confidential information in Odyssey, we are now able to add social security numbers, DOB, addresses and maturity dates to all trust accounts. With this information we are able to generate reports on the status of accounts, those that have matured, those pending either majority of age or final outcome. We have also purchased the Lexis Nexis program which is an investigative tool that helps locate people throughout the U.S. Since it's inception in June, we have been able to disburse $128,020.33 in bonds, $63,077.64 in bail bonds, and $7,428.85 in miscellaneous accounts for a grand total of $198,526.82.

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF STATUS OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2015

REFERENCE NUMBER Program	Description
2007 – 001 **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 reportable conditions and other comments and observations be addressed by management timely. **Status:** Due to staffing issues (vacancies/hiring freeze) Corrective Action Plans were not completed in FY16. Corrective Action Plans will be completed in FY2017 as outlined in PY response.

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF STATUS OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2015

REFERENCE NUMBER Program	Description
2007 – 003 **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 seven 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:** In 2015, the Auditor's Office Accounting Division began researching the infrastructure assets of the Road Districts to determine if those assets were also included in the TEDSI reports. During the research, the County could not conclusively determine if Road District infrastructure assets (roads) were also included in the TEDSI report. The TEDSI report had numerous roads with the same name but different segments. We were only able to determine that a few roads in some of the districts were duplicated. The approach taken to determine if there is a duplication of infrastructure assets proved to be more challenging than expected. Therefore, due to the issues encountered, a new approach will be taken. We will compare the list of roads in the Road Districts against the roads listed on the TEDSI report. With this more basic approach, we can safely conclude whether a road, regardless of limits, is included in the TEDSI report and in the County's ledgers. Our goal is to remove a considerable portion of the duplicated infrastructure based on this new approach.

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF STATUS OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2015

REFERENCE NUMBER Program	Description
2008 – 002 **Machinery & Equipment Asset Listing (Primary Government)**	**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 the County have a complete listing of assets that make up machinery and equipment. **Status:** The reconciliation of machinery and equipment (M&E) inventory listing to the general ledger is an on going process that has been hampered by the lack of documentation that is needed by the Fixed Asset Division to reconcile. The Fixed Asset Division is reconciling based on JEs from mid 2006 to present and any issues prior to 2006 has been addressed with past subsidiary ledgers that the Auditor's Office were in charge of. Also, as each physical inventory is conducted, it is being reconciled to the FIS Module. The ultimate goal is to have the physical inventory, FIS Module, and the FAS Module reconciled.
2012 – 001 **Capital Assets Internal Audit Results (Primary Government)**	**Criteria and Condition:** In 2012 and 2013, the Internal Auditors completed internal audits of capital assets. These audits concluded that the capital asset listings were 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 policies/ procedures to address the accuracy and completeness of capital assets. **Status:** The current approved 2015 Fixed Assets Policies and Procedures Manual has been implemented since its approval. Departments follow the manual and if any questions arise, the Fixed Asset Division will guide the departments based on the manual. If and when it's deemed necessary, we will address issues and have a revised manual approved by the Commissioners' Court.

REFERENCE NUMBER Program	Description
2013 – 001 **Overall** **(Primary Government)**	**Criteria and Condition:** The County requires that all employees, regardless of exempt or non-exempt status, clock in and out. However, during our discussion with Internal Audit it was noted that not all exempt employees are clocking in and out. **Cause and Effect:** Exempt employees are not clocking in and out as required by policy; therefore, may be paid for time not worked. **Questioned Cost:** $0 **Recommendation:** We recommend the Biometric Electronic Clock policy be enforced to require all employees to clock-in and out. **Status:** The Biometric Electronic Clock Policy approved in June 2013 requires all employees to clock-in and out, unless an exception is made by the County Executive Officer. A review of all employees clock-in and out patterns will be conducted by the Executive Office to identify policy violators and require corrective action. The Biometric Electronic Policy will also be re-distributed to all Elected Officials/Department Heads as a reminder.

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF STATUS OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2015

REFERENCE NUMBER Program	Description
2013 – 003 **Treasurers** **(Primary Government)**	**Criteria and Condition:** In review of Bail Bonds - Deeds of Trust as collateral, we noted that the County does not perform tests or review to determine if property, which is being held as collateral, has not been erroneously sold or pledged. **Cause and Effect:** The County could not have proper collateral on Bail Bonds. **Questioned Cost:** $0 **Recommendation:** We recommend the County implement a review to determine that property held as collateral has not been sold or pledged. **Status:** The County Treasurer's Office has implemented a process to review property pledged to Hidalgo County as collateral for bail bonds. The review is conducted with the assistance of the Hidalgo County Clerk's Office. Proper collateral (property) is being pledged to Hidalgo County for bail bonds.
2014 – 001 **Board Minutes -** **Community Service Agency**	**Criteria and Condition:** Community Service Agency (CSA) could not provide either "DRAFT" or "APPROVED" minutes from the meetings of the Board of Directors. **Cause and Effect:** CSA failed to adhere to Article III, Section III [E][3][h], Article IV, Section X, Article X and Article XI of the agency's bylaws. **Questioned Cost: $0** **Recommendation:** We recommend the bylaws governing the agency be adhered to. **Status:** The Administrative Assistant is charged with compiling the required minutes for each board meeting. This has been implemented.

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF STATUS OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2015

REFERENCE NUMBER Program	Description
2014 – 002 **Payroll Internal Controls - Community Service Agency**	**Criteria and Condition:** Five pay periods were selected for testing of key internal controls. The following exceptions were noted: 1) in all five instances complete timesheets could not be provided 2) one time sheet did not include supervisor's approval and 3) one of the five pay periods did not include management's approval to process payroll. **Cause and Effect:** CSA failed to follow proper internal controls when processing payroll. **Questioned Cost:** $0 **Recommendation:** We recommend internal controls be properly followed when processing payroll. **Status:** New fiscal policies are waiting to be presented to the board for approval. Additionally, current year audit included similar exceptions. See finding 2015-004.
2014 – 003 **Expenditures Internal Controls - Community Service Agency**	**Criteria and Condition:** 60 expenditures were selected for testing key internal controls. The following exceptions were noted: 1) 44 instances where management's approval to print checks was not obtained and 2) three instances where expense reimbursements did not document management's approval. **Cause and Effect:** CSA failed to follow proper internal controls when processing expenditures. **Questioned Cost:** $0 **Recommendation:** We recommend internal controls be properly followed when processing expenditures. **Status:** The change in leadership within the fiscal department has addressed this particular finding. Staff is required to obtain proper authorization prior to processing expenditures.

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF STATUS OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2015

REFERENCE NUMBER Program	Description
2014 – 004 **Expenditures -** **Community Service Agency**	**Criteria and Condition:** CSA could not provide evidence to substantiate cash drawn from the RSVP grant funds in the amount of $13,285. **Cause and Effect:** CSA failed to adhere to or implement procedures to maintain support documentation for expenditures submitted and/or funds drawn from open grant contracts. **Questioned Cost:** $13,285 **Recommendation:** We recommend the agency adhere to or implement procedures to maintain appropriate and complete records for expenditures submitted and/or fund drawn from open grant contracts. **Status:** CSA now maintains detailed support for funds requests. The department head is required to sign off on the request coupled with the General Accounting Supervisor and the Executive Director.
2014 – 005 **Eligibility Internal Controls -** **Community Service Agency** CFDA #93.568 – Low Income Home Energy Assistance	**Criteria and Condition:** Testing of eligibility for the CEAP program revealed nine instances out of 40 where the Declaration of Income Statement was not signed by management as required per internal control procedures. **Cause and Effect:** CSA failed to follow proper internal controls when determining eligibility. **Questioned Cost:** $0 **Recommendation:** We recommend internal controls be properly followed when determining eligibility. **Status:** TDHCA has since changed this requirement. They no longer require the management official to sign the Declaration of Income form as proof of submission.

REFERENCE NUMBER Program	Description
2014 – 006 **Reporting -** **Community Service Agency** CFDA #93.568 – Low Income Home Energy Assistance	**Criteria and Condition:** Provisions of the CEAP grant require CSA to submit an inventory of all vehicles and equipment by the 45th day after the contract term. CSA has not provided such listing to the granting agency. **Cause and Effect:** CSA does not have controls in place to ensure an inventory observation is performed annually and provided to the granting agency. **Questioned Cost:** $0 **Recommendation:** We recommend CSA implement procedures to maintain appropriate and complete records for inventory and submit reports timely. **Status:** CSA has developed and implemented a bar code inventory system that produces accurate inventory reports at any given point in time.

REFERENCE NUMBER Program	Description
2014 – 007 **Cash Management –** **Urban County** CFDA #14.218 Community Development Block Grant	**Criteria and Condition:** Noted costs incurred under CDBG State (CFDA #14.228) are being included on the reimbursement requests for CDBG (CFDA#14.218). CDBG is requested directly from HUD and is paid three days after the reimbursement request is submitted. CDBG State is requested from the State, which is the pass-through agency, and is typically paid 30 days or more after the reimbursement request is submitted. For cash flow purposes to be able to have sufficient cash for operations, Urban County Program requests funds for CDBG State expenditures under CDBG Entitlement. A request is also submitted for these same costs under CDBG State. A future CDBG Entitlement reimbursement request is then reduced by the amount that was previously requested. **Cause and Effect:** Urban County is improperly requesting CDBG State grant costs reimbursements from CDBG Entitlement grant. **Questioned Cost:** $0 **Recommendation:** We recommend Urban County report proper expenditures under the appropriate grant or obtain granting agencies approval to continue as described above. **Status:** Hidalgo County Urban County Program started using the Lone Star National Bank line of credit to fund CDBG State (CFDA No. 14.228) expenditures in November 2015 and are no longer requesting reimbursement for those expenditures from CDBG Entitlement (CFDA No. 14.218).

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF STATUS OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2015

REFERENCE NUMBER Program	Description
2014 – 008 **Reporting –** **Urban County** CFDA #14.228 CDBG State Administered Grants	**Criteria and Condition:** Provisions of the CDBG State grants require Urban County to submit quarterly progress reports no later than the 20th day of the month following the end of the quarter. Quarterly progress report for Contract # 713005, covering October to December 2014, was not submitted timely. **Cause and Effect:** Urban County did not adhere to the reporting requirements per grant agreement. **Questioned Cost:** $0 **Recommendation:** We recommend Urban County implement controls to ensure all reports are submitted timely per grant provisions. **Status:** Quarterly reports required for Contract No. 713005 were submitted in a timely manner and accepted by the State in 2015.

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF STATUS OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2015

REFERENCE NUMBER Program	Description
2014 – 009 **Eligibility –** **W.I.C.** **(Primary Government)** CFDA #10.557 Special Supplemental Nutrition Program for Women, Infants, and Children	**Criteria and Condition:** 60 participants were tested for eligibility; the following exceptions were noted: 1) one instance where a WIC official did not sign/certify Form 35-1 noting participant met eligibility requirements and 2) one instance where participant did not meet the age requirement for assessed need. **Cause and Effect:** WIC failed to adhere to procedures related to eligibility requirements. **Questioned Cost:** $0 **Recommendation:** We recommend WIC implement controls to ensure all reports are submitted timely per grant provisions **Status:** Clinic supervisors conduct clinical self-audits quarterly that include review of risk conditions for compliance; findings noted are documented on the State Agency Record Review Tool worksheet; a Corrective Action Plan (CAP -- includes the date of review, finding, name and title of person responsible, corrective action, timeframe for implementation and follow-up for monitoring and ongoing compliance) is submitted to their Area Coordinator at the administration office by the 10th day of the following month. Peer self-audits are conducted annually and risk condition errors are documented on the State Agency Record Review Tool worksheet; the supervisor provides a CAP to their Area Coordinator. Findings from clinic reviews are shared with the Quality Assurance Committee members to develop appropriate staff training, as needed. Area Coordinators conduct random clinical audits; supervisors submit responses on a CAP. A risk code training will be conducted on September 14, 2016 with certifying staff to review age-related risk criteria to ensure understanding of the risk criteria and to ensure compliance.