



TARRANT COUNTY, TEXAS

Single Audit

September 30, 2011



KPMG LLP
Suite 3100
717 North Harwood Street
Dallas, TX 75201-6585

**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 County Judge
and Commissioner's Court:

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Tarrant County, Texas (Tarrant County) as of and for the year ended September 30, 2011, which collectively comprise Tarrant County's basic financial statements, and have issued our report thereon dated March 23, 2012. Our report was modified to include a reference to other auditors and the adoption of the provisions of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other auditors audited the financial statements of the Tarrant County Hospital District and the Mental Health and Mental Retardation of Tarrant County, as described in our report on Tarrant County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

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

A deficiency in internal control over financial reporting 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 combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

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

KPMG LLP

March 23, 2012



KPMG LLP
Suite 3100
717 North Harwood Street
Dallas, TX 75201-6585

Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133 and Uniform Grants Management Standards and on Schedule of Expenditures of Federal and State Awards

The Honorable County Judge
and Commissioners' Court:

Compliance

We have audited Tarrant County, Texas' (Tarrant County) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* and State of Texas Uniform Grant Management Standards (UGMS) that could have a direct and material effect on each of Tarrant County's major federal and state programs for the year ended September 30, 2011. Tarrant County's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal and state programs is the responsibility of Tarrant County's management. Our responsibility is to express an opinion on Tarrant County's compliance based on our audit.

Tarrant County's basic financial statements include the operations of the Tarrant County Hospital District (TCHD) and the Mental Health and Mental Retardation of Tarrant County (MHMRTC), which received federal awards that are not included in the schedule during the year ended September 30, 2011. Our audit, described below, did not include the operations of the Tarrant County Hospital District or the Mental Health and Mental Retardation of Tarrant County, because they engaged other auditors to perform an audit in accordance with OMB Circular A-133.

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* and UGMS. Those standards, OMB Circular A-133 and UGMS, 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 or state program occurred. An audit includes examining, on a test basis, evidence about Tarrant County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Tarrant County's compliance with those requirements.

In our opinion, Tarrant County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended September 30, 2011. However, the results of our procedures also disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2011-01, 2011-02, 2011-03, and 2011-04.

Internal Control over Compliance

Management of Tarrant County is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal and state programs. In planning and performing our audit, we considered Tarrant County's internal control over compliance with the requirements that could have a direct and material effect on a major federal or state program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and UGMS, 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 Tarrant County's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses.

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 or 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 reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2011-01, 2011-02 and 2011-03, to be material weaknesses.

Schedule of Expenditures of Federal and State Awards

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Tarrant County as of and for the year ended September 30, 2011, and have issued our report thereon dated March 23, 2012. Our report was modified to include a reference to other auditors and the adoption of the provisions of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise Tarrant County's basic financial statements. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by OMB Circular A-133 and UGMS and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

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

KPMG LLP

May 7, 2012, except for the paragraph related to the
Schedule of Expenditures of Federal and State Awards,
which is as of March 23, 2012

TARRANT COUNTY, TEXAS
Schedule of Expenditures of Federal and State Awards
Year ended September 30, 2011

Federal or state grantor/ pass-through grantor program title	Federal CFDA number	Grant/contract number	Award amount	Federal/state expenditures	Federal/State amounts passed- through to subrecipients
AMERICAN RECOVERY AND REINVESTMENT ACT FUNDS (ARRA):					
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
Direct:					
ARRA – Community Development Block Grant – ARRA Entitlement Grants	14.253	B09-UY-48-0001	\$ 945,748	83,953	—
ARRA – Homelessness Prevention and Rapid Re-Housing Program – Recovery Act Funded	14.257	S-09-UY-48-0001	1,156,125	521,938	448,245
Indirect:					
City of Fort Worth, Texas:					
ARRA – Homelessness Prevention and Rapid Re-Housing Program – Recovery Act Funded	14.257	N/A	278,994	101,890	—
City of Arlington, Texas:					
ARRA – Homelessness Prevention and Rapid Re-Housing Program – Recovery Act Funded	14.257	N/A	77,187	17,766	—
Subtotal 14.257				641,594	448,245
U.S. DEPARTMENT OF JUSTICE					
Indirect:					
Texas Criminal Justice Division:					
ARRA – Edward Byrne Memorial Justice Assistance Grant Program/Grants to States	16.803	SU-09-A10-22222-01	447,403	12,379	—
ARRA – Violence Against Women Formula Grants	16.588	EF-09-V30-23023-01	58,000	51,733	—
City of Fort Worth, Texas:					
ARRA – Edward Byrne Memorial Justice Assistance Grant Program/Grants to Units of Local Gov't	16.804	2009-SB-B9-1479	708,613	422,333	—
U.S. DEPARTMENT OF ENERGY					
Direct:					
ARRA – Energy Efficiency and Conservation Block Grant Program (EECBG)	81.128	EE0000908	2,399,300	1,592,847	—
Indirect:					
North Central Council of Governments:					
ARRA – State Energy Program (Clean Fleets North Texas Recovery Act Project)	81.041	ARRA-CFNT-11	32,000	32,000	—
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Indirect:					
Texas Department of State Health Services					
ARRA – Prevention and Wellness-State, Territories and Pacific Islands (Mother Friendly Worksite Initiative)	93.723	2011-038068-001	10,200	2,177	—
Total American Recovery and Reinvestment Act				2,839,016	448,245
U.S. DEPARTMENT OF AGRICULTURE					
Direct:					
National School Lunch Program	10.555	75L3024	N/A	152,209	—
Indirect:					
Texas Department of State Health Services:					
Special Supplemental Nutrition Program for Women, Infants and Children	10.557	2010-033271-001	8,274,348	190,124	—
Special Supplemental Nutrition Program for Women, Infants and Children	10.557			8,467,109	—
Subtotal 10.557				8,657,233	—
Total U.S. Department of Agriculture				8,809,443	—
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
Direct:					
Community Development Block Grants/Entitlement Grants – 31st Year	14.218	B05-UC-48-0001	3,977,206	1,215	—
Community Development Block Grants/Entitlement Grants – 32nd Year	14.218	B06-UC-48-0001	3,594,649	(716)	—
Community Development Block Grants/Entitlement Grants – 33rd Year	14.218	B07-UC-48-0001	3,591,690	8,184	—
Community Development Block Grants/Entitlement Grants – 34th Year	14.218	B08-UC-48-0001	3,481,888	121,264	—
Community Development Block Grants/Entitlement Grants – 35th Year	14.218	B09-UC-48-0001	3,533,900	918,687	—
Community Development Block Grants/Entitlement Grants – 36th Year	14.218	B10-UC-48-0001	3,976,413	2,270,243	30,500
Community Development Block Grants/Entitlement Grants – 37th Year	14.218	B11-UC-48-0001	3,325,813	141,920	—
Subtotal 14.218				3,460,796	30,500
Community Development Block Grants/State's Program and Non-Entitlement Grants (NSP)	14.228	B08-UN-48-0002	3,293,388	885,498	775,476
Emergency Shelter Grants Program – 34th Year	14.231	S-08-UC-48-0001	123,639	(1,587)	—
Emergency Shelter Grants Program – 35th Year	14.231	S-09-UC-48-0001	123,941	7,034	5,121
Emergency Shelter Grants Program – 36th Year	14.231	S-10-UC-48-0001	112,596	74,920	69,569
Emergency Shelter Grants Program – 37th Year	14.231	S-11-UC-48-0001	118,562	37,569	37,569
Subtotal 14.231				117,936	112,258
Supportive Housing Program – 14th Year	14.235	TX0102B67010801	108,491	30,308	29,340
Supportive Housing Program – 14th Year	14.235	TX0115B6T010801	85,617	8,377	8,377
Supportive Housing Program – 15th Year	14.235	TX0114B6T010802	108,491	71,336	66,687
Supportive Housing Program – 15th Year	14.235	TX0114B6T010802	124,665	90,652	85,376
Supportive Housing Program – 15th Year	14.235	TX0093B6T010802	166,404	82,759	82,174
Supportive Housing Program – 15th Year	14.235	TX0093B6T010802	103,445	45,138	44,021
Supportive Housing Program – 15th Year	14.235	TX0093B6T010802	21,815	18,394	17,538
Supportive Housing Program – 15th Year	14.235	TX0093B6T010802	24,237	13,578	12,872
Supportive Housing Program – 15th Year	14.235	TX0093B6T010802	87,176	67,740	64,004
Supportive Housing Program – 15th Year	14.235	TX0093B6T010802	85,617	78,077	74,408
Supportive Housing Program – 15th Year	14.235	TX0093B6T010802	145,435	130,132	123,877

TARRANT COUNTY, TEXAS
Schedule of Expenditures of Federal and State Awards
Year ended September 30, 2011

Federal or state grantor/ pass-through grantor program title	Federal CFDA number	Grant/contract number	Award amount	Federal/state expenditures	Federal/State amounts passed- through to subrecipients
Supportive Housing Program – 15th Year	14.235	TX0093B6T010802	\$ 106,864	106,864	101,962
Supportive Housing Program – 15th Year	14.235	TX0093B6T010802	322,293	300,881	287,742
Supportive Housing Program – 15th Year	14.235	TX0113B6T010802	1,103,295	453,297	357,333
Supportive Housing Program – 15th Year	14.235	TX0113B6T010802	97,293	97,293	93,124
Supportive Housing Program – 15th Year	14.235	TX0113B6T010802	50,680	22,491	22,051
Supportive Housing Program – 15th Year	14.235	TX0105B6T010802	212,663	106,329	103,184
Supportive Housing Program – 16th Year	14.235	TX0114B6T011003	124,665	13,613	13,192
Supportive Housing Program – 16th Year	14.235	TX0093B6T011003	166,404	83,638	79,150
Supportive Housing Program – 16th Year	14.235	TX0093B6T011003	103,445	51,957	49,657
Supportive Housing Program – 16th Year	14.235	TX0100B6T011003	21,815	4,400	4,258
Supportive Housing Program – 16th Year	14.235	TX0097B6T011003	24,237	8,627	8,363
Supportive Housing Program – 16th Year	14.235	TX0116B6T010802	145,435	6,279	6,090
Supportive Housing Program – 16th Year	14.235	TX0104B6T011003	322,293	22,228	21,544
Supportive Housing Program – 16th Year	14.235	TX0093B6T011003	1,063,427	632,782	466,848
Supportive Housing Program – 16th Year	14.235	TX0093B6T011003	50,680	34,669	32,535
Supportive Housing Program – 16th Year	14.235	TX0093B6T011003	212,663	79,409	75,064
Subtotal 14.235				2,661,248	2,330,770
Home Investment Partnerships Program – 15th Year	14.239	M06-DC-48-0200	1,261,995	24,228	34,967
Home Investment Partnerships Program – 16th Year	14.239	M07-DC-48-0200	1,247,258	56,616	—
Home Investment Partnerships Program – 17th Year	14.239	M08-DC-48-0200	1,190,787	1,425	—
Home Investment Partnerships Program – 18th Year	14.239	M09-UC-48-0200	1,506,759	660,382	—
Home Investment Partnerships Program – 19th Year	14.239	M10-DC-48-0200	1,555,503	130,183	—
Subtotal 14.239				872,835	34,967
Housing Opportunities for Persons with AIDS	14.241	TX-H080014	950,966	269,030	261,355
Section 8 Housing Choice Vouchers – Administration (CY10)	14.871	TX21V431000082	N/A	471,737	—
Section 8 Housing Choice Vouchers – Administration (CY11)	14.871	N/A	N/A	1,197,749	—
Section 8 Housing Choice Vouchers – Portability	14.871	TX21V431000082	N/A	1,115,754	—
Section 8 Housing Choice Vouchers – Homeownership Administration (CY09)	14.871	TX431AFHV03	8,000	1,281	—
Section 8 Housing Choice Vouchers(FY05)	14.871	TX21V431000082	13,992,444	(1,059)	—
Section 8 Housing Choice Vouchers(CY08)	14.871	TX21V431000082	11,375,263	(539)	—
Section 8 Housing Choice Vouchers(CY09)	14.871	TX21V431000082	N/A	(349)	—
Section 8 Housing Choice Vouchers(CY10)	14.871	TX21V431000082	N/A	4,390,170	—
Section 8 Housing Choice Vouchers(CY11)	14.871	N/A	N/A	13,131,807	—
Section 8 Housing Choice Vouchers – Settlement Reserves	14.871	TX21V431000082	563,473	N/A	—
Katrina Disaster Housing Assistance Payments	14.871	TX431	N/A	2,173	—
Disaster Voucher Program	14.871	TX431DH0001	192,520	10,732	—
Subtotal 14.871				20,319,456	—
Public Housing Family Self Sufficiency (CY11)	14.877			81,872	—
Family Unification Program	14.880	TX431FU1001	743,028	381,746	—
Disaster Voucher Assistance – IKE	14.000	TX431	117,646	18,527	—
Indirect:					
Texas Department of State Health Services:					
Housing Opportunities for Persons with AIDS	14.241	2010-034531-001	181,000	53,316	53,316
Housing Opportunities for Persons with AIDS	14.241			82,061	75,673
Subtotal 14.241				135,378	128,990
Total U.S. Department of Housing and Urban Development				29,204,322	3,674,316
U.S. DEPARTMENT OF INTERIOR					
Indirect:					
Texas Historical Commission:					
Historic Preservation Fund Grants-In-Aid (Education Workshops for Commission)	15.904	TX-09-037	2,899	899	—
Historic Preservation Fund Grants-In-Aid (Education Workshops for Commission)	15.904	TX-10-034	2,000	1,251	—
Subtotal 15.904				2,150	—
Total U.S. Department of Interior				2,150	—
U.S. DEPARTMENT OF JUSTICE					
Direct:					
Equitable Sharing Program (Asset Forfeiture Funds)-Sheriff	16.000	N/A	N/A	121,221	—
State Criminal Alien Assistance Program (S.C.A.A.P.)	16.606	2010-H4863-TX-AP	486,285	454,428	—
Forensic DNA Backlog Reduction Program	16.741	2009-DN-BX-K091	235,309	95,696	—
Forensic DNA Backlog Reduction Program	16.741	2010-DN-BX-K052	280,892	244,488	—
Subtotal 16.741				340,184	—
Forensic DNA Backlog Reduction Program	16.742	2010-CD-BX-0077	67,136	66,813	—
Southwest Border Prosecution Initiative Program	16.755	2010	175,349	38,442	—

TARRANT COUNTY, TEXAS
Schedule of Expenditures of Federal and State Awards
Year ended September 30, 2011

Federal or state grantor/ pass-through grantor program title	Federal CFDA number	Grant/contract number	Award amount	Federal/state expenditures	Federal/State amounts passed- through to subrecipients
Indirect:					
Texas Criminal Justice Division:					
Juvenile Accountability Block Grants -Coordinated Enforcement Plan	16.523	JB-09-J20-13287-12	\$ 180,003	152,561	—
Juvenile Accountability Block Grants -Coordinated Enforcement Plan	16.523	JB-10-J20-13287-13	168,458	13,104	—
Subtotal 16.523				165,665	—
Crime Victim Assistance	16.575	VA-10-J30-13739-12	27,111	24,529	—
Crime Victim Assistance	16.575	VA-11-V30-13739-13	27,111	2,589	—
Crime Victim Assistance	16.575	VA-11-V30-24617-01	58,352	842	—
Subtotal 16.575				27,960	—
Violence Against Women Formula Grants (VAWA – Protective Order Unit)	16.588	WF-10-V30-13737-12	42,625	37,707	—
Violence Against Women Formula Grants (VAWA – Protective Order Unit)	16.588	WF-11-V30-13737-13	42,625	4,728	—
Violence Against Women Formula Grants (Domestic Violence – Pretrial Diversion)	16.588	WF-10-V30-15136-12	80,000	63,449	—
Violence Against Women Formula Grants (Domestic Violence – Pretrial Diversion)	16.588	WF-11-V30-15136-13	80,000	11,325	—
Subtotal 16.588				117,210	—
Edward Byrne Memorial Justice Assistance Grant (Family Drug Court-JAG)	16.738	DJ-09-A10-22852-02	253,500	195,293	—
Edward Byrne Memorial Justice Assistance Grant (Family Drug Court-JAG)	16.738	DJ-10-A10-22852-03	253,500	16,012	—
Edward Byrne Memorial Justice Assistance Grant (Crisis Response Communications System)	16.738	DJ-09-A10-23803-01	26,750	25,368	—
Edward Byrne Memorial Justice Assistance Grant (Substance Abuse Felony Punishment Facility)	16.738	DJ-09-A10-24021-01	42,250	31,054	—
Edward Byrne Memorial Justice Assistance Grant (Substance Abuse Felony Punishment Facility)	16.738	DJ-10-A10-24021-02	42,250	4,200	—
Subtotal 16.738				271,927	—
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	CD-10-A10-24138-01	186,295	186,295	—
City of Dallas, Texas Police Department:					
Missing Children's Assistance – (Internet Crimes Against Children Task Force)	16.543	2008-MC-CX-K026	12,500	12,498	—
Missing Children's Assistance – (Internet Crimes Against Children Task Force)	16.543	2010-MC-CX-K037	6,500	6,500	—
Subtotal 16.543				18,998	—
El Paso County:					
Juvenile Justice and Delinquency Prevention-Allocation to States	16.540	N/A	16,098	16,098	—
City of Fort Worth, Texas:					
Edward Byrne Memorial Justice Assistance Grant (Mental Health Liaison Program)	16.738	2008-DJ-BX-0637	21,429	4,104	—
Edward Byrne Memorial Justice Assistance Grant (Adult Drug Court)	16.738	2008-DJ-BX-0637	15,109	20,785	—
Edward Byrne Memorial Justice Assistance Grant (Adult Drug Court)	16.738	2009-DJ-BX-1379	82,781	40,348	—
Subtotal 16.738				65,237	—
Total U.S. Department of Justice				1,890,478	—
U.S. DEPARTMENT OF TRANSPORTATION					
Indirect:					
Texas Department of Transportation					
Highway Planning & Construction – Courtesy Patrol Program	20.205	2009	1,069,402	(3,725)	—
Highway Planning & Construction – Courtesy Patrol Program	20.205	02-1XXF5001	1,440,000	965,083	—
Highway Planning & Construction – Courtesy Patrol Program	20.205	02-2XXF5002	1,680,000	95,223	—
Subtotal 20.205				1,056,582	—
Total U.S. Department of Transportation				1,056,582	—
U.S. ELECTION ASSISTANCE COMMISSION					
Indirect:					
State of Texas Elections Division					
Help America Vote Act (General Title III HAVA Compliance)	90.401	N/A	7,360,292	224,717	—
Total U.S. Election Assistance Commission				224,717	—
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Direct:					
Coordinated Services & Access to Research for Women, Infants, Children and Youth (Part D)	93.153	5-H12HA08504-04-00	447,550	352,244	238,646
Coordinated Services & Access to Research for Women, Infants, Children and Youth (Part D)	93.153	5-H12HA08504-05-00	447,550	63,516	52,416
Subtotal 93.153				415,760	291,062
HIV Emergency Relief Project Grants (Ryan White I)	93.914	6-H89-HA-00047-15-01	4,049,388	1,653,600	1,105,521
HIV Emergency Relief Project Grants (Ryan White I)	93.914			1,928,516	1,315,150
Subtotal 93.914				3,582,116	2,420,671
Grants to Provide Outpatient Early Intervention Services with Respect to HIV (Capacity Development)	93.918	1-P06HA21182-01-00	75,000	74,855	49,855
Grants to Provide Outpatient Early Intervention Services with Respect to HIV (Ryan White III)	93.918	5-H76HA00123-19-00	821,641	196,492	104,173
Grants to Provide Outpatient Early Intervention Services with Respect to HIV (Ryan White III)	93.918			645,107	321,827
Subtotal 93.918				916,453	475,855

TARRANT COUNTY, TEXAS
 Schedule of Expenditures of Federal and State Awards
 Year ended September 30, 2011

Federal or state grantor/ pass-through grantor program title	Federal CFDA number	Grant/contract number	Award amount	Federal/state expenditures	Federal/State amounts passed- through to subrecipients
Indirect:					
National Association of County and City Health Officials Centers for Disease Control & Prevention – Investigations & Technical Assistance	93.283	—	\$ —	406,374	—
Medical Reserve Corps Small Grant Program	93.008	MRC-09-0155	5,000	3,616	—
Medical Reserve Corps Small Grant Program	93.008	MRC-10-0155	5,000	1,417	—
Subtotal 93.008				5,033	—
Texas Department of Family and Protective Services:					
Promoting Safe and Stable Families – CYD Project – FY2010	93.556	23362177-FY10-AM04	377,625	(52)	—
Promoting Safe and Stable Families – CYD Project – FY2011	93.556	23,792,901	377,625	364,300	251,750
Promoting Safe and Stable Families – CYD Project – FY2012	93.556	23,792,901	240,152	7,439	—
Subtotal 93.556				371,688	251,750
Foster Care Title IV-E (Child Protective Services)	93.658	N/A	N/A	101,482	—
Foster Care Title IV-E (District Attorney)	93.658	N/A	N/A	184,145	—
Subtotal 93.658				285,627	—
Office of the Attorney General					
Grants to States for Access and Visitation Programs	93.597	11-C0108	53,000	48,692	—
Grants to States for Access and Visitation Programs	93.597	11-C0108	53,000	4,308	—
Subtotal 93.597				53,000	—
Child Support Enforcement (Integrated Child Support System)	93.563	04-C0053	N/A	1,650,620	—
Texas Department of Health and Human Services					
Medical Assistance Program (Medicaid Administrative Claims)	93.778	7560011706-OE-01	N/A	151,940	—
Texas Juvenile Probation Commission					
Foster Care Title IV-E (Juvenile Services)	93.658	TJPC-E-2007-220	N/A	609,482	—
Foster Care Title IV-E (Juvenile Services)	93.658	TJPC-E-2008-220	N/A	941,647	—
Foster Care Title IV-E (Juvenile Services)	93.658	TJPC-E-2009-220	N/A	17,368	—
Subtotal 93.658				1,568,496	—
Texas Department of State Health Services					
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116			391,408	—
Immunization Grants	93.268	2010-031696-001	303,981	(232,168)	—
Immunization Grants	93.268	2011-036505-001	685,599	538,333	—
Immunization Grants	93.268	2012-039628-001	685,599	131,836	—
Subtotal 93.268				438,001	—
Public Health Emergency Preparedness	93.069	2010-033458-001	2,350,286	(959)	—
Public Health Emergency Preparedness	93.069	2011-037531-001	348,216	225,082	—
Public Health Emergency Preparedness	93.069	2011-037538-001	20,231	18,152	—
Subtotal 93.069				242,275	—
National Bioterrorism Hospital Preparedness Program	93.889	2010-035155-001	50,000	40,489	—
National Bioterrorism Hospital Preparedness Program	93.889	2011-038398-001	34,298	10,298	—
Subtotal 93.889				50,787	—
Public Health Emergency Preparedness	93.069	2009-032130-001	205,000	6,767	—
Public Health Emergency Preparedness	93.069	2010-035415-001	205,000	165,582	—
Public Health Emergency Preparedness	93.069	2011-038668-001	189,625	14,093	—
Public Health Emergency Preparedness	93.069	2009-031919-001	1,438,245	83,026	—
Public Health Emergency Preparedness	93.069	2010-035863-001	1,438,803	1,097,489	—
Public Health Emergency Preparedness	93.069	2011-038709-001	1,207,318	202,366	—
Public Health Emergency Preparedness	93.069	2009-031761-001	407,343	58,791	—
Public Health Emergency Preparedness	93.069	2010-035412-001	429,828	276,346	—
Public Health Emergency Preparedness	93.069	2011-038558-001	360,199	34,192	—
Subtotal 93.069				1,938,651	—
Centers for Disease Control & Prevention – Investigations & Technical Assistance	93.283	2010-035092-001	82,666	80,391	—
Centers for Disease Control & Prevention – Investigations & Technical Assistance	93.283	2011-038116-001	40,000	3,207	—
Centers for Disease Control & Prevention – Investigations & Technical Assistance	93.283	2010-035061-001	186,887	129,691	—
Subtotal 93.283				213,289	—
Refugee and Entrant Assistance-State Administered Programs	93.566	2010-03343-001	849,392	5,430	—
Refugee and Entrant Assistance-State Administered Programs	93.566	2011-037261-001	1,041,446	839,412	—
Subtotal 93.566				844,842	—
HIV Care Formula Grants (Ryan White II)	93.917	2010-034678-001	1,527,788	742,670	535,925
HIV Care Formula Grants (Ryan White II)	93.917			758,584	560,663
Subtotal 93.917				1,501,254	1,096,587

TARRANT COUNTY, TEXAS
Schedule of Expenditures of Federal and State Awards
Year ended September 30, 2011

Federal or state grantor/ pass-through grantor program title	Federal CFDA number	Grant/contract number	Award amount	Federal/state expenditures	Federal/State amounts passed- through to subrecipients
Centers for Disease Control & Prevention – Investigations & Technical Assistance	93.283	2009-031650-001A	\$ 139,143	85,752	—
HIV Prevention Activities-Health Department Based (HIV Prevention)	93.940	2011-037624-001	722,246	681,476	—
HIV Prevention Activities-Health Department Based (STD/HIV Operations)	93.940	2010-034557-001	289,031	(32,668)	—
HIV Prevention Activities-Health Department Based (STD/HIV Operations)	93.940	2011-037544-001A	575,240	204,652	—
Subtotal 93.940				853,460	—
Preventive Health Services-STD Control Grants (STD/HIV Operations)	93.977	2010-034557-001	334,203	123,294	—
Preventive Health Services-STD Control Grants (STD/HIV Operations)	93.977	2011-037544-001A	575,240	459,800	—
Subtotal 93.977				583,095	—
Epidemiologic Research Studies of AIDS and HIV Infection in Selected Population Groups	93.943	2010-034569-001	772,246	70,436	—
HIV/AIDS Surveillance	93.944	2010-034563-001	99,890	22,019	—
HIV/AIDS Surveillance	93.944			75,242	—
Subtotal 93.944				97,261	—
Preventive Health and Health Services Block Grant	93.991	2011-035678-001A	89,091	89,091	—
Total U.S. Department of Health and Human Services				16,806,709	4,535,924
U.S. DEPARTMENT OF HOMELAND SECURITY/FEDERAL EMERGENCY MANAGEMENT AGENCY					
Direct:					
Emergency Food and Shelter National Board Program (Phase XXVIII)	97.024	XXVIII	76,000	34,190	—
Emergency Food and Shelter National Board Program (Phase XXIX)	97.024	XXIX	38,000	7,418	—
Subtotal 97.024				41,608	—
Indirect:					
Texas Department of Public Safety – Division of Emergency Management:					
Citizen Corps					
Urban Areas Security Initiative	97.053	2006-GE-T6-0068	30,027	(28,215)	—
Urban Areas Security Initiative	97.008	2006-GE-T6-0068	425,904	26,843	—
Urban Areas Security Initiative	97.008	2007-GE-T7-0024	215,640	(87)	—
Urban Areas Security Initiative	97.008	2008-GE-T8-0034	160,602	23,559	—
Urban Areas Security Initiative	97.008	2009-SS-T9-0064	917,023	173,588	—
Urban Areas Security Initiative	97.008	2010-SS-T0-0008	720,455	45,933	—
Subtotal 97.008				269,836	—
Pre-Disaster Mitigation Grant Program	97.047	LPDM-PJ-06-TX-2009-002	540,000	117,218	—
Department of Housing and Urban Development: Disaster Housing Assistance Program	97.109	TX431	N/A	5,684	—
Total U.S. Department of Homeland Security/Federal Emergency Management Agency				406,132	—
TOTAL FEDERAL FINANCIAL ASSISTANCE				61,239,547	8,658,486
STATE FINANCIAL ASSISTANCE:					
TEXAS DEPARTMENT OF STATE HEALTH SERVICES					
Direct:					
HIV/State Services	N/A	2010-031501-001	634,784	(5)	(5)
HIV/State Services	N/A	2011-035180-001	633,497	612,305	575,906
HIV/State Services	N/A	2012-039165-001	370,770	26,067	25,758
TB/PC-Tuberculosis Control	N/A	2010-032856-001	593,611	(12,114)	—
TB/PC-Tuberculosis Control	N/A	2011-035272-001	579,380	625,440	—
TB/PC-Tuberculosis Control	N/A	2012-039040-001	535,990	58,583	—
Infectious Disease Control Unit/FLU Lab	N/A	2011-036292-001	5,000	4,155	—
Immunization Grants	N/A	2010-031696-001	381,618	232,225	—
Immunization Grants	N/A	2011-036505-001	380,553	840,192	—
Preventive Health and Health Services Block Grant	N/A	2011-035678-001A	241,327	206,598	—
Preventive Health and Health Services Block Grant	N/A	2012-039509-001	267,639	30,661	—
Milk & Dairy – Milk Group	N/A	2011-035294-001	41,500	37,757	—
State-Based Comprehensive Breast and Cervical Cancer Early Detection Program	N/A	2009-031650-001A	139,143	31,139	—
State-Based Comprehensive Breast and Cervical Cancer Early Detection Program	N/A	2010-035494-001	142,143	18,828	—
Milk & Dairy/ FFS	N/A	2009-028490-001	232,510	12,505	—
Milk & Dairy/ FFS	N/A	2010-031639-001	232,000	152,425	—
Total Texas Department of Health				2,876,761	601,660

TARRANT COUNTY, TEXAS
Schedule of Expenditures of Federal and State Awards
Year ended September 30, 2011

Federal or state grantor/ pass-through grantor program title	Federal CFDA number	Grant/contract number	Award amount	Federal/state expenditures	Federal/State amounts passed- through to subrecipients
TEXAS CRIMINAL JUSTICE DIVISION					
Edward Byrne Memorial Justice Assistance Grant (Family Drug Court-JAG)	N/A	DC-10-A11-19697-04	\$ 49,761	46,750	31,605
Edward Byrne Memorial Justice Assistance Grant (Family Drug Court-JAG)	N/A	DC-12-A10-19697-05	49,761	3,730	2,875
DIRECT Court Program	N/A	SF-11-A10-16036-10	270,668	366,907	—
DIRECT Court Program	N/A	DC-12-A10-16036-11	260,875	34,997	—
Mental Health Diversion Court Program	N/A	SF-10-A10-18289-04	120,355	90	—
Mental Health Diversion Court Program	N/A	SF-11-A10-18289-05	132,391	111,355	—
Mental Health Diversion Court Program	N/A	SF-12-A10-18289-06	132,391	6,572	—
Felony Alcohol Intervention Program	N/A	SF-11-A10-20458-02	126,824	124,888	—
Felony Alcohol Intervention Program	N/A	SF-12-A10-20458-03	126,824	7,776	—
Total Texas Criminal Justice Division				703,045	34,480
TEXAS DEPARTMENT OF MOTOR VEHICLES/AUTO BURGLARY AND THEFT PREVENTION AUTHORITY					
Tarrant Regional Auto Crimes Task Force	N/A	SA-T01-10065-10	1,097,753	4,505	—
Tarrant Regional Auto Crimes Task Force	N/A	SA-T01-10065-11	1,068,674	1,017,702	—
Tarrant Regional Auto Crimes Task Force	N/A	SA-T01-10065-12	1,076,113	61,743	—
Total Department of Motor Vehicles/Auto Burglary and Theft Prevention Authority				1,083,950	—
TEXAS DEPARTMENT OF TRANSPORTATION					
Highway Planning & Construction – Courtesy Patrol Program	N/A	2009	267,350	(924)	—
Highway Planning & Construction – Courtesy Patrol Program	N/A	02-1XXF5001	360,000	241,271	—
Highway Planning & Construction – Courtesy Patrol Program	N/A	02-2XXF5002	420,000	23,806	—
Total Department of Transportation				264,153	—
TEXAS COMMISSION ON ENVIRONMENTAL QUALITY					
Indirect:					
North Central Texas Council of Governments: Solid Waste Implementation Project	N/A	11-04-G23	31,276	31,191	—
Total Texas Commission on Environmental Quality				31,191	—
TEXAS CHAPTER MARCH OF DIMES					
Honey Child Project Evaluation	N/A	FY2009/2010	3,750	5,014	—
Total Texas Chapter March of Dimes				5,014	—
TEXAS HEALTH AND HUMAN SERVICES COMMISSION					
Texas Nurse-Family Partnership	N/A	HHSC-529-08-0110-00007D	909,668	(132)	—
Texas Nurse-Family Partnership	N/A	HHSC-529-08-0110-00007D	1,086,488	621,716	—
Texas Nurse-Family Partnership	N/A	HHSC-529-08-0110-00007D		59,490	—
Total Texas Health and Human Services Commission				681,074	—
OFFICE OF THE ATTORNEY GENERAL					
Bilingual Victims Assistance Coordinator	N/A	1,016,815	50,000	38,645	—
Bilingual Victims Assistance Coordinator	N/A	1,227,040	42,000	2,963	—
V.I.N.E.-Victim Identification and Notification Everyday	N/A	1,121,623	83,130	83,130	—
Total Office of the Attorney General				124,738	—
TEXAS TASK FORCE ON INDIGENT DEFENSE					
Indigent Defense Formula Grant	N/A	212-10-220	2,018,057	1,726,369	—
Total Texas Task Force on Indigent Defense				1,726,369	—
TEXAS VETERANS COMMISSION FUND					
Tarrant County Veterans Court	N/A	FVA-11-0021	40,000	19,590	—
Total Texas Veterans Commission Fund				19,590	—
TEXAS DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES					
Promoting Safe and Stable Families – CYD Project – FY2010	N/A	23362177-FY10-AM04	125,875	(17)	—
Promoting Safe and Stable Families – CYD Project – FY2011	N/A	23792901	125,875	121,433	83,917
Promoting Safe and Stable Families – CYD Project – FY2012	N/A	23792901	80,050	2,480	—
Total Texas Department of Family and Protective Services				123,896	83,917
TOTAL STATE FINANCIAL ASSISTANCE				7,639,781	720,056
TOTAL FEDERAL AND STATE FINANCIAL ASSISTANCE				\$ 68,879,327	9,378,542

TARRANT COUNTY, TEXAS

Notes to Schedule of Expenditures of Federal and State Awards

September 30, 2011

(1) Summary of Significant Accounting Policies

The schedule of expenditures of federal and state awards was prepared on the modified accrual basis of accounting. Amounts reported as expenditures in the accompanying schedule of expenditures of federal and state awards may not agree with the amounts reported in the related federal and state financial reports filed with the grantor agencies because of accruals which would be included in the next report filed with the agency.

TARRANT COUNTY, TEXAS

Schedule of Findings and Questioned Costs

September 30, 2011

Section I–Summary of Auditor’s Results

Financial Statements

Type of auditors’ report issued:	Unqualified		
Internal control over financial reporting:			
• Material weakness(es) identified?	_____	yes	_____ <u>X</u> _____ no
• Significant deficiency(ies) identified that are not considered to be material weakness(es)?	_____	yes	_____ <u>X</u> _____ none reported
Noncompliance material to the financial statements noted?	_____	yes	_____ <u>X</u> _____ no

Federal and State Awards

Internal control over major programs:			
• Material weakness(es) identified?	_____ <u>X</u> _____	yes	_____ no
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____	yes	_____ <u>X</u> _____ none reported
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 OMB Circular A-133 and UGMS?	_____ <u>X</u> _____	yes	_____ no

CFDA number(s)	Name of federal program or cluster
14.257	ARRA – Homelessness Prevention and Rapid Re-Housing Program
14.253/14.218	ARRA – Community Development Block Grant/Community Development Block Grants/Entitlement Grants
Various	ARRA Edward Byrne Memorial Justice Assistance Grant
93.069	Public Health Emergency Preparedness
14.871	Section 8 Housing Choice Vouchers
10.557	Special Supplemental Nutrition Program for Women, Infants and Children
14.235	Supportive Housing Program

TARRANT COUNTY, TEXAS

Schedule of Findings and Questioned Costs

September 30, 2011

Name of state program or cluster

Tarrant Regional Auto Crimes Task Force
TB/PC – Tuberculosis Control
DIRECT Court Program

Dollar threshold used to distinguish between
type A and type B programs:

Federal \$1,837,186
State 300,000

Auditee qualified as low-risk auditee?

_____ yes X no (Federal)
 X yes _____ no (State)

Section II–Financial Statement Findings

None noted.

TARRANT COUNTY, TEXAS

Schedule of Findings and Questioned Costs

September 30, 2011

Section III–Federal and State Awards Findings and Questioned Costs

Program Name(s): Tarrant Regional Auto Crimes Task Force

Award Number(s) and Expenditures:

SA-T01-10065-10, SA-T01-10065-11, SA-T01-10065-12 (\$1,083,950)

Finding 2011-01 – *Activities Allowed/Allowable Costs – Semi-Annual Certification of Work*

Criteria or specific requirement:

UGMS (Uniform Grant Management Standards)

Per section 11.h(3) of the UGMS (*Uniform Grant Management Standards*), where employees are expected to work solely on a single Federal or state award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi-annually and will be signed by the employee or supervisory official having firsthand knowledge of the work performed by the employee.

Condition:

During our test work performed over the Tarrant Regional Auto Crimes Task Force, we noted that semi-annual certifications were not obtained from those individuals who worked solely on and charged their salaries and salary related benefits to the Tarrant Regional Auto Crimes Task Force for the fiscal year ended September 30, 2011. There were four employees who charged 100% of their time to the Tarrant Regional Auto Crimes Task Force during the fiscal year ended September 30, 2011.

Questioned Costs:

The salaries and related benefits charged to the grant for the 4 individuals were \$315,011.

Possible asserted cause and effect:

Management failed to properly design and implement an internal control structure to ensure that those employees who worked solely on the Tarrant Regional Auto Crimes Task Force during the current fiscal year completed certifications of effort at least semi-annually.

Recommendation

We recommend that management design and implement processes and controls to ensure that all individuals who charge 100% of their salaries and related benefits to the Tarrant Regional Auto Crimes Task Force complete certifications at least semi-annually and those certifications are reviewed and signed by a supervisor with adequate knowledge of the work performed by the individual.

Views of the responsible officials

We have completed the “Certification of Work” forms for the current grant through December 31, 2011. We will continue this process semi-annually. Additionally, we have revised the time sheets to reflect the Task Force name on the heading and incorporated the following language:

TARRANT COUNTY, TEXAS

Schedule of Findings and Questioned Costs

September 30, 2011

“I hereby declare that this is a true and correct work record for the week specified for the named Tarrant County employee assigned to work solely for the Auto Crimes Task Force and hereby authorize the County Auditor to make the appropriate payroll disbursement and to update time and attendance records accordingly.”

Contact: Janet Rodgers, Business Manger Tarrant Regional Auto Crimes Task Force, 817-560-6560

TARRANT COUNTY, TEXAS

Schedule of Findings and Questioned Costs

September 30, 2011

Program Name(s): Housing Choice Voucher – Section 8 Program

CFDA Number(s) and Expenditures: 14.871, \$20,050,426

Federal Award Number:

TX21V431000082, TX431AFHV03, TX431DH0001, TX431FU1001

Finding 2011-02– *Activities Allowed/Allowable Costs – Semi-Annual Certification of Work*

Criteria or specific requirement:

OMB Circular A-87

Per OMB Circular A-87, Attachment B, Section 8(h)(3) where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi-annually and will be signed by the employee or supervisory official having first hand knowledge of the work performed by the employee.

Condition:

During our test work performed over the Housing Choice Voucher Section 8 program, we noted that semi-annual certifications were not obtained from those individuals who worked solely on and charged their salaries and salary related benefits to the program for the fiscal year ended September 30, 2011. There were 24 employees who charged 100% of their time to the Housing Choice Voucher Section 8 program during the fiscal year ended September 30, 2011.

Questioned Costs:

The salaries and related benefits charged to the grant for the 24 individuals were \$1,374,681.

Possible asserted cause and effect:

Management failed to properly design and implement an internal control structure to ensure that those employees who worked solely on the Housing Choice Voucher – Section 8 Program during the current fiscal year completed certifications of effort at least semi-annually.

Recommendation

We recommend that management design and implement processes and controls to ensure that all individuals who charge 100% of their salaries and related benefits to the Housing Choice Voucher – Section 8 Program complete certifications at least semi-annually and those certifications are reviewed and signed by a supervisor with adequate knowledge of the work performed by the individual.

Views of the responsible officials

We have completed the “Certification of Work” forms. We will continue this practice on a semi-annual basis each January to June and July to December.

Contact: Wayne Pollard, Jr., Director of Housing, 817-531-7654

TARRANT COUNTY, TEXAS

Schedule of Findings and Questioned Costs

September 30, 2011

Program Name(s): Supportive Housing Program (SHP)

CFDA Number(s) and Expenditures: 14.235, \$2,661,248

Federal Award Number and Year:

TX0102B67010801,	TX0115B6T010801,	TX0114B6T010802,	TX0114B6T010802,
TX0093B6T010802,	TX0093B6T010802,	TX0093B6T010802,	TX0093B6T010802,
TX0093B6T010802,	TX0093B6T010802,	TX0093B6T010802,	TX0093B6T010802,
TX0093B6T010802,	TX0113B6T010802,	TX0113B6T010802,	TX0113B6T010802,
TX0105B6T010802,	TX0114B6T011003,	TX0093B6T011003,	TX0093B6T011003,
TX0100B6T011003,	TX0097B6T011003,	TX0116B6T010802,	TX0104B6T011003,
TX0093B6T011003,	TX0093B6T011003,	TX0093B6T011003	

Finding 2011-03: *Subaward Reporting under the Transparency Act*

Criteria or Specific Requirement:

As prescribed by 2 CFR Part 170, grant and cooperative agreement recipients and contractors are required to register in the Federal Funding Accountability and Transparency Subaward Reporting System (FSRS) and report subaward data through FSRS. The subaward data elements include: subaward date, subawardee DUNS#, amount of subaward, subaward obligation/action date, and subaward number. Information input to FSRS is available at [USASpending.gov](http://www.usaspending.gov) as the publicly available website for viewing this information (<http://www.usaspending.gov/subaward-advanced-search>). Furthermore, effective October 1, 2010, information related to a subaward must be reported by the end of the month following the month in which the subaward or obligation of \$25,000 or greater was made and, for contracts, the month in which a modification was issued that changed previously reported information.

Condition:

During our procedures performed over the SHP program, we noted that management did not have a formal policy or procedures in place to ensure that each subaward, made on or after October 1, 2010 and with a value of \$25,000 or more, was input into the FSRS system by the end of the month following the month in which the subaward was made. Additionally, it was noted through our testwork, that nine subawards, which were subject to reporting under the Transparency Act, were not input into FSRS by the required deadline.

Questioned Costs:

None.

Possible Asserted Cause and Effect:

The individual(s) responsible for reporting subaward reporting under the Transparency Act were not aware of the subaward reporting deadlines. As such, the lack of knowledge and the failure to design and implement adequate controls to policies related to subaward reporting increases the risk of County noncompliance with the Federal Funding Accountability and Transparency Act.

TARRANT COUNTY, TEXAS

Schedule of Findings and Questioned Costs

September 30, 2011

Recommendation:

We recommend the Department implement formal policies and procedures to ensure that subawards are reported in FSRS by the end of the month following the month in which the subaward or obligation of \$25,000 or greater was made.

View of Responsible Officials:

The Department attempted to input grants ending in B6T010801 (FY2008) and grants ending in B6T010802 (FY2009) into the Federal Funding Accountability and Transparency Act Sub award Reporting System (FSRS). The FSRS would not allow us to input these grants into the system and gave the following error message:

Prime Grant Awardees – Contact your grant making official for help. In order for you to file a FFATA sub-award report against your grant, your Federal grant making official must report your prime grant award information through their FAADS+ file submission to USAspending. The Agency's FAADS+ submission is the authoritative source for the basic grant award information used in pre-populate many of the prime award details in your FFATA report.

As this was a new federal online reporting system, there were numerous operational glitches and error messages experienced by grantees with the initialization of the reporting requirement. Community Development contacted our grant making official (The Department of Housing and Urban Development) and were told that the FFATA requirements apply to all of our FY2010 SHP grants (ending in B6T011003), both new and renewal, but not any of the older grants. The Community Development Department has since implemented a formal policy to ensure that any future subgrant will have a FFATA subaward report input in FSRS within 15 days following the month in which we award any sub-grant greater than or equal to \$25,000.

Contact: Patricia Ward, Director of Community Development and Housing, 817-850-7940

TARRANT COUNTY, TEXAS

Schedule of Findings and Questioned Costs

September 30, 2011

Program Name(s): Supportive Housing Program (SHP)

CFDA Number(s) and Expenditures: 14.235, \$2,661,248

Federal Award Number and Year:

TX0102B67010801,	TX0115B6T010801,	TX0114B6T010802,	TX0114B6T010802,
TX0093B6T010802,	TX0093B6T010802,	TX0093B6T010802,	TX0093B6T010802,
TX0093B6T010802,	TX0093B6T010802,	TX0093B6T010802,	TX0093B6T010802,
TX0093B6T010802,	TX0113B6T010802,	TX0113B6T010802,	TX0113B6T010802,
TX0105B6T010802,	TX0114B6T011003,	TX0093B6T011003,	TX0093B6T011003,
TX0100B6T011003,	TX0097B6T011003,	TX0104B6T011003,	TX0104B6T011003,
TX0093B6T011003,	TX0093B6T011003,	TX0093B6T011003,	

Finding 2011-04: *Subrecipient Audits*

Criteria or Specific Requirement:

A pass-through entity is responsible for (1) ensuring that subrecipients expending \$500,000 or more in Federal awards during the subrecipient's fiscal year, for fiscal years ending after December 31, 2003 as provided in OMB Circular A-133, have met the audit requirements of OMB Circular A-133 and that the required audits are completed within 9 months of the end of the subrecipient's audit period; (2) issuing a management decision on audit findings within 6 months after receipt of the subrecipient's audit report; and (3) ensuring that the subrecipient takes timely and appropriate corrective action on all audit findings. In cases of continued inability or unwillingness of a subrecipient to have the required audits, the pass-through entity shall take appropriate action using sanctions.

Condition:

During our procedures performed over the SHP program, we noted that management did not perform proper follow-up procedures with one of the five subrecipients selected for test work when the audit report received from the subrecipient was not in accordance with OMB Circular A-133 requirements. We noted that management received audited consolidated financial statements from a subrecipient that did not include a compliance audit report in accordance OMB Circular A-133. Subsequent to our identification of this issue, management requested and received an audited set of financial statements that met the requirements of OMB Circular A-133.

Questioned Costs:

None.

Possible Asserted Cause and Effect:

Management failed to recognize that the report received by the subrecipient was not in accordance with OMB Circular A-133 requirements. This lack of knowledge of the applicable requirements could increase the risk of future noncompliance with federal regulations and potential questioned costs.

TARRANT COUNTY, TEXAS

Schedule of Findings and Questioned Costs

September 30, 2011

Recommendation:

We recommend management implement formal management review policies and procedures to ensure the audit reports provided by each subrecipient expending \$500,000 or more in Federal awards during its respective fiscal year are in accordance with OMB Circular A-133 requirements.

View of Responsible Officials:

The Department has implemented a formal policy requiring Program Managers and the Financial Manager to review and sign an acknowledgement form attached to all audits submitted by subrecipients. This procedure will ensure compliance with OMB Circular A-133.

Contact: Patricia Ward, Director of Community Development and Housing, 817-850-7940



TARRANT COUNTY

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Summary Schedule of Prior Audit Findings September 30, 2010

Finding 2010-01: Cash Management

Management's Response

Reimbursement requests are prepared based on expenditures posted to the general ledger for a specific month. The posting date is based on the date of the receipt of the goods or service, not the check date. We have explored different procedures to evaluate if any posted expenses have not been paid. All of these procedures were manual in nature and would produce a higher risk of inaccurate reporting. We do evaluate the fund balance prior to requesting reimbursement of grant funds. We would not request funds in an amount that would result in having cash on hand for our reimbursement grants.

Contact: Suzanne McKenzie, Grant and Financial Reporting Manager, 817-884-1014

Finding 2010-02: Suspension and Debarment

Management's Response

In January 2010 a written policy and procedure was issued to maintain compliance with the Suspension and Debarment requirement. The policy is being followed.

Contact: Suzanne McKenzie, Grant and Financial Reporting Manager, 817-884-1014

Finding 2010-03: Equipment and Real Property Management

Management's Response

Tarrant County Public Health has assigned preparedness equipment tagging and tracking duties to a preparedness position for general preparedness equipment. A laboratory preparedness position has been assigned equipment tagging and tracking duties for laboratory equipment. Back up positions for each area have also been established. All

equipment tags will initially be sent to the Tarrant County Public Health Asset Coordinator and then forwarded to the appropriate area to be affixed to the specific equipment. The asset tags are required to be on the equipment within 10 working days of receipt. Equipment location changes will be updated as necessary in the GC-11 spreadsheet. The updated information will be sent to the Tarrant County Auditor's Office, Public Health Asset Coordinator, and Public Health Assistant Business Manager.

Contact: Marsha Gillespie, Public Health Business Manager, 817-321-5335

Finding 2010-04: Subrecipient Monitoring (ARRA Funding)

Management's Response

Tarrant County now includes the ARRA information on the remittance advice or sends a separate letter containing the information. Additionally, letters have been sent to each subrecipient informing them of all past payments that did not include this information.

Contact: Suzanne McKenzie, Grant and Financial Reporting Manager, 817-884-1014

Finding 2010-05: Special Tests and Provisions – Utility Allowance Schedules

Management's Response

The Utility Allowance Schedule was reviewed for 2010. The only category that had a change of more than 10% from the previous year and therefore required a revision was the 0 bedroom unit. Historically, Tarrant County does not lease and did not lease in 2010 any 0 bedroom units.

Subsequent to this audit the housing agency hired an outside consultant to gather and prepare the utility allowance schedules. The updated Utility Allowance Schedule will be prepared by May 1 with an effective date of October 1.

Contact: Wayne Pollard, Tarrant County Director of Housing, 817-531-7654