

# **MONTGOMERY COUNTY, TEXAS**

## **SINGLE AUDIT REPORT**

**For Fiscal Year Ended  
September 30, 2013**



**MONTGOMERY COUNTY, TEXAS**

**SINGLE AUDIT REPORT**

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PATTILLO, BROWN & HILL, L.L.P.  
CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

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

To the Honorable County Judge  
and Commissioners Court  
Montgomery County, 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, each major fund, and the aggregate remaining fund information of Montgomery County, Texas ("the County"), as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 24, 2014.

**Internal Control Over Financial Reporting**

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**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*.

**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.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas  
March 24, 2014



PATTILLO, BROWN & HILL, L.L.P.  
CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

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

To the Honorable County Judge and  
Commissioners Court  
Montgomery County, Texas

**Report on Compliance for Each Major Federal and State Program**

We have audited Montgomery County, Texas' ("the County") compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement and the State of Texas Uniform Grants Management Standards that could have a direct and material effect on each of the County's major federal and state programs for the year ended September 30, 2013. The County's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of the County's major federal and 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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and the State of Texas *Uniform Grant Management Standards*. Those standards, OMB Circular A-133, and the State of Texas *Uniform Grant Management 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 federal or 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 federal and state program. However, our audit does not provide a legal determination of the County's compliance.

***Opinion on Each Major Federal and 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 federal and state programs for the year ended September 30, 2013.

**Report on Internal Control Over Compliance**

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state 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 and state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and the State of Texas *Uniform Grant Management Standards*, 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 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 a 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. *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 or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



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

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the County as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated March 24, 2014, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

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

*Pattillo, Brown & Hill, L.L.P.*

Waco, Texas

April 8, 2014, except for our report on the Schedule of Expenditures of Federal and State Awards, for which the date is March 24, 2014

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**MONTGOMERY COUNTY, TEXAS**

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**

**YEAR ENDED SEPTEMBER 30, 2013**

<b>Federal Grantor/Pass-through Grantor/ Program Title</b>	<b>Federal CFDA Number</b>	<b>Grantor's ID Number</b>	<b>Federal Expenditures</b>	<b>Pass-through Amount to Subrecipients</b>
<b><u>FEDERAL PROGRAMS</u></b>				
<b><u>U.S. Department of Agriculture</u></b>				
Direct Program				
National School Lunch/Breakfast Program	10.553	CEID: 01340	52,904	-
Total U. S. Department of Agriculture			<u>52,904</u>	<u>-</u>
<b><u>U. S. Department of Housing and Urban Development</u></b>				
Direct Programs				
Community Development Block Grant, Year 11	14.218	B-08-UC-48-0006	31,821	-
Community Development Block Grant, Year 12	14.218	B-09-UC-48-0006	130,200	-
Community Development Block Grant, Year 13	14.218	B-10-UC-48-0006	469,829	-
Community Development Block Grant, Year 14	14.218	B-11-UC-48-0006	395,860	17,952
Community Development Block Grant, Year 15	14.218	B-12-UC-48-0006	504,890	425,046
Total Program 14.218			<u>1,532,600</u>	<u>442,998</u>
Emergency Shelter Grants Program	14.231	E-11-UC-48-0006	105,379	-
Emergency Shelter Grants Program	14.231	E-12-UC-48-0006	34	59,673
Total Program 14.231			<u>105,413</u>	<u>59,673</u>
Home Program, Year 8	14.239	M-10-UC-48-0235	86,827	-
Home Program, Year 9	14.239	M-11-UC-48-0235	60,086	-
Home Program, Year 10	14.239	M-12-UC-48-0235	169,919	-
Total Program 14.239			<u>316,832</u>	<u>-</u>
Total Direct Programs			<u>1,954,845</u>	<u>502,671</u>
Passed Through the Texas General Land Office				
Hurricane Ike - Disaster Recovery	14.218	70090005/10-5273-000-5279	9,291	-
Total Program 14.218			<u>9,291</u>	<u>-</u>
Texas CDBG-DR Round 2, Phase 1	14.228	12-221-000-5521	57,103	-
Texas CDBG TDRA-DR Round 2, Phase 2	14.228	12-477-000-6642	1,652	-
CDBG Disaster Recovery - Housing Round 2	14.228	12-469-000-6633	8,116	-
CDBG Disaster Recovery - Housing Round 2	14.228	12-475-000-6640	89,662	-
CDBG Disaster Recovery Entitlement Program	14.228	10-5115-000-5096	58,068	-
Total Program 14.228			<u>214,601</u>	<u>-</u>
Total Passed Through the Texas General Land Office			<u>223,892</u>	<u>-</u>
Total U. S. Department of Housing and Urban Development			<u>2,178,737</u>	<u>502,671</u>

(continued)

**MONTGOMERY COUNTY, TEXAS**  
**(Continued)**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**YEAR ENDED SEPTEMBER 30, 2013**

<b>Federal Grantor/Pass-through Grantor/ Program Title</b>	<b>Federal CFDA Number</b>	<b>Grantor's ID Number</b>	<b>Federal Expenditures</b>	<b>Pass-through Amount to Subrecipients</b>
<b><u>U. S. Department of Justice</u></b>				
Direct Program				
State Criminal Alien Assistance Program	16.606	2012-AP-BX-0733	100,592	-
Total Program 16.606			<u>100,592</u>	<u>-</u>
<b>JAG Program Cluster</b>				
Direct Program				
Edward Byrne Memorial Justice Assistance Grant	16.738	2012-DJ-BX-0112	40,490	-
Edward Byrne Memorial Justice Assistance Grant	16.738	2013-DJ-BX-0259	54,865	-
Total Program 16.738			<u>95,355</u>	<u>-</u>
Passed Through the State Criminal Justice Division				
Drug Court Discretionary Grant	16.738	1604012	84,412	-
DWI Drug Court	16.738	2196104	41,637	-
CJD Body Armor Replacement Project	16.738	2549901	56,985	-
Total Passed Through the State Criminal Justice Division			<u>183,034</u>	<u>-</u>
Total JAG Program Cluster			<u>278,389</u>	<u>-</u>
Power Recovery Court - Juvenile Drug Court	16.523	1947506	99,330	-
Family Reunification Project	16.523	2444602	15,925	-
Total Program 16.523			<u>115,255</u>	<u>-</u>
Domestic Violence Prosecutor	16.588	2485603	4,992	-
Domestic Violence Prosecutor	16.588	2485602	59,514	-
Total Program 16.588			<u>64,506</u>	<u>-</u>
Total Passed Through the State Criminal Justice Division			<u>362,795</u>	<u>-</u>
Total U. S. Department of Justice			<u>558,742</u>	<u>-</u>
<b><u>U. S. Department of Transportation</u></b>				
Passed Through the Texas Department of Transportation				
Runway 14-32 Extension	20.106	1012CONRO	547,230	-
Runway Extension 2	20.106	1212CONRO	38,989	-
Gated Vehicle Access Road	20.106	1112LONES	33,270	-
Wildlife Assessment Study	20.106	1212LONES	63,284	-
South Side Development Plan	20.106	1212CNROE	100,023	-
Total Program 20.106			<u>782,796</u>	<u>-</u>
ARRA FM 2978 Spring Creek to FM 1488	20.205	3050-02-016	11,473	-
Total Program 20.205			<u>11,473</u>	<u>-</u>

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**MONTGOMERY COUNTY, TEXAS**  
**(Continued)**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**YEAR ENDED SEPTEMBER 30, 2013**

<b>Federal Grantor/Pass-through Grantor/ Program Title</b>	<b>Federal CFDA Number</b>	<b>Grantor's ID Number</b>	<b>Federal Expenditures</b>	<b>Pass-through Amount to Subrecipients</b>
<b><u>U.S. Department of Transportation (Continued)</u></b>				
Highway Safety Cluster				
Passed through the Texas Department of Transportation				
STEP - Speed FY 13	20.600	2013-MontgoSO-S-1YG0020	31,469	-
STEP - Impaired Driving Mobilization	20.601	2013-MontgoSO-IDM-00003	13,087	-
Alcohol Traffic Safety & Drunk Driving Prevention Program	20.601	2013-MCDAO-G-1YG-0142	97,282	-
Total Highway Safety Cluster			<u>141,838</u>	<u>-</u>
Total passed through Texas Department of Transportation			<u>936,107</u>	<u>-</u>
Passed Through the Houston-Galveston Area Council				
STEP - Impaired Driving Mobilization	20.601	TDOT.13.0601-14	5,362	-
STEP - Impaired Driving Mobilization	20.601	TDOT.13.0601-15	7,489	-
Total Passed Through the Houston-Galveston Area Council			<u>12,851</u>	<u>-</u>
Total U. S. Department of Transportation			<u>948,958</u>	<u>-</u>
<b><u>U. S. Department of Energy</u></b>				
ARRA Energy Efficiency and Conservation Block Grant	81.128	DE-EE0000911	185,259	-
Total U. S. Department of Energy			<u>185,259</u>	<u>-</u>
<b><u>U. S. Department of Health and Human Services</u></b>				
Passed Through the Texas Juvenile Justice Department				
Foster Care - Title IV-E	93.658	TJJD-E-2013-170	8,632	-
Total Passed Through the Texas Juvenile Justice Department			<u>8,632</u>	<u>-</u>
Passed Through the Texas Department of Family and Protective Services				
Foster Care Title IV-E - ADM	93.658	23940072	12,853	-
Foster Care Title IV-E - Concrete Services	93.658	23617441	906	-
Foster Care Title IV-E	93.658	23940074	46,788	-
Total Passed Through the Texas Department of Family and Protective Services			<u>60,547</u>	<u>-</u>
Total Program 93.658			<u>69,179</u>	<u>-</u>
Total U. S. Department of Health and Human Services			<u>69,179</u>	<u>-</u>

(continued)

**MONTGOMERY COUNTY, TEXAS**  
**(Continued)**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**YEAR ENDED SEPTEMBER 30, 2013**

<u>Federal Grantor/Pass-through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Grantor's ID Number</u>	<u>Federal Expenditures</u>	<u>Pass-through Amount to Subrecipients</u>
<b><u>Office of National Drug Control</u></b>				
Direct Program				
High Intensity Drug Trafficking Areas	95.001	G12HN0017A	10,684	-
High Intensity Drug Trafficking Areas	95.001	G13HN0017A	<u>9,912</u>	<u>-</u>
Total Program 95.001			<u>20,596</u>	<u>-</u>
Total Office of National Drug Control			<u>20,596</u>	<u>-</u>
<b><u>U. S. Department of Homeland Security</u></b>				
Passed Through the Texas Division of Emergency Management				
State Homeland Security Program, 2010	97.008	2010-SS-T0-0008	63,530	-
State Homeland Security Program, 2012	97.008	EMW-2012-SS-00018-S01	304,977	-
State Homeland Security Program, 2011	97.067	2011-SS-T0-00019	<u>1,708,523</u>	<u>-</u>
Total Passed Through the Texas Division of Emergency Management			<u>2,077,030</u>	<u>-</u>
Total U. S. Department of Homeland Security			<u>2,077,030</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>6,091,405</u>	<u>502,671</u>

(continued)

**MONTGOMERY COUNTY, TEXAS**  
**(Continued)**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**YEAR ENDED SEPTEMBER 30, 2013**

<b>Federal Grantor/Pass-through Grantor/ Program Title</b>	<b>Federal CFDA Number</b>	<b>Grantor's ID Number</b>	<b>Federal Expenditures</b>	<b>Pass-through Amount to Subrecipients</b>
<b><u>STATE PROGRAMS</u></b>				
<b><u>Texas Department of Motor Vehicles</u></b>				
Motor Vehicle Salvage/Theft Reduction Program, Year 19		SA-T01-10059-13	273,423	85,622
Motor Vehicle Salvage/Theft Reduction Program, Year 20		SA-T01-10059-14	19,801	10,486
Total Department of Motor Vehicles			<u>293,224</u>	<u>96,108</u>
<b><u>Texas Department of Transportation</u></b>				
Routine Airport Maintenance Program		M312CONRO	49,329	-
Total Texas Department of Transportation			<u>49,329</u>	<u>-</u>
<b><u>Texas Commission on Environmental Quality</u></b>				
Passed Through the Houston-Galveston Area Council				
Low Income Repair Assistance Program - Local Initiative				
Project		582889963	19,125	-
Low Income Repair Assistance Program		5821220282	178,630	-
Total Texas Commission on Environmental Quality			<u>197,755</u>	<u>-</u>
<b><u>Texas Juvenile Justice Department</u></b>				
State Financial Assistance Contract		TJPC-A-2012-170	598	-
State Financial Assistance Contract		TJPC-A-2013-170	1,466,696	-
State Financial Assistance Contract		TJPC-C-2013-170	270,173	-
State Financial Assistance Contract		TJPC-P-2013-170	394,727	-
State Financial Assistance Contract		A-2014-170	78,847	-
State Financial Assistance Contract		N-2014-170	4,097	-
State Financial Assistance Contract		P-2014-170	27,695	-
Total Texas Juvenile Justice Department			<u>2,242,833</u>	<u>-</u>
<b><u>Texas State Office of the Attorney General</u></b>				
Statewide Automated Victim Information and Notification Systems Maintenance Grant, FY 13				
		1337286	26,743	-
Statewide Automated Victim Information and Notification Systems Maintenance Grant, FY 14				
		1446111	2,310	-
Total State Office of the Attorney General			<u>29,053</u>	<u>-</u>
<b><u>Texas Indigent Defense Commission</u></b>				
Indigent Defense Services - Formula Grant		212-13-170	381,964	-
Montgomery County Managed Assigned Council Program				
Discretionary Grant		TFID-212-13-D04	231,888	-
Total Texas Indigent Defense Commission			<u>613,852</u>	<u>-</u>

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**MONTGOMERY COUNTY, TEXAS**  
**(Continued)**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**YEAR ENDED SEPTEMBER 30, 2013**

<b>Federal Grantor/Pass-through Grantor/ Program Title</b>	<b>Federal CFDA Number</b>	<b>Grantor's ID Number</b>	<b>Federal Expenditures</b>	<b>Pass-through Amount to Subrecipients</b>
<b><u>General Appropriations Act "Rider 97" - Texas Department of State Health Services</u></b>				
Forensic Hospital Services		2012-039639-001	13,370,404	-
Forensic Hospital Services		2014-044836-001A	<u>1,049,342</u>	<u>-</u>
Total Texas Department of State Health Services			<u>14,419,746</u>	<u>-</u>
<b><u>State Criminal Justice Division</u></b>				
Drug Court Discretionary Grant		1604013	9,068	-
DWI Drug Court		2196105	4,076	-
Power Recovery Court - Juvenile Drug Court		1947507	<u>9,019</u>	<u>-</u>
Total State Criminal Justice Division			<u>22,163</u>	<u>-</u>
<b><u>Texas State Library and Archives Commission</u></b>				
Library Mobile App		N/A	<u>3,612</u>	<u>-</u>
Total State Library and Archives Commission			<u>3,612</u>	<u>-</u>
<b><u>East Montgomery County Improvement District</u></b>				
EMCID - Camera/radio Grant		N/A	4,780	-
EMCID - Friendship Center		N/A	<u>34,979</u>	<u>-</u>
Total East Montgomery County Improvement District			<u>39,759</u>	<u>-</u>
<b><u>Houston-Galveston Area Council</u></b>				
HGAC FY 13 Regional Juvenile Mental Health Services		N/A	<u>12,000</u>	<u>-</u>
Total Houston-Galveston Area Council			<u>12,000</u>	<u>-</u>
Total Expenditures of State Awards			<u>17,923,326</u>	<u>96,108</u>
Total Expenditures of State and Federal Awards			<u>24,014,731</u>	<u>598,779</u>



# **MONTGOMERY COUNTY, TEXAS**

## **NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**

**SEPTEMBER 30, 2013**

### **1. GENERAL**

The Schedule of Expenditures of Federal and State Awards presents the activity of all applicable federal and state award programs of Montgomery County, Texas. The County's reporting entity is defined in Note 1 of the basic financial statements. Federal and state awards received directly from federal and state agencies, as well as federal awards passed through other government agencies, are included on the Schedule of Expenditures of Federal and State Awards.

### **2. BASIS OF ACCOUNTING**

The Schedule of Expenditures of Federal and State Awards is presented using the modified accrual basis of accounting. The County's significant account policies, including the modified accrual basis of accounting, are presented in Note 1 of the basic financial statements. The information in the schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations* and the *State of Texas Single Audit Circular*. Therefore, some of the amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

**MONTGOMERY COUNTY, TEXAS**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2013**

**Summary of Auditors' Results**

Financial Statements:

Type of auditors' report issued	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	None

Federal and State Awards:

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of auditors' report issued on compliance for major programs	Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133?	None
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Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Program or Cluster</u>
14.228	Community Development Block Grant
14.239	Home Program
81.128 ARRA	Energy Efficiency Community Block Grant
State	Forensic Hospital Services

Dollar threshold used to distinguish between type A and type B federal programs	\$300,000
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Dollar threshold used to distinguish between type A and type B state programs	\$537,700
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Auditee qualified as low-risk auditee for federal single audit?	Yes
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Auditee qualified as low-risk auditee for state single audit?	Yes
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**Findings Relating to the Financial Statements Which Are Required to be Reported in Accordance With Generally Accepted Government Auditing Standards**

None

**Findings and Questioned Costs for Federal and State Awards**

None

**MONTGOMERY COUNTY, TEXAS**  
**SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2013**

None

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