

Tarrant County, Texas

***Single Audit Reports
Year Ended September 30, 2004***

TARRANT COUNTY, TEXAS

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

Honorable County Judge and Commissioners
Tarrant County, Texas

We have audited the basic financial statements of Tarrant County (the "County") as of and for the year ended September 30, 2004 and have issued our report thereon April 18, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to management of the County in a separate letter dated April 18, 2005.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 that are required to be reported under *Government Auditing Standards*.

This report is intended for the information and use of the County Judge and Commissioners, management and appropriate federal and state agencies and is not intended to be and should not be used by anyone other than these specified parties.

Deloitte & Touche LLP

April 18, 2005

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND INTERNAL CONTROL OVER COMPLIANCE APPLICABLE TO EACH MAJOR FEDERAL AND STATE AWARD PROGRAM

Honorable County Judge and Commissioners
Tarrant County, Texas

Compliance

We have audited the compliance of Tarrant County with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement and the State of Texas Uniform Grant Management Standards ("UGMS") that are applicable to each of its major federal and state programs for the year ended September 30, 2004. The 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 the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and UGMS. 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 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. Our audit does not provide a legal determination on the County's compliance with those requirements.

In our opinion, Tarrant County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and state programs for the year ended September 30, 2004. However, the results of our auditing procedures disclosed instances of non-compliance with those requirements that are required to be reported in accordance with OMB Circular A-133 and which are disclosed in the accompanying Schedule of Findings and Questioned Costs as items 04-01 and 04-02.

Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal or state

program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and UGMS.

Our consideration of the internal control over compliance would not necessarily disclose all matters in internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal or state program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Expenditures of Federal and State Awards

We have audited the basic financial statements of Tarrant County as of and for the year ended September 30, 2004 and have issued our report thereon dated April 18, 2005. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. 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. This schedule is the responsibility of County management. Such information has been subjected to the auditing procedures applied in our 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.

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

Deloitte & Touche LLP

April 18, 2005

TARRANT COUNTY, TEXAS

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2004**

Federal or State Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Grant/Contract Number	Award Amount	Federal/State Expenditures	Amounts Passed-Through to Subrecipients
U.S. DEPARTMENT OF AGRICULTURE					
Direct:					
National School Lunch Program	10.555	75L3024	N/A	\$ 172,399	\$ -
Indirect:					
Texas Department of Health:					
BNS/Special Supplemental Food Program for WIC	10.557	7560011706-2003-18	N/A	358,516	-
BNS/Special Supplemental Food Program for WIC	10.557	7560011706-2004-16	N/A	5,098,154	-
Total U.S. Department of Agriculture				5,629,069	-
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
Direct:					
Community Development Block Grant - 26th	14.218	B00-UC-48-0001	\$ 3,935,000	(49,403)	-
Community Development Block Grant - 27th	14.218	B01-UC-48-0001	4,105,000	(111,734)	-
Community Development Block Grant - 28th	14.218	B02-UC-48-0001	3,989,000	1,567,936	-
Community Development Block Grant - 29th	14.218	B03-UC-48-0001	4,250,000	2,659,599	-
Community Development Block Grant - 30th	14.218	B04-UC-48-0001	4,192,000	226,101	-
				<u>4,292,499</u>	<u>-</u>
Emergency Shelter Program (FY02)	14.231	S-02-UC-48-0001	127,000	23,109	963
Emergency Shelter Program (FY03)	14.231	S-03-UC-48-0001	124,000	90,392	81,453
Emergency Shelter Program (FY04)	14.231	S-04-UC-48-0001	141,014	4,829	4,829
				<u>118,331</u>	<u>87,246</u>
Supportive Housing Program - 5th Year	14.235	TX01-B-900001	256,851	269	-
Supportive Housing Program - 5th Year	14.235	TX01-B-900003	550,527	150,417	144,802
Supportive Housing Program - 6th Year	14.235	TX01-B-000005	3,206,536	520,585	419,936
Supportive Housing Program - 6th Year	14.235	TX01-B-000004	341,381	45,134	44,747
Supportive Housing Program - 7th Year	14.235	TX01-B-100001	360,287	72,005	68,735
Supportive Housing Program - 7th Year	14.235	TX01-B-100005	9,958	149	-
Supportive Housing Program - 7th Year	14.235	TX01-B-100006	93,536	(143)	-
Supportive Housing Program - 8th Year	14.235	TX01-B-200001	496,805	96,304	91,812
Supportive Housing Program - 8th Year	14.235	TX01-B-200002	205,902	125,157	119,419
Supportive Housing Program - 8th Year	14.235	TX01-B-200003	187,072	93,273	89,528
Supportive Housing Program - 8th Year	14.235	TX01-B-200004	256,851	76,377	72,838
Supportive Housing Program - 8th Year	14.235	TX01-B-200005	432,496	215,048	202,527
Supportive Housing Program - 8th Year	14.235	TX01-B-200007	29,874	8,810	8,499
Supportive Housing Program - 8th Year	14.235	TX01-B-200008	41,016	13,685	13,104
Supportive Housing Program - 8th Year	14.235	TX01-B-200009	69,329	37,140	35,319
Supportive Housing Program - 8th Year	14.235	TX01-B-200010	273,600	137,767	131,436
Supportive Housing Program - 8th Year	14.235	TX01-B-200011	54,272	36,265	34,650
Supportive Housing Program - 8th Year	14.235	TX01-B-200012	31,090	19,081	18,139
Supportive Housing Program - 8th Year	14.235	TX01-B-200013	134,726	64,644	61,837
Supportive Housing Program - 8th Year	14.235	TX01-B-200015	24,237	18,085	17,122
Supportive Housing Program - 8th Year	14.235	TX01-B-200017	322,293	322,293	308,288
Supportive Housing Program - 8th Year	14.235	TX01-B-200019	679,310	372,808	355,784
Supportive Housing Program - 8th Year	14.235	TX01-B-200020	85,050	27,483	26,224
Supportive Housing Program - 9th Year	14.235	TX01-B-301002	1,068,845	877,880	617,323
Supportive Housing Program - 9th Year	14.235	TX01-B-301006	322,293	21,038	20,464
Supportive Housing Program - 9th Year	14.235	TX01-B-301008	24,237	11,634	11,199
Supportive Housing Program - 9th Year	14.235	TX01-B-301009	31,090	12,802	12,288
Supportive Housing Program - 9th Year	14.235	TX01-B-301011	69,329	28,581	27,442
Supportive Housing Program - 9th Year	14.235	TX01-B-301012	134,726	47,856	46,012
				<u>3,452,425</u>	<u>2,999,475</u>
Home Investment Partnership Act - 10th Year	14.239	M01-UC-48-0200	1,220,000	309,366	179,091
Home Investment Partnership Act - 11th Year	14.239	M02-UC-48-0200	1,216,000	134,468	7,985
Home Investment Partnership Act - 12th Year	14.239	M03-UC-48-0200	1,414,783	463,037	-
Home Investment Partnership Act - 13th Year	14.239	M04-UC-48-0200	1,614,378	6,227	-
				<u>913,099</u>	<u>187,076</u>
H.O.P.W.A.	14.241	TX H02-0004	813,346	204,798	183,251
Fair Housing Initiatives	14.409	FH400GO3048	73,937	30,597	-
Section 8 - Housing Administration (FY04)	14.871	N/A	N/A	1,111,990	-
Section 8 - Housing Administration (FY05)	14.871	N/A	N/A	4,372	-

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TARRANT COUNTY, TEXAS

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2004**

Federal or State Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Grant/Contract Number	Award Amount	Federal/State Expenditures	Amounts Passed-Through to Subrecipients
Section 8 - Housing Choice Vouchers(FY03)	14.871	TX431V0	\$ 12,493,500	\$ (55,975)	\$ -
Section 8 - Housing Choice Vouchers(FY04)	14.871	TX431V0	14,581,975	12,811,875	-
Section 8 - Housing Choice Vouchers(FY05)	14.871	TX431V0	13,992,444	1,066,329	-
Section 8 - Family Self Sufficiency (FY04)	14.871	TX431V0	42,106	42,106	-
Indirect:					
City of Arlington:					
City of Arlington-ESGP FY03	14.231	N/A	12,000	1,326	-
Texas Department of Health:					
HIV / H.O.P.W.A.	14.241	7560011706-2004-04	143,044	54,069	53,976
HIV / H.O.P.W.A.	14.241	7560011706-2005-04	143,044	82,564	82,542
Total U.S. Department of Housing and Urban Development				<u>24,130,405</u>	<u>3,593,567</u>
U.S. DEPARTMENT OF JUSTICE					
Direct:					
Equitable Sharing Program (Asset Forfeiture Funds)	16.000	N/A	N/A	474,876	-
Equitable Sharing Program (Asset Forfeiture Funds)-ATTF	16.000	N/A	N/A	16,624	-
Juvenile Drug Court Program	16.585	2002-DC-BX-0052	299,927	141,402	-
Mental Health Court Diversion Program	16.580	2003-DD-BX-0379	149,556	28,902	-
Local Law Enforcement Block Grant	16.592	2002-LB-BX-2404	22,713	26,335	-
Local Law Enforcement Block Grant	16.592	2003-LB-BX-0785	17,077	554	-
State Criminal Alien Assistance Program (S.C.A.A.P.)	16.606	2004-AP-BX-0155	407,978	535,507	-
Gun Violence Prosecution Program	16.609	2002-GP-CX-0029	480,000	92,520	-
Methamphetamine Grant	16.710	2002-CK-WX-0402	221,730	36,155	-
Indirect:					
Texas Criminal Justice Division:					
Juvenile Accountability Incentive Block Grant	16.523	JB-02-J20-13287-05	626,951	472,512	-
Juvenile Accountability Incentive Block Grant	16.523	JB-03-J20-13287-06	473,350	128,812	-
Project Spotlight	16.523	JB-01-J20-16430-01	321,924	28,432	-
Victims Assistance	16.575	VA-03-V30-13739-05	27,111	20,079	-
Victims Assistance	16.575	VA-04-V30-13739-06	27,111	12,609	-
VOCA - Protective Order Unit	16.575	VA-03-V30-13737-05	42,650	30,042	-
VOCA - Protective Order Unit	16.575	VA-04-V30-13737-06	42,650	30,546	-
Narcotic and Intelligence Coordination Unit	16.579	DB-03-A10-11988-05	2,294,103	1,358,593	-
Narcotic and Intelligence Coordination Unit / P.I.	16.579	DB-03-A10-11988-05	N/A	1,064,364	-
Tarrant County Narcotics Enforcement Team	16.579	DB-02-A10-17465-01	475,614	51,538	-
Tarrant County Narcotics Prosecution Team	16.579	DB-03-A10-17465-01	502,971	60,757	-
Project Spotlight	16.580	DB-01-A10-14929-06	321,923	33,696	-
D.I.R.E.C.T. Project	16.585	DC-04-A10-16036-03	109,375	109,375	-
D.I.R.E.C.T. Project	16.585	DC-05-A10-16036-04	109,375	11,787	-
Protective Order Unit	16.588	WF-03-V30-13930-06	45,998	42,241	-
Protective Order Unit	16.588	WF-03-V30-13930-07	45,997	6,086	-
VAWA - Domestic Violence Response Program	16.588	WF-03-V30-13490-06	50,740	46,082	-
Domestic Violence - Pretrial Diversion	16.588	WF-03-V30-15136-05	250,000	224,311	31,218
Domestic Violence - Pretrial Diversion	16.588	WF-04-V30-15136-06	250,000	15,056	-
City of Fort Worth, Texas:					
L.L.E.B.G. - Drug Rehabilitation - FY01	16.592	N/A	162,804	2	-
L.L.E.B.G. - Drug Rehabilitation - FY03	16.592	N/A	132,457	68,126	-
L.L.E.B.G. - Drug Rehabilitation - FY04	16.592	N/A	102,257	47,309	-
L.L.E.B.G. - Mental Health Liason Program - FY04	16.592	N/A	25,124	21,287	-
City of Arlington, Texas:					
L.L.E.B.G. - Drug Rehabilitation - FY03	16.592	N/A	32,201	33,200	-
L.L.E.B.G. - Drug Rehabilitation - FY04	16.592	N/A	24,762	45,989	-
L.L.E.B.G. - Mental Health Liason Program - FY04	16.592	N/A	20,917	20,917	-
Total U.S. Department of Justice				<u>5,336,625</u>	<u>31,218</u>

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TARRANT COUNTY, TEXAS

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2004**

Federal or State Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Grant/Contract Number	Award Amount	Federal/State Expenditures	Amounts Passed-Through to Subrecipients
U.S. DEPARTMENT OF LABOR					
Indirect:					
Workforce Development Board:					
WIA - Youth Core Services - FY01	17.263	02-YCS-WIA-001	\$ 377,864	\$ (494)	\$ -
TWN - Transitional Services	17.255	N/A	28,325	(19)	-
Total U.S. Department of Labor				<u>(513)</u>	<u>-</u>
U.S. DEPARTMENT OF TRANSPORTATION					
Indirect:					
Texas Department of Public Safety					
DWI Enforcement - Impaired Driving Mobilization STEP	20.600	583xxF5027	75,000	20,621	-
STEP WAVE	20.600	584xxF5013	14,993	4,568	-
Total U.S. Department of Transportation				<u>25,190</u>	<u>-</u>
U.S. ENVIRONMENTAL PROTECTION AGENCY					
Direct:					
Brownfields Redevelopment Program	66.811	BP-986262-01-0	200,000	54,836	-
Total U.S. Environmental Protection Agency				<u>54,836</u>	<u>-</u>
U.S. FEDERAL EMERGENCY MANAGEMENT AGENCY					
Direct:					
Emergency Food and Shelter Program	83.523	Phase 20	81,766	85,067	-
Indirect:					
Texas Department of Public Safety, Emergency Management					
March 2000 Tornado (Disaster #1323-DR TX)	97.036	FEMA-1323-DR-TX	69,526	31,893	-
Texas Association of Regional Councils					
Citizens Corps Council	97.053	CC-FY02-06	4,500	4,499	-
Total U.S. Federal Emergency Management Agency				<u>121,459</u>	<u>-</u>
U.S. DEPARTMENT OF EDUCATION					
Indirect:					
Texas Center for Service Learning					
Community Service Learning Grant	84.184	N/A	32,487	29,131	-
Total U.S. Department of Education				<u>29,131</u>	<u>-</u>
U.S. DEPARTMENT OF HOMELAND SECURITY					
Indirect:					
Texas Engineering Extension Service					
State Homeland Security Program	97.004	2003 II 48439	1,104,517	13,663	-
FY2002 State Domestic Preparedness Program (E-System)	97.004	2002-48439	186,337	186,337	-
Urban Area Security Initiative II (Training)	97.008	2003-EU-T3-0043	15,000	2,337	-
Total U.S. Department of Homeland Security				<u>202,337</u>	<u>-</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Direct:					
S.A.M.H.S.A. - Homeless Substance Abuse Treatment-Target Capacity	93.230	1-H79-TI12431-03	466,705	93,663	79,554
S.A.M.H.S.A. - Residential Recovery Program for Women & Children	93.230	1-H79-TI12417-02	500,000	9,509	-
S.A.M.H.S.A. - Tarrant Youth Recovery Campus	93.230	5-H79-TI12788-02	708,166	41,275	16,275
S.A.M.H.S.A. - Tarrant Youth Recovery Campus	93.230	5-H79-TI12788-03	500,000	489,909	423,882
S.A.M.H.S.A. - Cannabis Youth Treatment Project	93.243	5-H79-TI13983-02	398,078	407,269	-
Medical Reserve Corp	93.008	US2-SG-03036-01-0	50,000	18,576	-
Ryan White I	93.914	H89-HA-00047-08	3,474,914	1,453,260	791,000
Ryan White I	93.914	H89-HA-00047-09	3,436,422	2,112,737	1,244,382
Ryan White III	93.918	H76-HA-00123-12	880,603	260,492	165,961
Ryan White III	93.918	H76-HA-00123-13	837,683	575,093	343,676
Indirect:					
Tarrant County Mental Health Mental Retardation:					
S.A.M.H.S.A. - Project Health First	93.230	E1070	38,031	(3)	-
S.A.M.H.S.A. - Project Health First	93.230	E1070	47,767	51,213	-
National Association of County and City Health Officials					
Advanced Practice Center	93.283	N/A	518,000	143,919	-

(Continued)

TARRANT COUNTY, TEXAS

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2004**

Federal or State Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Grant/Contract Number	Award Amount	Federal/State Expenditures	Amounts Passed-Through to Subrecipients
Texas Department of Protective & Regulatory Services:					
Community Youth Development Project -FY03	93.556	023262255 (FY03-AM02)	\$ 375,450	\$ (1,633)	\$ 3,279
Community Youth Development Project -FY04	93.556	023262255 (FY04-AM03)	319,500	293,642	162,137
Community Youth Development Project -FY05	93.556	023262255 (FY05-AM04)	319,500	10,293	-
TDPRS - Title IV E (Child Protective Services)	93.658	N/A	N/A	99,224	-
TDPRS - Title IV E (District Attorney)	93.658	N/A	N/A	143,370	-
Office of the Attorney General					
Access and Visitation Grant	93.597	04-C0244	29,883	29,883	-
Integrated Child Support System	93.563	04-C0053	N/A	671,758	-
Texas Juvenile Probation Commission					
TJPC - Title IV E	93.658	TJPC-E-2002-220	N/A	1,247,076	-
TJPC - Title IV E	93.658	TJPC-E-2003-220	N/A	663,808	-
Texas Department of Health:					
State Legalization Impact Assistance Grant (SLIAG)	93.025	C2000091	N/A	7,651	-
Tuberculosis - Prevention and Control	93.116	7560011706-2005-01	409,977	428,674	-
Immunizations	93.268/State	7560011706-2003-16	382,302	(333,112)	-
Immunizations	93.268/State	7560011706-2005-05	436,724	350,748	-
Immunizations - Vaccine Commodities	93.268	7560011706-2005-05	N/A	2,312,080	-
Bioterrorism Preparedness	93.283	7560011706-2003-20	260,488	14,148	-
Bioterrorism Preparedness	93.283	7560011706-2004-09	322,099	293,479	-
Bioterrorism Formula	93.283	7560011706-2003-09	1,649,068	65,106	-
Bioterrorism Formula	93.283	7560011706-2004-13	1,847,131	1,622,989	-
Bioterrorism Formula	93.283	7560011706-2005-14	1,752,647	107,870	-
Tuberculosis - Refugee Health	93.566	7560011706-2003-19	224,066	2,216	-
Tuberculosis - Refugee Health	93.576	7560011706-2004-18	1,500	1,500	-
Tuberculosis - Refugee Health	93.566	7560011706-2004-18	227,066	226,696	-
Medicaid Administrative Claims	93.778	7560011706-08-01	N/A	4,310	-
HIV/Ryan White II - Administrative Grant	93.917	7560011706-2004-06	165,700	74,600	-
HIV/Ryan White II - Administrative Grant	93.917	7560011706-2005-06	168,938	69,022	-
HIV/Ryan White II	93.917	7560011706-2003-08	1,102,840	(3,573)	-
HIV/Ryan White II	93.917	7560011706-2004-07	1,094,939	466,600	353,382
HIV/Ryan White II	93.917	7560011706-2005-07	1,086,000	529,537	414,046
Bureau of Womens Health/ FFS /BCCCP	93.919	7560011706A-2003-05	69,000	51,848	-
Bureau of Womens Health/ FFS /BCCCP	93.919	7560011706A-2004-01	84,000	10,276	-
Bureau of Womens Health/ FFS /BCCCP	93.919	7560011706B-2005-01	52,000	2,099	-
Bureau of Womens Health/BCCCP Case Management	93.919	7560011706-2004-08	61,000	41,612	-
HIV/PREV	93.940	7560011706-2004-02	554,000	165,557	-
HIV/PREV	93.940	7560011706-2005-03	539,042	410,535	-
Hepatitis C Virus - Prevention Counseling	93.940	7560011706-2004-15	20,023	15,427	-
STD/HIV Operations	93.940	7560011706-2004-03	128,616	42,872	-
STD/HIV Operations	93.977	7560011706-2004-03	174,535	29,706	-
STD/HIV Operations	93.94	7560011706-2005-02	128,613	245,895	-
STD/HIV Operations	93.977	7560011706-2005-02	209,008	6,961	-
HIV/Surveillance	93.944	7560011706-2004-01	163,838	57,605	-
HIV/Surveillance	93.944	7560011706-2005-08	79,909	38,971	-
Bureau of Regional/Local Health Operations	93.991/State	7560011706-2004-17	96,538	162,818	-

(Continued)

TARRANT COUNTY, TEXAS

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2004**

Federal or State Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Grant/Contract Number	Award Amount	Federal/State Expenditures	Amounts Passed-Through to Subrecipients
Maternal & Child Health-Service Delivery Integration - Population Based	93.994	7560011706-2004-14	\$ 104,184	\$ 108,831	\$ -
Maternal & Child Health-Service Delivery Integration - Population Based	93.994	7560011706-2005-12	140,756	10,638	-
Associateship For Community Health & Resources/FFS-Prenatal Care	93.994	7560011706A-2003-02	74,308	9,493	-
Total U.S. Department of Health and Human Services				<u>16,466,017</u>	<u>3,997,575</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS				<u>51,994,554</u>	<u>7,622,359</u>
STATE FINANCIAL ASSISTANCE:					
DEPARTMENT OF STATE HEALTH SERVICES					
HIV/State Services	N/A	7560011706-2003-13	482,674	5,286	5,286
HIV/State Services	N/A	7560011706-2004-10	483,486	452,203	396,961
HIV/State Services	N/A	7560011706-2005-10	490,472	20,155	18,199
STD/HIV Oversight and Prevention	N/A	7560011706-2004-11	57,041	148,754	-
STD/HIV Oversight and Prevention	N/A	7560011706-2005-09	19,014	11,897	-
TB/PC-Tuberculosis Control	N/A	7560011706-2003-10	381,555	367	-
TB/PC-Tuberculosis Control	N/A	7560011706-2004-12	351,031	360,433	-
TB/PC-Tuberculosis Control	N/A	7560011706-2005-11	351,031	33,852	-
Immunizations	N/A	7560011706-2003-16	576,243	796,025	-
Immunizations	N/A	7560011706-2005-05	359,454	780,697	-
Bureau of Regional/Local Health Operations	N/A	7560011706-2003-15	265,485	(81)	-
Bureau of Regional/Local Health Operations	N/A	7560011706-2004-17	265,485	392,212	-
Bureau of Regional/Local Health Operations	N/A	7560011706-2005-13	362,023	29,929	-
Maternal and Child Health-Service Delivery Integration - Fee for Service	N/A	7560011706A-2003-03	327,666	352,583	-
Maternal and Child Health-Service Delivery Integration - Fee for Service	N/A	7560011706A-2004-03	390,230	111,043	-
Maternal & Child Health-Service Delivery Integration - Population Based	N/A	7560011706-2004-14	9,472	(1,590)	-
Associateship For Community Health & Resources/FFS-Prenatal Care	N/A	7560011706A-2003-02	4,865	(9,249)	-
Associateship For Community Health & Resources/FFS-Family Planning	N/A	7560011706A-2003-01	37,402	1,740	-
Milk & Dairy/ FFS	N/A	7560011706A-2003-04	N/A	38,595	-
Milk & Dairy/ FFS	N/A	7560011706A-2004-02	N/A	87,807	-
Milk & Dairy/ FFS	N/A	7560011706A-2005-01	N/A	10,631	-
Total Texas Department of Health				<u>3,623,286</u>	<u>420,447</u>
TEXAS CRIMINAL JUSTICE DIVISION					
Absconder/Restitution Project	N/A	SF-04-A10-14170-05	8,701	7,210	-
Family Support Program	N/A	SF-03-J20-15361-03	81,265	16,968	-
Juvenile Victim Offender Mediation	N/A	SF-03-V30-16316-01	57,017	3,007	-
Juvenile Victim Offender Mediation	N/A	SF-04-V30-16316-02	45,614	40,182	-
Juvenile Victim Offender Mediation	N/A	SF-03-V30-16316-03	32,274	1,804	-
Total Texas Criminal Justice Division				<u>69,171</u>	<u>-</u>
TEXAS DEPARTMENT OF TRANSPORTATION - ATPA					
Auto Theft Task Force	N/A	SA-T01-10065-03	1,113,922	20,105	-
Auto Theft Task Force	N/A	SA-T01-10065-04	735,189	792,301	-
Auto Theft Task Force	N/A	SA-T01-10065-05	735,189	61,501	-
Total Department of Transportation - ATPA				<u>873,906</u>	<u>-</u>
TEXAS COMMISSION ON ENVIRONMENTAL QUALITY					
AirCheck Texas Repair and Replacement Program	N/A	582-2-55082	3,242,612	2,287,100	2,287,100
Indirect:					
NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS					
Sheriff Labor Detail Program	N/A	04-04-G19	40,093	38,755	-
Total Texas Commission on Environmental Quality				<u>2,325,855</u>	<u>2,287,100</u>

(Continued)

TARRANT COUNTY, TEXAS

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2004**

Federal or State Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Grant/Contract Number	Award Amount	Federal/State Expenditures	Amounts Passed-Through to Subrecipients
OFFICE OF THE ATTORNEY GENERAL					
Bilingual Victims Assistance Coordinator	N/A	04-G02957	\$ 91,591	\$ 50,193	\$ -
V.I.N.E.-Victim Identification and Notification Everyday	N/A	N/A	174,899	<u>117,106</u>	<u>-</u>
Total Office of the Attorney General				<u>167,299</u>	<u>-</u>
TEXAS ENGINEERING EXTENSION SERVICE					
Indigent Defense On-Line Module	N/A	212-04-001	350,840	<u>191,457</u>	<u>-</u>
Total Texas Engineering Extension Service				<u>191,457</u>	<u>-</u>
TEXAS HEALTH AND HUMAN SERVICES					
Indirect:					
MENTAL HEALTH MENTAL RETARDATION OF TARRANT COUNTY					
Foster Care Treatment	N/A	N/A	30,000	<u>659</u>	<u>-</u>
Total Texas Health and Human Services				<u>659</u>	<u>-</u>
TEXAS DEPARTMENT OF PROTECTIVE & REGULATORY SERVICES					
Community Youth Development Project -FY03	N/A	023262255 (FY03-AM02)	125,150	5,910	1,093
Community Youth Development Project -FY04	N/A	023262255 (FY04-AM03)	106,500	97,881	54,046
Community Youth Development Project -FY05	N/A	023262255 (FY05-AM04)	106,500	<u>3,431</u>	<u>-</u>
Total Texas Department of Protective & Regulatory Services				<u>107,222</u>	<u>55,139</u>
TOTAL EXPENDITURES OF STATE AWARDS				<u>7,358,855</u>	<u>2,762,686</u>
TOTAL EXPENDITURES OF FEDERAL AND STATE AWARDS				<u>\$59,353,409</u>	<u>\$10,385,045</u>

See notes to expenditures of federal and state awards.

(Concluded)

TARRANT COUNTY, TEXAS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

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.

2. COMMODITIES

The County receives assistance in the form of vaccines from the Department of Health under Program CFDA 93.268. The amount expended from those vaccines during the year ended September 30, 2004 was \$2,312,080 and is included in the Schedule of Expenditures of Federal and State Awards.

TARRANT COUNTY, TEXAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED SEPTEMBER 30, 2004

I. Summary of Auditor's Results

1. Type of auditor's report issued on the financial statements: Unqualified
2. No internal control findings required to be reported in this schedule were disclosed in the audit of the financial statements.
3. Noncompliance which is material to the financial statements: None
4. No internal control findings required to be reported in this schedule were disclosed in the audit of compliance of the major programs.
5. Type of auditor's report on compliance for major programs: Unqualified
6. Did the audit disclose findings which are required to be reported under Sec. 510 (a): Yes
7. Major programs include:

Federal Programs

- BNS/Special Supplemental Food Program for WIC, CFDA 10.557
- Narcotic and Intelligence Coordination Unit, CFDA 16.579
- Immunizations, CFDA 93.268
- Ryan White I, CFDA 93.914
- HIV/Ryan White II, CFDA 93.917

State Programs

- TB/PC – Tuberculosis Control
 - Maternal and Child Health – Service Delivery Integration – Fee for Service
 - Bureau of Regional/Local Health Operations
 - AirCheck Texas Repair and Replacement Program
8. Dollar threshold used to distinguish between Type A and Type B programs: Federal threshold—\$1,559,837; State threshold—\$300,000
 9. Low risk auditee: Yes

II. Findings Related to the Financial Statements

The audit disclosed no findings required to be reported.

III. Findings Related to Federal and State Awards

Reference Number	CFDA #	Program	Finding	Questioned Cost
04-01	93.268	Immunizations	<p><u>Condition Found:</u> Three out of 25 participant files selected for testing did not have the amount of the fee paid for vaccines or a notation that the fee had been waived. According to the grant contract, this information should be recorded on the registration form.</p> <p><u>Effect:</u> The County is not in compliance with the provisions of the grant agreement in relation to program income and eligibility.</p> <p><u>Recommendation:</u> Employees responsible for processing fees should record the amount received or note that the fee was waived on the registration form.</p>	None
04-02	93.917	HIV/ Ryan White II	<p><u>Condition Found:</u> Three out of 25 subrecipient invoices selected for testing which were expenditures for the 2004 grant year were not properly accrued on the grant year end report. These invoices were recorded in the 2005 grant year, and Tarrant County received reimbursement for them under that grant. Tarrant County subsequently recorded a journal entry to fund these expenditures with operating funds rather than grant funds. A subsequent reimbursement request will be reduced by this amount.</p> <p><u>Effect:</u> The County is not in compliance with the provisions of the grant agreement related to allowable costs and reporting requirements.</p> <p><u>Recommendation:</u> Invoices for each subrecipient should be reviewed when preparing the year end report. An assessment as to the service date of the invoices should be performed to ensure expenditures are reported in the proper period.</p>	None



TARRANT COUNTY
TARRANT COUNTY ADMINISTRATION BUILDING - ROOM 506
100 E. WEATHERFORD
FORT WORTH, TEXAS 76196-0103
817/884-1205
Fax 817/884-1104

S. RENEE TIDWELL, CPA
COUNTY AUDITOR
rtidwell@tarrantcounty.com

RONALD D. BERTEL, CPA
FIRST ASSISTANT COUNTY AUDITOR
rbertel@tarrantcounty.com

**Corrective Action Plan – Single Audit
Findings and Questions Costs
For the year ended September 30, 2004**

Reference Number 04-01 (Immunizations – CFDA # 93.268)

Finding:

Three out of 25 participant files did not have the amount of the fee paid for vaccines or a notation that the fee had been waived. This information should be recorded on the registration form.

Recommendation:

Employees responsible for processing fees should record the amount received or note that the fee was waived on the registration form.

Response:

The Cash Management Policy and Procedures Manual included a procedure to note if the fee had been waived. This procedure has been reviewed by all staff to ensure future compliance.

Reference Number 04-01 (HIV/ Ryan White II – CFDA # 93.917)

Finding:

Three out of 25 subrecipient invoices selected for testing which were expenditures for the 2004 grant year were not properly accrued on the grant year end report. These invoices were recorded in the 2005 grant year, and Tarrant County received reimbursement for them under that grant. Tarrant County subsequently recorded a journal entry to fund these expenditures with operating funds rather than grant funds. A subsequent reimbursement request will be reduced by this amount.

Recommendation:

Invoices for each subrecipient should be reviewed when preparing the year end report. An assessment as to the service date of the invoices should be performed to ensure expenditures are reported in the proper period.

Response:

Procedures have been implemented that all subrecipient invoices are reviewed prior to preparing the final report. This should ensure that the expenditures are reported in the proper period.



**S. Renee Tidwell, CPA
County Auditor**

**Status of Prior Year Findings and Questioned Costs
And Corrective Action Plan taken for the year
Ended September 30, 2003**

Reference Number 03-01 (Temporary Assistance for Needy Families -CFDA # 93.558)

Finding

One out of 25 participant files could not be located by the County. Inactive files were placed in storage at the end of Tarrant County's administration of the program. The file is believed to be in a storage location, but cannot be located.

Recommendation

Ensure that files placed in storage are properly accounted for and organized, thus allowing them to be retrieved if required.

Response

No client files were placed in storage at Tarrant County. On July 1, 2003 a new contractor took over administration of this program. All client files were transferred to the new contractor to avoid any disruption in service. This contractor is unable to locate the participant file. However, they did offer to arrange for our auditors to view the client's electronic file.

Reference Number 03-02 (HIV/Ryan White II -CFDA # 93.917)

Finding

The subrecipients did not respond to initial County efforts by either providing a single audit report or verifying that they were not required to have a single audit performed. The County did not follow-up on 2 subrecipients in reference to their requirement of a single audit for their entity.

Recommendation

Establish a schedule for contacting subrecipients and following up on any entities that do not respond to the County's initial request.

Response

The County's Grant Manager will establish a schedule for contacting subrecipients and following up on any entities that do not respond to the County's initial request.

Reference Number 03-03 (Community Youth Development Project - State)

Finding

The County must maintain accurate information on participants served in the Texas Department of Protective and Regulatory Services ("TDPRS") Prevention and Early Intervention Services database ("PEIS"). Of the 30 participants tested during a TDPRS monitoring review, 10 were found to have discrepancies. Six participants out of these 10 had been registered prior to the transfer of the database entry responsibilities from TDPRS to County staff. As a result, these 6

were duplicated in the database. The remaining 4 participants selected for testing had errors in the participant's ethnicity, grade level or school.

Recommendation

Responsibility of the maintenance of accurate participant data within the PEIS system should be assigned to one County individual. Verification of the database to supporting participant registration forms should be performed throughout the contract period and discrepancies resolved on a timely basis.

Response

When the database responsibilities were transferred from TDPRS to Tarrant County, we inherited many problems. There were a large number of duplicate, inaccurate or even missing participant records. Since our youth count varied so greatly from the new TDPRS database data, we compiled a list of participants served in the current grant year and compared their basic identifying information to confirm their enrollment and to gain credit before the end of the contract year. Since there were so many records and a limited amount of time, we completed only partial queries on the youth data. Initially, the data compared was the youth's name, date of birth, social security number and CYD assigned registration number. It did not include the grade level, participant school, phone numbers or other non-essential identifying information.

Of the 30 participants sampled, 10 were found to have discrepancies. Of those 10, 6 (or 60% error noted) were youth who had been registered by TDPRS prior to the transfer of those responsibilities to the Tarrant County CYD site. Since the review, TDPRS has verbally admitted that those 6 participants should have never been included in the review sample and their comments should have been limited only to the other 4 discrepancies.

All of the other four (4) discrepancies were due to variations in the youth's ethnicity, grade level, school or address. Two of the four discrepancies were a result of us not changing the grade level and school as the participant moved from an elementary to a secondary school. After the review, TDPRS notified us that after a youth registers into a CYD sponsored program, CYD staff will no longer be expected to update a participant's grade level or school. The third of the four remaining problem records were a result of a CYD subcontractor failing to circle a Hispanic participant's ethnicity on the registration form as Hispanic and CYD staff entering the youth into the database as a Hispanic participant. The last problem record was a result of CYD staff failing to enter the apartment number listed on the registration into the database.

All data has been corrected and the change forms completed for the 10 discrepancies. We are taking the following steps to prevent future discrepancies:

- We are encouraging subcontractors to utilize the Master registration log to verify if a new participant is already enrolled in the CYD system prior to re-registering youth into CYD. This will eliminate future duplicate registrations.
- CYD staff will complete full queries of the PEI database system and compare all the data listed on our filed registration forms to ensure that the PEIS database data has been properly updated and is accurate.
- CYD staff will perform a thorough review when entering or updating participant information.

The CYD Administrative Assistant has been assigned the responsibility of checking and maintaining the accuracy of the database data.