

**SAN JACINTO COUNTY, TEXAS**

**COMPLIANCE REPORTS**

**SEPTEMBER 30, 2013**

**SAN JACINTO COUNTY, TEXAS  
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# Todd, Hamaker & Johnson, LLP

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

To the Honorable County Judge  
and Members of the Commissioners' Court  
San Jacinto 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 San Jacinto 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 San Jacinto County, Texas' basic financial statements and have issued our report thereon dated August 8, 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.

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the finding 2013-001 described in the accompanying schedule of findings and questioned costs to be a material weakness.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the finding 2013-002 described in the accompanying schedule of findings and questioned costs to be a significant deficiency.

**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* – CONTINUED**

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the San Jacinto County, Texas' 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*.

**San Jacinto County, Texas' Response to Findings**

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

**Purpose of this Report**

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

*Todd, Hamaker & Johnson, LLP*

Todd, Hamaker & Johnson, LLP  
Lufkin, Texas

August 8, 2014

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# Todd, Hamaker & Johnson, LLP

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## **INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY OMB CIRCULAR A-133**

To the Honorable County Judge  
and Members of the Commissioners' Court  
San Jacinto County, Texas

### **Report on Compliance for Each Major Federal Program**

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

### ***Management's Responsibility***

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

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of San Jacinto County, Texas's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, San Jacinto County, Texas complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2013.

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM;  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE  
OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY OMB CIRCULAR A-133  
- CONTINUED**

**Report on Internal Control over Compliance**

Management of San Jacinto County, Texas is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of San Jacinto County, Texas's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2013-001 to be a material weakness.

*A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2013-002 and 2013-003 to be significant deficiencies.

San Jacinto County, Texas's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. San Jacinto County, Texas's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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. Accordingly, this report is not suitable for any other purpose.

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM;  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE  
OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY OMB CIRCULAR A-133  
- CONTINUED**

**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 San Jacinto County, Texas, 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 August 8, 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.

*Todd, Hamaker & Johnson, LLP*

Todd, Hamaker & Johnson, LLP  
Lufkin, Texas

August 8, 2014



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**SAN JACINTO COUNTY, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2013**

Federal Grantor/ Pass-through Grantor/Other Grantor Program Title/Grant Title	Federal CFDA Number	Grant Number	Expenditures
<u>U.S. Department of Agriculture</u>			
Passed through Texas Comptroller of Public Accounts			
Schools and Roads - Grants to States – Title I	10.665	-	\$ 138,625 <sup>4</sup>
Schools and Roads - Grants to States – Title III	10.665	-	<u>26,905 <sup>4</sup></u>
Total for CFDA 10.665			<u>165,530</u>
Total U.S. Department of Agriculture:			<u>165,530</u>
<u>U.S. Department of Housing and Urban Development</u>			
Passed through Texas General Land Office			
Community Development Block Grant/State's Program and Non-Entitlement Grants in Hawaii	14.228	DRS010164/ 10-5192-000-5175	560,283 <sup>4</sup>
Passed through Texas Department of Agriculture			
Community Development Block Grant/State's Program and Non-Entitlement Grants in Hawaii	14.228	710641	<u>19,330</u>
Total for CFDA 14.228			<u>579,613</u>
Total U.S. Department of Housing and Urban Development:			<u>579,613</u>
<u>U.S. Department of the Interior</u>			
Passed through Texas Comptroller of Public Accounts			
National Forest Acquired Lands	15.438	-	<u>38,270 <sup>4</sup></u>
Total for CFDA 15.438			<u>38,270</u>
Total U.S. Department of the Interior:			<u>38,270</u>
<u>U.S. Department of Justice</u>			
Passed through Texas Office of the Governor -- Criminal Justice Division			
ARRA—STOP Violence Against Women Formula Grants	16.588	WF-12-V30-22933-02	<u>24,652 <sup>5</sup></u>
Total for CFDA 16.588			<u>24,652</u>
Total Department of Justice:			<u>24,652</u>
<u>U.S. Department of Health and Human Services</u>			
Passed through Texas Department of State Health Services			
Public Health Emergency Preparedness	93.069	2013-041410-001	7,656
Public Health Emergency Preparedness	93.069	2013-043166-001	<u>5,517</u>
Total for CFDA 93.069			<u>13,173</u>

See accompanying notes to schedule of expenditures of federal awards.

**SAN JACINTO COUNTY, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2013**

Federal Grantor/ Pass-through Grantor/Other Grantor Program Title/Grant Title	Federal CFDA Number	Grant Number	Expenditures
Passed through Texas Department of Family and Protective Services			
Foster Care—Title IV-E	93.658	23939007	1,536
Foster Care—Title IV-E	93.658	24105139	<u>4,751</u>
Total for CFDA 93.658			<u>6,287</u>
Total U.S. Department of Health and Human Services:			<u>19,460</u>
<u>U.S. Department of Homeland Security</u>			
Passed through Texas Department of Public Safety – Division of Emergency Management			
Emergency Management Performance Grants	97.042	13TX-EMPG-0453	<u>21,201</u>
Total for CFDA 97.042			<u>21,201</u>
Total Department of Homeland Security:			<u>21,201</u>
<b>Total Federal Awards Expended:</b>			<b><u>\$ 848,726</u></b>

See accompanying notes to schedule of expenditures of federal awards.

**SAN JACINTO COUNTY, TEXAS**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2013**

**NOTE 1 – Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of San Jacinto County, Texas under programs of the federal government for the year ended September 30, 2013. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the Schedule presents only a selected portion of the operations of San Jacinto County, Texas, it is not intended to and does not present the financial position, changes in net position, or cash flows of San Jacinto County, Texas.

**NOTE 2 – Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting and accordingly, all significant receivables, payables, and other liabilities are included. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE 3 – Presentation of Expenditures**

Expenditures included in the Schedule are reported exclusive of non-federal matching funds.

**NOTE 4 – Subrecipients**

Federal awards provided to subrecipients are treated as expenditures when paid to the subrecipient. Of the expenditures presented in the Schedule, the County provided federal awards to subrecipients as follows:

CFDA Number	Program Name	Amount Provided to Subrecipients
10.665	Schools and Roads - Grants to States -- Title I	\$ 76,229
10.665	Schools and Roads - Grants to States – Title III	26,905
14.228	Community Development Block Grants	38,633
15.438	National Forest Acquired Lands	27,657
Total federal awards provided to subrecipients:		<u>\$ 169,424</u>

**NOTE 5 – Expenditures of *American Recovery and Reinvestment Act (ARRA) Funds***

Of the expenditures presented in the Schedule, the County expended the following ARRA Funds:

CFDA Number	Program Name	ARRA Funds Expended
15.438	ARRA – STOP Violence Against Women Formula Grant	<u>\$ 24,652</u>

**NOTE 6 – Other**

Pass-through entity identifying numbers are presented where available.

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**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

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

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Section I – Summary of Auditors’ Results

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***Financial Statements***

Type of auditors’ report issued: unmodified

- Material weakness(es) identified? ✓ yes        no
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? ✓ yes        none reported

Non-compliance material to financial statements noted?        yes ✓ no

***Federal Awards***

Internal control over major programs:

- Material weakness(es) identified? ✓ yes        no
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? ✓ yes        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 Circular A-133?        yes ✓ no

Identification of major programs:

<i>CFDA Number(s)</i>	<i>Name of Federal Program or Cluster</i>
14.228	Community Development Block Grant

Dollar threshold used to distinguish between type A and type B federal programs: \$ 300,000

Auditee qualified as a low-risk auditee?        yes ✓ no



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

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Section II – Financial Statements Audit Findings

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**2013-001 *Material Weakness: General Fund Bank Reconciliation***  
*(See also prior audit finding 2012-01; page 20)*

**Condition.** During the year, the general fund (or consolidated cash) bank statements were not reconciled to the general ledger on a timely basis. The external audit was delayed until material unreconciled differences could be accounted for. External auditing procedures and additional research by County personnel ultimately determined that a significant number of receipts and electronic fund transfers had not been recorded to the general ledger.

**Criteria or specific requirements.** The majority of the County's funds are deposited, expended and accounted for through this bank account. Review of bank statements and reconciliation to the general ledger is possibly the single most important internal control within any organization.

**Effect.** Possible fraud, theft, or misappropriation of funds; inaccurate reporting; improper cash management.

**Recommendation.** This account should be reconciled with the general ledger on a monthly basis by the County Treasurer. The reconciliation should be signed and dated. The reconciliation should be reviewed for accuracy by the County Auditor, also signing and dating to document the process.

In addition, all County funds should be reconciled with the general ledger monthly. The reconciliations should be signed and dated by the responsible person. The County Auditor should review all reconciliations and sign and date them, documenting this process.

We further recommend that County personnel develop procedures to account for the majority of cash related activity through the cash receipts and disbursements processes, rather than through manual journal entries.

**Views of responsible officials and corrective action.** The responsibility for reconciling the bank accounts resides in the Treasury Department and as the monthly bank statements are reconciled, the Audit Department will assist in balancing them to the General Ledger.

**2013-002 *Significant Deficiency: Accounting for Fixed Assets***  
*(See also prior audit finding 2010-03; page 20)*

**Condition.** Existing policies and procedures have not been adequate to prevent errors when accounting for fixed asset additions and disposals in the general ledger or the fixed asset module of the computer system. These errors resulted in a substantial prior period adjustment.

The County's fixed asset inventory listing does not include all 12 required components as required by OMB Circular A-133.

**Criteria or specific requirements.** Proper accounting for capital assets requires the maintenance of an accurate, detailed listing of all capital assets that meet the County's criteria for capitalization and/or tracking.

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

**Effect.** The inability to rely on this listing could lead to improper tracking, safekeeping and control of fixed asset additions and disposals, as well as potential errors in computing depreciation expense.

**Recommendation.** The County Auditor should review and revise, as needed, the policies and procedures in place to ensure that all fixed asset additions and disposals are properly recorded in the general ledger, as well as the fixed asset module of the computer system.

Additionally, the County should conduct periodic physical inventory counts, in accordance with its policy, to ensure the accuracy of the listing.

**Views of responsible officials and corrective action.** The County is installing software from a new vendor that will allow us to better manage our fixed assets. In addition, the responsibilities for tracking fixed assets will be transferred to a different staff member.

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

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Section III – Major Federal Award Programs Audit Findings and Questioned Costs

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**2013-001 Material Weakness: General Fund Bank Reconciliation**

See Section II on pages 16-17.

No specific issues were noted on the major programs tested. However, this internal control weakness could have potential effects on all County funds and grants.

**2013-002 Significant Deficiency: Accounting for Fixed Assets**

See Section II on pages 16-17.

No specific issues were noted on the major programs tested. However, this internal control weakness could have potential effects on all County funds and grants.

**2013-003 Significant Deficiency: Preparation of the Schedule of Expenditures of Federal Awards  
(See also prior audit finding 2011-01; page 20)**

**Condition.** The schedule of expenditures of federal awards (the SEFA) provided by the County Auditor's office was incomplete and inaccurate.

**Criteria or specific requirements.** OMB Circular A-133 requires grantees to prepare a SEFA which properly identifies all federal awards expended and includes for each federal award:

- The federal granting agency and program;
- The five-digit Catalog of Federal Domestic Assistance (CFDA) number;
- The grant's name (as specified by the grant award);
- The total expenditures of funds provided by the *American Recovery and Reinvestment Act of 2009* (ARRA);
- Any identifying numbers assigned by pass-through entities; and
- The expenditures.

**Effect.** Failure to provide a complete and accurate SEFA can lead to a failure to identify the need for an annual financial audit in accordance with the standards outlined in OMB Circular A-133 (Single Audit). Additionally, an inaccurate SEFA could lead to an improperly planned and executed single audit.

**Questioned Costs.** None.

**Context.** Substantive procedures revealed additional grant funds that were federally-derived, not included on the SEFA, and were either not recorded in the financial statements or not properly identified as grant revenues/expenditures.

**Recommendation.** The County Auditor should review and revise, as needed, the policies and procedures in place to ensure that all federal grants are properly included in the SEFA. We also recommend that the County implement a policy whereby the compiled SEFA is subjected to a secondary review by someone with proper knowledge of the County's grants and grant policies. The County should consider obtaining additional training as needed, for those involved in the preparation of the SEFA and other OMB Circular A-133 reporting requirements.

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

**Views of responsible officials and corrective action.** The responsibility for the non-major grants will be managed by a different staff member in the future and additional training will be provided.

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

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Prior Year Financial Statement Audit Findings

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**2010-03    *Significant Deficiency: Accounting for Fixed Assets***

**Condition.** Upon review of the Fixed Asset Depreciation Listing by the County Auditor and the external auditor, it was noted that corrections to either add or delete prior year fixed assets were needed.

**Status.** This prior year finding remains outstanding. See also Section II on pages 16-17.

**2012-01    *Material Weakness: General Fund Bank Reconciliation***

**Condition.** During the year, the general fund (or consolidated cash) bank statements were not reconciled to the general ledger on a timely basis. It was also noted that a significant number of receipts, mostly funds that were electronically deposited, were not posted on a timely basis.

**Status.** This prior year finding remains outstanding. See also Section II on pages 16-17.

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Prior Year Major Federal Award Programs Audit Findings and Questioned Costs

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**2010-03    *Significant Deficiency: Accounting for Fixed Assets***

**Condition.** Upon review of the Fixed Asset Depreciation Listing by the County Auditor and the external auditor, it was noted that corrections to either add or delete prior year fixed assets were needed.

**Status.** This prior year finding remains outstanding. See also Section III on pages 18-19.

**2011-01    *Significant Deficiency: Preparation of the Schedule of Expenditures of Federal Awards***

**Condition.** The schedule of expenditures of federal awards (the SEFA) provided by the County Auditor's office was incomplete.

**Status.** This prior year finding remains outstanding. See also Section III on pages 18-19.

**2012-01    *Material weakness: General fund bank reconciliation***

**Condition.** During the year, the general fund (or consolidated cash) bank statements were not reconciled to the general ledger on a timely basis. It was also noted that a significant number of receipts, mostly funds that were electronically deposited, were not posted on a timely basis.

**Status.** This prior year finding remains outstanding. See also Section III on pages 18-19.