

SINGLE AUDIT SECTION

UVALDE COUNTY, TEXAS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2008

| SOURCE AND TITLE OF GRANT | FEDERAL CFDA NUMBER | GRANTOR'S/ PASS-THROUGH GRANTOR'S NUMBER | PROGRAM OR AWARD AMOUNT | PROGRAM EXPEN- DITURES |
|---|---------------------------|---|-------------------------------|------------------------------|
| FEDERAL ASSISTANCE | | | | |
| U.S. Department of Health and Human Services | | | | |
| Passed Through | | | | |
| Texas Department of Health | | | | |
| Preventative Health | | | | |
| Services Block Grant (NM) | | | | |
| Year 2008 | | | | |
| | 93.991 | 74-600085052006 | \$38,826 | <u>\$38,361</u> |
| Total U.S. Department of Health and Human Services | | | | <u>38,361</u> |
| Election Assistance Commission | | | | |
| Passed Through | | | | |
| Texas Secretary of State | | | | |
| Help America Vote Act of 2002 (HAVA) (NM) | | | | |
| Fiscal Year 2008 | | | | |
| | 90.401 | | 12,912 | <u>12,912</u> |
| Total Election Assistance Commission | | | | <u>12,912</u> |
| U.S. Department of Housing and Urban Development | | | | |
| Office of Rural Community Affairs | | | | |
| Community Development Block Grants/ States Program (NM) | | | | |
| | 14.228 | | | |
| Street Improvements | | | | |
| | | 727397 | 157,345 | 155,915 |
| Public Facilities and Improvements | | | | |
| | | 727480 | 466,218 | <u>22,000</u> |
| Total U.S. Department of Housing and Urban Development | | | | <u>177,915</u> |
| U.S. Department of Homeland Security | | | | |
| Passed Through | | | | |
| Texas Department of Public Safety - Division of Emergency Management | | | | |
| Emergency Management Performance Grants (NM) | | | | |
| | 97.042 | 2008-EM-E8-0013 | | 8,436 |
| Disaster Assistance (M) | | | | |
| Fiscal Year 2008 | | | | |
| | 97.036 | FEMA-DR-1425 | | <u>441,565</u> |
| Total U.S. Department of Homeland Security | | | | <u>450,001</u> |
| U.S. Department of Health and Human Services | | | | |
| Passed Through | | | | |
| Office of the Attorney General | | | | |
| Child Support Enforcement-Title IV-D (NM) | | | | |
| Fiscal Year 2008 | | | | |
| | 93.563 | | | <u>17,673</u> |
| U.S. Department of Health and Human Services | | | | <u>17,673</u> |
| Total Federal Assistance | | | | <u>\$696,862</u> |

CFDA=CATALOGUE OF FEDERAL DOMESTIC ASSISTANCE NUMBER
 M=MAJOR PROGRAM
 NM=NONMAJOR PROGRAM

See Accompanying Notes to Schedule of Federal Financial Assistance

UVALDE COUNTY, TEXAS
 COMMUNITY DEVELOPMENT BLOCK GRANTS/STATES PROGRAM
 FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2008

Federal Financial Assistance
 Federal Grantor: U.S. Department of Housing and Urban Development
 Pass Through Grantor: Texas Department of Housing and Community Affairs
 CFDA Number: 14.228
 Project Number: 727397
 Contract Period: 1/14/2008 to 1/13/2010

| | FEDERAL | | LOCAL MATCH | | VARIANCE |
|----------------------------------|------------|--------------|-------------|--------------|-----------|
| | PRIOR YEAR | CURRENT YEAR | PRIOR YEAR | CURRENT YEAR | |
| BUDGET | | | | | |
| REVENUE | | | | | |
| Federal | \$157,345 | \$0 | \$155,915 | | (\$1,430) |
| Local | 0 | | | | 0 |
| TOTAL REVENUE: | 157,345 | 0 | 155,915 | 0 | (1,430) |
| EXPENSES | | | | | |
| Federal | | | | | |
| Street Improvement | 143,041 | 0 | 143,041 | | 0 |
| General Administration | 14,304 | 0 | 12,874 | | 1,430 |
| TOTAL EXPENSES | 157,345 | 0 | 155,915 | 0 | 1,430 |
| Excess Revenue over Expenditures | \$0 | \$0 | \$0 | \$0 | \$0 |

UVALDE COUNTY, TEXAS
 COMMUNITY DEVELOPMENT BLOCK GRANTS/STATES PROGRAM
 FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2008

Federal Financial Assistance
 Federal Grantor: U.S. Department of Housing and Urban Development
 Pass Through Grantor: Texas Department of Housing and Community Affairs
 CFDA Number: 14.228
 Project Number: 727480
 Contract Period: 10/29/2002 to 10/28/2005

| | FEDERAL | | LOCAL MATCH | | VARIANCE |
|------------------------------------|-----------|------------|--------------|------------|-------------|
| | BUDGET | PRIOR YEAR | CURRENT YEAR | PRIOR YEAR | |
| REVENUE | | | | | |
| Federal | \$466,218 | \$0 | \$22,000 | | (\$444,218) |
| Local | | | | | 0 |
| TOTAL REVENUE: | 466,218 | 0 | 22,000 | 0 | (444,218) |
| EXPENSES | | | | | |
| Federal | | | | | |
| Public Facilities and Improvements | 431,218 | | 0 | | 431,218 |
| General Administration | 35,000 | 0 | \$22,000 | | 13,000 |
| TOTAL EXPENSES | 466,218 | 0 | 22,000 | 0 | 444,218 |
| Excess Revenue over Expenditures | \$0 | \$0 | \$0 | \$0 | \$0 |

WAYNE R. BEYER
CERTIFIED PUBLIC ACCOUNTANT

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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 Commissioner's Court
Uvalde County, Texas

I have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Uvalde County, Texas as of and for the year ended September 30, 2008, which collectively comprise Uvalde County, Texas's basic financial statements and have issued my report thereon dated March 19, 2009. I conducted my 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 my audit, I considered Uvalde County, Texas's internal control over financial reporting as a basis for designing my audit procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Uvalde County, Texas's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of Uvalde County, Texas's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects Uvalde County, Texas's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of Uvalde County, Texas's financial statements that is more than inconsequential will not be prevented or detected by Uvalde County, Texas's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that result in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by Uvalde County, Texas's internal control.

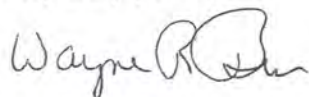
My consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. I did not identify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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Uvalde County, Texas's financial statements are free of material misstatements, I 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 amount. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

Very truly yours,



Wayne R. Beyer
Certified Public Accountant
March 19, 2009

WAYNE R. BEYER
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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH
OMB CIRCULAR A-133

To the Commissioner's Court
Uvalde County, Texas

Compliance

I have audited the compliance of Uvalde County, Texas with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended September 30, 2008. Uvalde County, Texas's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of finds and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Uvalde County, Texas's management. My responsibility is to express an opinion on Uvalde County, Texas's compliance based on my audit.

I conducted my 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 I 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 Uvalde County, Texas's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination of Uvalde County, Texas's compliance with those requirements.

In my opinion, Uvalde County, Texas complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the ended September 30, 2008.

Internal Control over Compliance

The management of Uvalde County, Texas is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing my audit, I considered Uvalde County, Texas's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance, but not for the purpose of expressing an opinion of the effectiveness of internal control over compliance. Accordingly, I do not express an opinion of the effectiveness of Uvalde County, Texas's internal control over compliance.

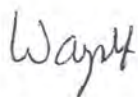
A *control deficiency* in an entity's internal control over compliance exists when the design operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

My consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section, and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. I did not identify and deficiencies in the internal control over compliance that I consider to be material weaknesses, as defined above.

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

Sincerely,



Wayne R. Beyer
Certified Public Accountant
March 19, 2009

UVALDE COUNTY, TEXAS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2008

General

The accompanying Schedule of Expenditure of Federal Awards presents the activity of all the Uvalde County, Texas's federal grants for the year ended September 30, 2008. This report is intended for the information of the Uvalde County, Texas, state and federal awarding agencies, and is not intended to be used and should not be used by anyone other than these specified parties.

Basis of Accounting

The Schedule of Expenditure of Federal Awards is presented using the modified accrual basis of accounting.

Non Cash Grants

The Uvalde County received no non-cash grants for the year ended September 30, 2008.

UVALDE COUNTY, TEXAS
SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2008

Federal

There were no prior audit findings for Federal Awards.

UVALDE COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2008

SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of Uvalde County, Texas.
2. There were no significant deficiencies disclosed during the audit. There was no material weakness disclosed during the audit.
3. There were no instances of noncompliance material to the financial statements of Uvalde County, Texas, which would be required to be reported in accordance with Government Auditing Standards, were disclosed during the audit.
4. There were no significant deficiencies over major federal award programs disclosed during the audit. There were no material weakness over major federal award programs disclosed during the audit.
5. The auditor's report on compliance for the major federal award programs for Uvalde County, Texas expresses an unqualified opinion on all major federal programs.
6. There were no audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133.
7. The programs tested as major programs: Disaster Assistance – 97.036.
8. The threshold used for distinguishing between Type A and B programs was \$300,000.
9. Uvalde County did not qualify as a low-risk auditee.
10. Material Weaknesses
 - a. None

Findings relating to the Financial Statements

None

Findings and Questioned Costs for Federal Awards

None