

**RANDALL COUNTY, TEXAS**

**SINGLE AUDIT REPORTS**

**FOR YEAR ENDED  
SEPTEMBER 30, 2017**

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**RANDALL COUNTY, TEXAS**  
**ANNUAL FINANCIAL REPORT**  
**FOR YEAR ENDED SEPTEMBER 30, 2017**

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To The Honorable County Judge and  
Commissioners Comprising the  
Commissioners' Court of  
Randall County, Texas

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*

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, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Randall County, Texas as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise Randall County, Texas' basic financial statements and have issued our report thereon dated February 12, 2018

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Randall County, Texas' 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 Randall County, Texas' internal control. Accordingly, we do not express an opinion on the effectiveness of Randall County, Texas' 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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 Randall 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*.

**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.

DOSHIER, PICKENS & FRANCIS, L.L.C.

DOSHIER, PICKENS & FRANCIS, LLC

February 12, 2018



To The Honorable County Judge and  
Commissioners Comprising the  
Commissioners' Court of  
Randall County, Texas

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND  
ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

**Report on Compliance for Each Major Program**

We have audited Randall County, Texas' compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on each of Randall County, Texas' major federal and state programs for the year ended September 30, 2017. Randall County, Texas' major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to its federal and state programs.

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of Randall County, Texas'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; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the *Texas Single Audit Circular*. Those standards and the Uniform Guidance 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 Randall County, Texas'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 Randall County, Texas's compliance.

**Opinion on Each Major Federal and State Program**

In our opinion, Randall 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 and state programs for the year ended September 30, 2017.

**Report on Internal Control Over Compliance**

Management of Randall 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 Randall County, Texas'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 the Uniform Guidance, 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 Randall County, Texas'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 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 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material

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

DOSHIER, PICKENS & FRANCIS, L.L.C.

DOSHIER, PICKENS & FRANCIS, LLC

February 12, 2018

**RANDALL COUNTY, TEXAS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**FOR YEAR ENDED SEPTEMBER 30, 2017**

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Pass Through Entity Identifying/ Contract Number	Expenditures, Indirect Costs and Refunds
<b>Federal Awards:</b>			
U.S. Department of Health and Human Services			
Foster Care Title IV-E	93.658	TJJD-IV-E-17-191	\$ 76,799
DA CPS Attorney Title IV-E	93.658	23940076	28,686
U.S. Department of Justice			
Texas Office of the Governor - Criminal Justice Division			
Crime Victim Assistance	16.575	N/A	38,027
District Attorney	16.575	3116801	49,578
District Attorney - Justice Assistance Grant	16.575	3091301	55,100
U.S. Department of Agriculture			
Texas Department of Family and Protective Services			
National School Lunch Program	10.555	N/A	<u>103,408</u>
Total Federal			<u>351,598</u>
<b>State Awards:</b>			
Texas Forest Service			
Fire Grant	N/A		26,716
Task Force on Indigent Defense			
Indigent Defense Grant	N/A		122,753
Texas Department of State Health Services			
Tobacco Settlement	N/A		19,929
Office of the Governor - Criminal Justice Department			
Body-Worn Camera Program	N/A		26,457
County Road District & Maintenance Fund			
Lateral Road	N/A		33,840
Texas Juvenile Justice Department			
State Aid	N/A	TJJD-A-17-191	701,230
Special Needs Diversionary Program	N/A	TJJD-M-17-191	46,426
Grant "S" Prevention and Intervention Summer Camp	N/A	TJJD-S-17-191	8,195
Regional Diversion Alternatives	N/A	TJJD-R-17-191	<u>13,532</u>
Total State			<u>999,078</u>
Total Federal and State Awards			<u>\$ 1,350,676</u>



**RANDALL COUNTY, TEXAS**  
**NOTES TO SCHEDULE OF FEDERAL AND STATE AWARDS**  
**SEPTEMBER 30, 2017**

**NOTE 1 – BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes the federal and state grant activity of Randall County, Texas and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the County's basic financial statements.

**NOTE 2 – INDIRECT COST RATE**

The County has elected to not use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

**RANDALL COUNTY, TEXAS**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For Year Ended September 30, 2017**

**Section I – Summary of Auditors’ Results**

Financial Statements

Type of auditor’s report issued: **Unmodified**

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ X  
Yes No
  
- Significant deficiency(ies) identified that are not  
considered to be material weaknesses? \_\_\_\_\_ X  
Yes None reported

Noncompliance material to financial statements noted? \_\_\_\_\_ X  
Yes No

Federal Awards and State Awards

Internal control over major programs:

- Material weakness (es) identified? \_\_\_\_\_ X  
Yes No
  
- Significant deficiency(ies) identified that are not  
considered to be material weaknesses? \_\_\_\_\_ X  
Yes None reported

Type of auditor’s report issued on compliance for major programs: **Unmodified**

Any audit findings disclosed that are required to be reported in  
accordance with 2 CFR Section 200.516(a)? \_\_\_\_\_ X  
Yes No

Identification of major programs:

<u>CFDA Number</u>	<u>State Contract Number</u>	<u>Name of Federal Program or Cluster</u>
N/A	TJJD-A-17-191	Texas Juvenile Justice Department: State Aid

Dollar threshold used to distinguish between Type A and Type B programs: **\$750,000**

Auditee qualified as low-risk auditee? \_\_\_\_\_ X  
Yes No

**RANDALL COUNTY, TEXAS**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For Year Ended September 30, 2017**

There were no findings or questioned costs in the current year.

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**RANDALL COUNTY, TEXAS**  
**SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS**  
**September 30, 2017**

There were no findings or questioned costs in the prior year.