

SINGLE AUDIT REPORTS

BURLESON COUNTY, TEXAS

**For the Year Ended
September 30, 2022**

BURLESON COUNTY, TEXAS

SINGLE AUDIT REPORTS

September 30, 2022

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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 of
Burleson 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 the Burleson County, Texas (the "County"), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated September 14, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Belt Harris Pechacek, LLLP
Certified Public Accountants
Houston, Texas
September 14, 2023



**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 THE UNIFORM GUIDANCE AND
REPORT ON SCHEDULE OF EXPENDITURES OF STATE AWARDS REQUIRED BY THE
UNIFORM GRANT MANAGEMENT STANDARDS**

To the Honorable County Judge and
Members of the Commissioners' Court of
Burleson County, Texas:

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited Burleson County, Texas's (the "County") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* and the Uniform Grant Management Standards (UGMS) that could have a direct and material effect on each of the County's major federal and state programs for the year ended September 30, 2022. The County's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended September 30, 2022.

Basis for Opinion on Each Major Federal and State Program

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; 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 UGMS. Our responsibilities under those standards, the Uniform Guidance, and UGMS are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the County's federal and state programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and UGMS will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance and UGMS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and UGMS, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in

internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Report on Schedules of Expenditures of Federal and State Awards Required by the Uniform Guidance and UGMS

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the County, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We have issued our report thereon dated September 14, 2023 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 schedules of expenditures of federal and state awards are presented for purposes of additional analysis as required by the Uniform Guidance and UGMS and are not required parts 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 and state awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and UGMS. Accordingly, this report is not suitable for any other purpose.

The logo for Belt Harris Pechacek, LLP features the company name in a stylized, cursive font. The letters 'B', 'H', and 'P' are significantly larger and more ornate than the other letters, which are in a smaller, simpler font. The name is written in a dark blue or black color.

Belt Harris Pechacek, LLP
Certified Public Accountants
Houston, Texas
September 14, 2023

BURLESON COUNTY, TEXAS
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
For the Year Ended September 30, 2022

A. SUMMARY OF PRIOR YEAR AUDIT FINDINGS

None noted.

BURLESON COUNTY, TEXAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended September 30, 2022

I. SUMMARY OF AUDIT RESULTS

Financial Statements

What were the results of the auditors' determination of whether the financial statements were prepared in accordance with generally accepted accounting principles?	Unmodified
Is a 'going concern' emphasis-of-matter paragraph included in the auditors' report?	No
Is a significant deficiency in internal control disclosed?	No
Is a material weakness in internal control disclosed?	No
Is material noncompliance disclosed?	No

Federal and State Programs

Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200.516(a)?	No
Does the auditors' report include a statement that the financial statements include departments, agencies, or other organizational units expending federal and state awards which are not included in this audit?	No
What is the dollar threshold used to distinguish between Type A and Type B programs	\$750,000
Did the auditee qualified as low-risk auditee?	No

Major Program Information and Audit Findings

Identification of major programs:

<u>Assistance Listing (AL) Numbers</u>	<u>Name of Federal Program or Cluster</u>	<u>Number of Audit Findings</u>
21.027	American Rescue Plan - Coronavirus State and Local Fiscal Recovery Funds	0
<u>Name of State Program</u>	<u>Number of Audit Findings</u>	
County Transportation Infrastructure Fund	0	

Type of audit report issued on compliance for major programs	Unmodified
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II. FINANCIAL STATEMENT FINDINGS

None identified.

III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AND STATE AWARDS

None identified.

BURLESON COUNTY, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended September 30, 2022

Federal Grantor/Pass-Through Grantor/Program Title	Pass-through Entity Identifying Number	Federal AL Number	Expenditures
U.S. DEPARTMENT OF TREASURY			
<i>Direct Award</i>			
COVID-19 American Rescue Plan - Coronavirus State and Local Fiscal Recovery Funds	SLT-4516	21.027	\$ 1,725,158
Total U.S. Department of Treasury			<u>1,725,158</u>
U.S. DEPARTMENT OF JUSTICE			
<i>Pass-Through Office of the Governor Criminal Justice Division</i>			
Victims of Crime Act Formula Grant Program	15POVC-21-GG-00600-ASSI	16.575	48,051
Pretrial Mental Health Caseworker	2019-DJ-BX-0016	16.738	33,124
Total U.S. Department of Justice			<u>81,175</u>
U.S. ELECTION ASSISTANCE COMMISSION			
<i>Pass-Through Texas Secretary of State</i>			
2020 Help America Vote Act Election Security Grant	TX18101001-01-026	90.404	120,000
Total U.S. Election Assistance Commission			<u>120,000</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
<i>Pass-through Texas Department of Agriculture</i>			
Texas Community Development Block Grant	7219059	14.228	39,903
Total U.S. Department of Housing and Urban Development			<u>39,903</u>
U.S. DEPARTMENT OF HOMELAND SECURITY			
<i>Pass-Through Texas Office of the Governor Homeland Security Grants Division</i>			
Burleson County Dispatch Upgrade	EMW-2021-SS-00062	97.067	92,324
<i>Pass-Through Texas Department of Emergency Management</i>			
Disaster Grants - Public Assistance	EMT-2021-PC-0004	97.036	37,409
Total U.S. Department of Homeland Security			<u>129,733</u>
Total Federal Expenditures			<u>\$ 2,095,969</u>

See accompanying notes to schedules of expenditures of Federal and State awards.

BURLESON COUNTY, TEXAS
SCHEDULE OF EXPENDITURES OF STATE AWARDS
For the Year Ended September 30, 2022

State Grantor/Pass-Through Grantor/Program Title	Program/Grant/ Project Number	Expenditures
STATE DEPARTMENT OFFICE OF THE ATTORNEY GENERAL		
<i>Direct Awards</i>		
Texas VINE Grant - FY2022 SAVNS	2218428	\$ 7,028
Total State Department Office of the Attorney General		<u>7,028</u>
TEXAS DEPARTMENT OF TRANSPORTATION		
<i>Direct Award:</i>		
County Transportation Infrastructure Fund	CTIF_02_026	865,648
Total Texas Department of Transportation		<u>865,648</u>
TEXAS INDIGENT DEFENSE COMMISSION		
<i>Direct Award:</i>		
Indigent Defense Formula Grant	212-22-026	28,245
Total Texas Indigent Defense Commission		<u>28,245</u>
STATE DEPARTMENT OFFICE OF THE GOVERNOR		
<i>Pass-through Office of the Government Criminal Justice Division</i>		
Body-Worn Cameras and Cloud-Based Storage	2022-BC-ST-0020	26,550
Total State Department Office of the Governor		<u>26,550</u>
Total State Expenditures		<u><u>\$ 927,471</u></u>

See accompanying notes to schedules of expenditures of Federal and State awards.

BURLESON COUNTY, TEXAS
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended September 30, 2022

1. REPORTING ENTITY

The accompanying schedules of expenditures of federal and state awards (the “Schedules”) presents the activity of all federal and state financial assistance programs of the County.

2. BASIS OF ACCOUNTING

The Schedules are presented in accordance with the 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 Uniform Grant Management Standards (UGMS). Therefore, some amounts presented in these Schedules may differ from amounts presented in, or used in the preparation of, the basic financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedules are reported on the modified accrual basis of accounting. These expenditures are recognized following the cost principles contained in the Uniform Guidance and UGMS, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedules, if any, represent, adjustments or credits made in the normal course to amounts reported as expenditures in prior years.

4. INDIRECT COST RATE

The County has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance for all grants with the exception of the Coronavirus State and Local Fiscal Recovery Funds. Indirect costs of \$90,914 were included in the federal expenditures for Federal AL number 21.027.

5. DONATED PERSONAL PROTECTIVE EQUIPMENT

During the emergency period of COVID-19, federal agencies and recipients of federal assistance funds donated personal protective equipment (PPE) to non-federal entities. In connection with that donation, the recipient must disclose the estimated value of the donated PPE, but such amounts are not included in the SEFA. The County did not receive PPE donations during the reporting year.