

Guadalupe County, Texas

Single Audit Report

For the Fiscal Year Ended September 30, 2022



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Table of Contents

Page

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	1
Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with the Uniform Guidance and Report on Schedule of Expenditures of Federal Awards	3
Schedule of Findings and Questioned Costs	6
Schedule of Expenditures of Federal Awards	8
Notes to the Schedule of Expenditures of Federal Awards	9



**Independent Auditor's 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 Judge and
Member of the Commissioners Court
Guadalupe 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 Guadalupe 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 January 2, 2024.

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 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. 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 the County's financial statements are free of 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*.

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The Honorable Judge and
Member of the Commissioners Court
Guadalupe County, Texas

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.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Austin, Texas
January 2, 2024



Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with the Uniform Guidance and Report on Schedule of Expenditures of Federal Awards

To the Honorable Judge and
Member of the Commissioners Court
Guadalupe County, Texas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Guadalupe County, Texas's (the County) compliance with the types of compliance requirements identified as subject to audit in the OMB 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, 2022. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Guadalupe County, Texas complied, in all material respects, with the 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, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's 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 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 programs.

The Honorable Judge and
Member of the Commissioners Court
Guadalupe County, Texas

Auditor's 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 GAAS, *Government Auditing Standards*, and the Uniform Guidance 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 program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, 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, 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 program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a 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 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.

The Honorable Judge and
Member of the Commissioners Court
Guadalupe County, Texas

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's 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 were not 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.

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.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

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 issued our report thereon, dated January 2, 2024, 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 the Uniform Guidance 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.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Austin, Texas
January 2, 2024

Guadalupe County, Texas

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended September 30, 2022

Section 1. Summary of the Auditor's Results

Financial Statements

An unmodified opinion was issued on the financial statements.

Internal control over financial reporting:

Material weakness(es) identified? Yes No

Significant deficiency(s) identified that are not considered a material weakness? Yes None reported

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major programs

Material weakness(es) identified? Yes No

Significant deficiency(s) identified that are not considered a material weakness? Yes None reported

An unmodified opinion was issued on compliance for major federal programs.

Any audit findings disclosed that were required to be reported under Uniform Guidance Yes No

Identification of major federal programs:

21.027 – Coronavirus Relief Fund

Dollar threshold used to distinguish between type A and type B programs:

\$750,000 – Federal

Auditee qualified as a low-risk auditee? Yes No

Guadalupe County, Texas

Schedule of Findings and Questioned Costs – Continued
For the Fiscal Year Ended September 30, 2022

Section 2. Financial Statement Findings

None

Section 3. Findings and Questioned Costs for Federal Awards

None

Guadalupe County, Texas
 Schedule of Expenditures of Federal Awards
 For the Fiscal Year Ended September 30, 2022

Federal Grantor/Pass-Through Grantor Program or Cluster Title	Assistance Listing Number	Pass-through Identification Number	Direct	Total
U.S. DEPARTMENT OF HOMELAND SECURITY				
Pass-through Federal Emergency Management Agency (FEMA)				
Texas Office of the Governor				
Homeland Security Grants Program (HSGP)				
Mobile Surveillance Camera System	97.067	#4349801 / EMW-2021-SS-00062	\$ 80,969	\$ 80,969
Prime Mover	97.067	#3906701, # EMW-2019-SS-000034-S01	66,728	66,728
Total U.S. Department of Homeland Security			147,697	147,697
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Pass-through Texas Attorney General				
Child Support Enforcement	93.563	None	6,443	6,443
Pass-through Sheriff				
Child Support Enforcement	93.563	None	15,741	15,741
Total Child Support			22,184	22,184
Pass-through Texas Juvenile Justice Department (TJJD)				
Title IVE - Enhanced Administrative Claims	93.658	E-2007-094	3,128	3,128
Total U.S. Department of Health and Human Services			25,312	25,312
U.S. DEPARTMENT OF JUSTICE, CRIMINAL DIVISION				
Equitable Sharing Program	16.922	None	16,460	16,460
Total U.S. Department of Justice Criminal Division			16,460	16,460
U.S. SECRETARY OF STATE				
Pass-through Texas Secretary of State				
COVID-19: 2020 HAVA Election Security	90.404	TX18101001-01-094	74,999	74,999
Total U.S. Secretary of State			74,999	74,999
U.S. DEPARTMENT OF THE TREASURY				
COVID-19: Coronavirus State and Local Fiscal Recovery Funds	21.027	None	2,572,056	2,572,056
Total U.S. Department of the Treasury			2,572,056	2,572,056
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 2,836,524	\$ 2,836,524

The accompanying notes are an integral part of this statement.

Guadalupe County, Texas

Notes to the Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended September 30, 2022

Note 1. General

The accompanying schedule of expenditures of federal awards presents the activity of all applicable federal awards of Guadalupe County, Texas (the County). Federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included in the respective schedule. Negative amounts shown in the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures.

Note 2. Basis of Accounting

The accompanying schedule of expenditures of federal awards is presented using the modified accrual basis of accounting. Expenditures are recognized when the related fund liability is incurred. Federal grants are considered to be earned to the extent of expenditures made under the provisions of the grant and, accordingly, when such funds are received they are recorded as deferred revenue until earned.

Note 3. Relationship to Federal Financial Reports

Grant expenditure reports as of September 30, 2022, which have been submitted to grantor agencies will, in some cases, differ slightly from amounts disclosed herein. The reports prepared for grantor agencies are typically prepared at a later date and often reflect refined estimates of year-end accruals. The reports will agree at termination of the grant as the discrepancies noted are timing differences.

Note 4. Indirect Cost Rate

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