
FORT BEND COUNTY, TEXAS

STATE SINGLE AUDIT REPORT

For the Year Ended September 30, 2023

whitleypenn 

CPAs and Professional Consultants

FORT BEND COUNTY, TEXAS

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**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 KP George, County Judge
and Members of Commissioners Court
Fort Bend 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, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Fort Bend County, Texas (the “County”), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the County’s basic financial statements, and have issued our report thereon dated March 20, 2024. Our report includes a reference to other auditors who audited the financial statements of Fort Bend County Housing Finance Corporation, as described in our report on the County’s financial statements. The financial statements of the East Fort Bend County Development Authority and Fort Bend County Housing Finance Corporation were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with these discretely presented component units.

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 or significant deficiencies may exist that have not been identified.

To the Honorable KP George, County Judge
and Members of Commissioners Court

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 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 purposes.

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Houston, Texas
March 20, 2024

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON
SCHEDULE OF EXPENDITURES OF STATE AWARDS REQUIRED BY THE
TEXAS GRANT MANAGEMENT STANDARDS**

To the Honorable KP George, County Judge
and Members of Commissioners Court
Fort Bend County, Texas

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited Fort Bend County, Texas (the "County") compliance with the types of compliance requirements described in the Texas Comptroller of Public Accounts Texas Grant Management Standards (TxGMS) that could have a direct and material effect on each of the County's major state programs for the year ended September 30, 2023. The County's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County's 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 state programs for the year September 30, 2023.

Basis for Opinion on Each Major State 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; and the TxGMS. Our responsibilities under those standards and the TxGMS 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 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 law regulations, rules and provisions of contracts or grant agreements applicable to the County's state programs.

To the Honorable KP George, County Judge
and Members of Commissioners Court

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 TxGMS 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 state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the TxGMS, 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 TxGMS, 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 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 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 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 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.

To the Honorable KP George, County Judge
and Members of Commissioners Court

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

Report on Schedule of Expenditures of State Awards Required by the Texas Grant Management Standards

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We have issued our report thereon dated March 20, 2024, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of State Awards is presented for purposes of additional analysis as required by the TxGMS 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 other 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 State Awards is fairly stated, in all material respects in relation to the basic financial statements taken as a whole.

The image shows a handwritten signature in black ink that reads "Whitley Penn LLP". The signature is written in a cursive, flowing style.

Houston, Texas
March 20, 2024

FORT BEND COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended September 30, 2023

I. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

State Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	None reported
Type of auditors' report issued on compliance with major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Texas Grant Management Standards?	No

Identification of major programs:

<u>Name of State Program:</u>	<u>State Identifying Number</u>
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Texas Juvenile Justice

State Aid - A	TJPC-A-2023-079
Special Needs Program - M	TJPC-M-2023-079
Prevention and Intervention – S	TJPC-S-2023-079
State Aid – A	TJPC-A-2024-079
Special Needs Program – M	TJPC-M-2024-079
Prevention and Intervention – S	TJPC-S-2024-079
Diversionary Reimbursement - RR	079
Risk & Needs Assessment - RN	TJPC-RN-2023-079

Dollar Threshold Considered Between Type A and Type B State Programs	\$750,000
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Auditee qualified as low-risk auditee?	Yes
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FORT BEND COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)
For the Year Ended September 30, 2023

II. Financial Statement Findings

None noted

III. State Award Findings and Questioned Costs

None noted

FORT BEND COUNTY, TEXAS
SCHEDULE OF EXPENDITURES OF STATE AWARDS
For the Year Ended September 30, 2023

State Grantor/Pass-Through Grantor/Program Title	Grantor or Pass-Through Entity Identifying Number	State Expenditures
Texas Department of Transportation		
Direct Program:		
<i>Section 5311 State/Local Rural Public Transportation</i>	RUR 2302 (11)	\$ 12,579
<i>Section 5311 State/Local Rural Public Transportation</i>	RUR 2302 (11)	9,146
<i>Section 5311 State/Local Rural Public Transportation</i>	RUR 2302 (11)	125,699
Total Texas Department of Transportation		<u>147,424</u>
Texas Department of Criminal Justice - Community Justice Assistance Division		
Direct Programs:		
Diversion Programs:		
<i>Pretrial Intervention-Diversion</i>	008	365,230
<i>Mental Health Initiative Caseload</i>	015	190,218
<i>Felony Drug Court</i>	16.00	120,352
<i>Substance Abuse Treatment Caseload</i>	018	154,165
<i>Special Sanctions Court</i>	019	395,117
<i>Aftercare Caseload</i>	023	132,029
Total Diversion Programs		<u>1,357,111</u>
Treatment Alternative to Incarceration		
<i>Treatment Alternative to Incarceration</i>	010	754,172
Total Treatment Alternative to Incarceration		<u>754,172</u>
Total Texas Department of Criminal Justice - Community Justice Assistance Division		<u>2,111,283</u>
Texas Juvenile Justice Department		
Direct Programs:		
<i>State Aid - A</i>	TJPC-A-2023-079	2,130,418
<i>Special Needs Program - M</i>	TJPC-M-2023-079	47,045
<i>Prevention and Intervention - S</i>	TJPC-S-2023-079	212,133
<i>State Aid - A</i>	TJPC-A-2024-079	201,137
<i>Special Needs Program - M</i>	TJPC-M-2024-079	8,204
<i>Prevention and Intervention - S</i>	TJPC-S-2024-079	23,094
<i>Diversionary Reimbursement - RR</i>	079	52,310
<i>Risk & Needs Assessment - RN</i>	TJPC-RN-2023-079	31,213
Total Texas Juvenile Justice Department		<u>2,705,554</u>
Office of the Governor - Criminal Justice Division		
Direct Programs:		
<i>Felony Drug Court (CARD), Misdemeanor DWI Court (JAG) (CSCD)</i>	SF-1919115	104,975
<i>District Attorney Testing of Forensic Evidence</i>	FC-3932403	505
<i>County Innovations to Prevent Commercial Sexual Exploitation</i>	SF-3944602	241,294
<i>Youth Community Outreach Program</i>	TP-4238901	68,519
<i>Youth Community Outreach Program</i>	TP-4238902	7,902
<i>Rifle-Resistant Body Armor</i>	BG-4491101	227,700
<i>Bullet-Resistant Shields</i>	SH-4597501	313,260
<i>Internet Crimes Against Children Task Force Program: Sheriff</i>	2745207	51,654
Total Office of the Governor - Criminal Justice Division		<u>1,015,809</u>

FORT BEND COUNTY, TEXAS
SCHEDULE OF EXPENDITURES OF STATE AWARDS
For the Year Ended September 30, 2023

State Grantor/Pass-Through Grantor/Program Title	Grantor or Pass-Through Entity Identifying Number	State Expenditures
Texas Education Agency		
Direct Programs:		
<i>Juvenile Justice Alternative Education Program (JJAEP)</i>	TJPC P-2023-079	\$ 1,799
<i>Juvenile Justice Alternative Education Program (JJAEP)</i>	TJPC P-2022-079	128,343
Total Texas Education Agency		130,142
Texas Veterans Commission		
Direct Programs:		
<i>Texas Veterans Commission General Assistance-2022</i>		194,729
<i>Texas Veterans Commission General Assistance-2023</i>		74,771
Total Texas Veterans Commission		269,500
Texas Department of State Health Services		
Direct Programs:		
<i>Tuberculosis Prevention and Control - State</i>	HHS001182200015 Amend 1	166,202
<i>Tuberculosis Prevention and Control - State</i>	HHS001182200015 Amend 1	14,111
<i>CDC - HIV/PREVF HIV-Prevention Services</i>	HHS000077800023 Amendment 5	5,731
<i>CDC - HIV/PREVF HIV-Prevention Services</i>	HHS000077800023 Amendment 4	200,734
<i>Preventive Health Block Grant - RLSS-Local Public Health System</i>	HHS001025600001	11,313
<i>Immunization Cooperative Agreement - Locals</i>	HHS000103000001 Amend 4	85,876
<i>Infectious Disease Control Unit/Surveillance Epidemiology</i>	HHS001315700019	15,252
<i>Infectious Disease Control Unit/Surveillance Epidemiology</i>	HHS000436300012 Amendment 2	139,700
Total Direct Programs		638,919
Passed-Through Texas State University:		
<i>Texas State School Safety Center Tobacco - Sheriff</i>	790000	4,305
<i>Texas State School Safety Center Tobacco - Sheriff</i>	790000	4,171
<i>Texas State School Safety Center Tobacco - Constable #4</i>	790000	4,607
<i>Texas State School Safety Center Tobacco - Constable #4</i>	790000	31,250
<i>Texas State School Safety Center Tobacco - Constable #4</i>	790000	6,859
Total Passed-Through Texas State University		51,192
Passed-through National Foundation for the Centers for Disease Control and Prevention		
<i>Reducing Disparities in Monkeypox Vaccination Project</i>	1011.1	25,000
Total Passed-through National Foundation for the Centers for Disease Control and Prevention		25,000
Total Texas Department of State Health Services		715,111
Office of the Attorney General		
Direct Programs:		
<i>Texas VINE Program (SAVNS)</i>	C-00195	33,594
Total Office of the Attorney General		33,594
Texas Indigent Defense Commission		
Direct Program:		
<i>Formula Grant</i>	212-23-079	490,090
<i>Fort Bend County Public Defender Program</i>	212-23-C07	30,776
<i>Fort Bend County Public Defender Staff to Address Backlog</i>	PB-22-079	34,200
Total Texas Indigent Defense Commission		555,066
Texas Secretary of State		
Direct Programs:		
<i>Chapter 19 Election Funds - 2020</i>	79	96,776
Total Texas Secretary of State		96,776
Total Expenditure of State Awards		\$ 7,780,259

FORT BEND COUNTY, TEXAS

NOTES TO SCHEDULE OF EXPENDITURES OF STATE AWARDS

For the Year Ended September 30, 2023

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of state awards (the "Schedule") includes the state grant activity of Fort Bend County, Texas (the "County") under programs of the state government for the year ended September 30, 2023. The information in this Schedule is presented in accordance with the requirements of the Texas Grant Management Standards. Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position or cash flows of the County.

Note 2 - Summary of Significant Accounting Policies

The County accounts for all state awards under programs of the state government in the General and Special Revenue Funds. These programs are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (i.e. revenues and other financing sources) and decreases (i.e. expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for these funds. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual, i.e. both measurable and available, and expenditures in the accounting period in which the liability is incurred, if measurable, except for certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

State grant funds for governmental funds are considered to be earned to the extent of expenditures made under the provisions of the grant. When such funds are advanced to the County, they are recorded as unearned revenues until earned. Otherwise, state grant funds are received on a reimbursement basis from the respective state program agencies. Generally, unused balances are returned to the grantor at the close of specified project periods.

FORT BEND COUNTY, TEXAS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended September 30, 2023

The Texas Grant Management Standards state that the auditee is responsible for follow-up and corrective action on all audit findings. As part of this responsibility, the auditee shall prepare a summary schedule of prior audit findings. The summary schedule of prior audit findings shall report the status of the following:

- All audit findings included in the prior audit’s schedule of findings and questioned costs and
- All audit findings reported in the prior audit’s summary schedule of prior audit findings except audit findings listed as corrected.

I. Prior Audit Findings

None reported

FORT BEND COUNTY, TEXAS
CORRECTIVE ACTION PLAN
For the Year Ended September 30, 2023

The Texas Grant Management Standards state that at the completion of the audit, the auditee shall prepare, in a document separate from the auditor's findings, a corrective action plan to address each audit finding included in the current year auditor's reports.

I. Corrective Action Plan

Not applicable