

FORT BEND COUNTY, TEXAS
FEDERAL SINGLE AUDIT REPORT
Year Ended September 30, 2008



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FORT BEND COUNTY, TEXAS
FEDERAL SINGLE AUDIT REPORT
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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 Robert E. Hebert, County Judge
and Members of the Commissioners Court
Fort Bend County, Texas

We have audited the financial statements of the governmental 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, 2008, which collectively comprise the County's basic financial statements and have issued our report thereon dated March 31, 2009. We conducted our 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 our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

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 the entity'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 the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs (items #06-02, #06-04, and #07-01) to be significant deficiencies in internal control over financial reporting.

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

Our 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 and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we consider the significant deficiency #06-02 described above to be material weaknesses.

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.

The County's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the County's response and, accordingly, we express no opinion on it.

Closing

This report is intended solely for the information and use of the County Judge, Commissioners Court, management, others within the organization 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.



Houston, Texas
March 31, 2009

***Independent Auditors' Report on
Compliance with Requirements Applicable
to Each Major Federal Program and on Internal Control
Over Compliance in Accordance with OMB Circular A-133***

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

Compliance

We have audited the compliance of the Fort Bend County, Texas (the "County") 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. The County's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings 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 the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

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 OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 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 the County'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. Our audit does not provide a legal determination on the County's compliance with those requirements.

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

Internal Control Over Compliance

The management of the County 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 our audit, we considered the County'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 our auditing procedures for the purpose of expressing our opinion on compliance, 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 the County's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance 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 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.

Our 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, Texas as of and for the year ended September 30, 2008, and have issued our report thereon dated March 31, 2009. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Closing

This report is intended solely for the information and use of the County Judge, Commissioners Court, management, others within the organization 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.



Houston, Texas
March 31, 2009

FORT BEND COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2008

<u>Pass Through/ Contract#</u>	<u>Federal Grantor/ Pass Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Expenditures, Indirect Costs, and Refunds</u>
U.S. Department of Housing and Urban Development			
B-04-UC-48-0004	Community Development Block Grant 2004	14.218	\$ 212,440
M-04-UC-48-0216	Home Program 2004	14.239	68,706
B-05-UC-48-0004	Community Development Block Grant 2005	14.218	262,888
M-05-UC-48-0216	Home Program 2005	14.239	54,256
B-06-UC-48-0004	Community Development Block Grant 2006	14.218	1,393,445
M-06-UC-48-0216	Home Program 2006	14.239	144,644
S-06-UC-48-0003	ESG Program 2006	14.239	13,247
B-07-UC-48-0004	Community Development Block Grant 2007	14.218	619,490
M-07-UC-48-0216	Home Program 2007	14.239	245,320
M-07-UC-48-0216	ADDI Program 2007	14.239	10,000
S-07-UC-48-0002	ESG Program 2007	14.239	50,492
B-08-UC-48-0004	Community Development Block Grant 2008	14.218	37
Total U.S. Department of Housing and Urban Development			3,074,964
U.S. Department of Justice			
2007-AP-BX-0782	State Criminal Alien Assistance Program FY2006	16.606	120,434
2008-AP-BX-1168	State Criminal Alien Assistance Program FY2008	16.606	129,884
2005-DJ-BX-0356	Edward Byrne Justice Assistance Grant	16.738	8,601
2006-DJ-BX-0239	Edward Byrne Justice Assistance Grant	16.738	615
2007-DJ-BX-1321	Edward Byrne Justice Assistance Grant	16.738	35,523
2005-UL-WX-0003	C.O.P.S. Universal Hiring Program	16.710	227,501
2006-DD-BX-0023	Gang Task Force Grant	16.744	342,702
SW-TX-00672	Organized Crime Drug Enforcement Task Forces (0672)	N/A	44,579
			909,839
<u>Passed Through State Criminal Justice Division:</u>			
VA-06-V30-13648-09	Victim Services Program-Victim of Crime Act(VOCA) (CSCD)	16.575	6,131
VA-06-V30-13648-08	Victim Services Program-Victim of Crime Act(VOCA) (CSCD)	16.575	27,002
VA-06-V30-13645-09	Victim Witness Staff Expansion (VOCA) (District Atty)	16.575	18,299
VA-06-V30-13645-08	Victim Witness Staff Expansion (VOCA) (District Atty)	16.575	55,798
WF-06-V30-13447-11	Violence Against Women Prosecutor (District Atty)	16.588	2,977
WF-06-V30-13447-10	Violence Against Women Prosecutor (District Atty)	16.588	69,314
WF-06-V30-15157-09	Violence Against Women Investigator (District Atty)	16.588	37,847
WF-06-V30-15157-10	Violence Against Women Investigator (District Atty)	16.588	2,829
JA-07-J20-17938-03	Juvenile After-Care Program	16.540	23,251
			243,447
<u>Passed Through Executive Office of the President - Office on National Drug Control Policy:</u>			
I5PHNP540Z	High Intensity Drug Trafficking Area (HIDTA)	16.001	16,285
I6PHNP540Z	High Intensity Drug Trafficking Area (HIDTA)	16.001	31,349
I7PHNP540Z	High Intensity Drug Trafficking Area (HIDTA)	16.001	175,920
I8PHNP540Z	High Intensity Drug Trafficking Area (HIDTA)	16.001	107,696
			331,250
Total U.S. Department of Justice			1,484,536

FORT BEND COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2008

<u>Pass Through/ Contract#</u>	<u>Federal Grantor/ Pass Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Expenditures, Indirect Costs, and Refunds</u>
U.S. Department of Health & Human Services			
<u>Passed Through Texas Department of Family & Protective Services:</u>			
23380555	Foster Care Title IV-E FY '08 (Legal)	93.658	71,890
23380554	Foster Care Title IV-E FY '08 (CWS)	93.658	28,186
23401921	Foster Care Title IV-E FY '09 (Legal)	93.658	6,271
23380554	Foster Care Title IV-E FY '09 (CWS)	93.658	7,463
			113,810
<u>Passed Through Texas Juvenile Probation Commission:</u>			
TJPC E-2007-079	Title IV-E Foster Care Reimbursement Program	93.658	393,096
TJPC E-2008-079	Title IV-E Foster Care Reimbursement Program	93.658	69,596
			462,693
<u>Passed Through Texas Department of State Health Services:</u>			
2008-022912	CPS - Bioterrorism Preparedness	93.283	675,871
2008-028069-001	CPS - Bioterrorism Preparedness	93.283	36,136
2008-023011-001	CRI - Cities Readiness Initiative	93.283	160,572
2008-028071-001	CRI - Cities Readiness Initiative	93.283	8,213
2007-022466-001	Infectious Disease Surveillance and EPI Branch (Mosquito Surv)	93.283	63,560
7460019692A2006	CPS - Bioterrorism - CHEMPAK	93.283	348
			944,701
Total U.S. Department of Health & Human Services			1,521,204
 U.S. Department of Transportation			
TX90-X63-00	Section 5307 Urban Public Transportation	20.507	1,065,502
TX90-X836-00	Section 5307 Urban Public Transportation	20.507	567,344
			1,632,846
<u>Passed Through Texas Department of Transportation:</u>			
51712F7139	Section 5310 Elderly & Disabled Transportation Program	20.513	323,358
51812F7175	Section 5310 Elderly & Disabled Transportation Program	20.513	44,844
51612F7107	Section 5311 State/Local Rural Public Transportation	20.509	59,648
51712F7244	Section 5311 State/Local Rural Public Transportation	20.509	80,224
51812F7098	Section 5311 State/Local Rural Public Transportation	20.509	7,336
CSJ 0543-03-056	FM 762 (59 - Crabb River Rd)	20.205	7,446
CSJ 0912-34-109	Westheimer Pkwy/Greenbusch/Pin Oak	20.205	107,681
			630,537
<u>Passed Through Texas Department of Public Safety, Division of Emergency Management:</u>			
08-DEM-LEPC-4	Hazardous Materials Emergency Preparedness Planning grant by Local Emergency Planning Committee (LEPC)	20.703	11,653
Total U.S. Department of Transportation			2,275,036

FORT BEND COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2008

<u>Pass Through/ Contract#</u>	<u>Federal Grantor/ Pass Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Expenditures, Indirect Costs, and Refunds</u>
	U.S. Department of Agriculture		
079017A2008	Food Donation 2007-2008	10.550	3,281
079017A2009	Food Donation 2008-2009	10.550	266
792002	National School Breakfast Program 2007-2008	10.553	24,639
792002	National School Breakfast Program 2008-2009	10.553	4,454
792002	National School Lunch Program 2007-2008	10.553	45,094
792002	National School Lunch Program 2008-2009	10.553	12,637
079-1001	Summer Food Service Program for Children	10.559	89,627
	Total U.S Department of Agriculture		179,998
	Department of Homeland Security		
N/A	Emergency Food & Shelter - National Board Program	97.024	311,449
	<u>Passed Through Texas Department of Public Safety, Division of Emergency Management:</u>		
2005-GE-T5-4025	Urban Area Security Initiative (UASI) 2005	97.008	7,017
2005-GE-T5-4025	State Homeland Security Program (SHSP) 2005	97.073	26,766
2006-GE-T6-0068	Urban Area Security Initiative (UASI) 2006	97.008	733,600
2006-GE-T6-0068	Law Enforcement Terrorism Prevention Program (LETPP) 2006	97.074	337,177
2006-GE-T6-0068	State Homeland Security Program (SHSP) 2006	97.073	115,730
2007-GE-T7-0024	Urban Area Security Initiative (UASI) 2007	97.008	815,490
2007-GE-T7-0024	Law Enforcement Terrorism Prevention Program (LETPP) 2007	97.074	32,000
DR 1624-015	Hazardous Mitigation Grant Program	97.039	2,500
DR 1606-007	Alert AM Emergency Advisory Radio System	97.039	17,505
			2,087,785
	<u>Passed Through Texas Department of Homeland Security</u>		
	Disaster Assistance	97.036	3,505,153
	Total Department of Homeland Security		5,904,387
	Total Expenditures of Federal Awards		\$ 14,440,124

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FORT BEND COUNTY, TEXAS

NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended September 30, 2008

NOTE - BASIS OF ACCOUNTING

The County accounts for all awards under programs 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 generally are 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.

Federal 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 deferred revenues until earned. Otherwise, federal grant funds are received on a reimbursement basis from the respective federal program agencies. Generally, unused balances are returned to the grantor at the close of specified project periods.

FORT BEND COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended September 30, 2008

SECTION I - SUMMARY OF AUDITORS' RESULTS

LEVEL	DESCRIPTION
<i>FINANCIAL STATEMENTS</i>	
Type of report issued on financial statements.	Unqualified
Internal control over financial reporting:	
a. Material weaknesses identified	#06-02
b. Significant deficiencies identified that are not considered to be material weaknesses	#06-04 and #07-01
Noncompliance material to the financial statements noted	None
 <i>FEDERAL AWARDS</i>	
Internal control over major programs:	
a. Material weaknesses identified	None reported
b. Significant deficiencies identified that are not considered to be material weaknesses	None reported
Type of reports on compliance with major program	Unqualified
Findings and questioned costs for federal awards as defined in Section .510(a) OMB Circular 133	There were no known questioned costs above \$10,000
Major Federal Programs	<ol style="list-style-type: none"> 1. State Criminal Alien Assistance Program-16.606 2. Urban Areas Security Initiative-97.008 3. Law Enforcement Terrorism Prevention-97.074 4. Disaster Grants Public Assistance (Presidentially Declared Disaster)-97.036
Dollar threshold considered between Type A and Type B federal programs	\$ 433,204
Low risk auditee statements	The County was classified as a low-risk auditee in the context of OMB Circular A-133.

FORT BEND COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended September 30, 2008

Section II – FINANCIAL STATEMENT FINDINGS

Finding #06-02 Year-End Closing

Criteria

The County should perform its year-end general ledger closing activity on a timely basis. Such activity includes making all necessary journal entries to the accounting system relating to the applicable fiscal year, reconciling all general ledger accounts to source documents, and analyzing the general ledger accounts for reasonableness.

Condition

The County is performing general ledger closing activity long after its year end date. Specifically, although the County's year-end is September 30th, the general ledger accounting system did not close (i.e. significant journal entries made and account balances reconciled) until February (at least 4 months later). Having a significant lag with the fiscal year end closing activity creates the risk of errors and inaccuracies not being discovered on a timely basis, as well as, increases the risk of fraud for cash related accounts. It also does not allow for optimal time and resources to be utilized for the external auditing and financial reporting functions. Therefore, resources are not optimally utilized and the risk of financial statement errors increases.

Context

This matter was determined throughout the external audit process.

Effect

Not closing the books in a timely matter creates a higher risk of financial statements being reported inaccurately, resources being utilized inefficiently, and causes delays with the external auditing process.

Cause

There may be a lack of resources to allocate to the closing process. Also, there may not be a "sense of urgency" to complete such tasks.

Recommendation

The County should make necessary adjustments and reconcile account balances on a monthly basis where possible in order to prevent volumes of entries being necessary subsequent to year-end. Also, the County should determine an appropriate scope to utilize in deciding which transactions to make adjustments for in order to decrease the number of adjustments made. The County should also consider bringing in additional resources to assist in the closing process.

Finding #06-04-Grant Administration

Criteria

The grant administration function should be centrally managed so that all grant resources are timely and properly accounted for, recognized, and reported. This function also should maintain records of all grants and potential grants including the grant's status, compliance requirements, grant funding amounts, amount of resources utilized in order to facilitate the objectives of the grant, and names of responsible parties of the grantor and grantee (benefiting County department or function).

FORT BEND COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended September 30, 2008

Condition

The County does not have an effective, centralized grant administration function. This results in increased risk of grant resources not being properly accounted for, utilized, or recognized. This also increases the risk of grantees not meeting the grant compliance requirements or meeting its objectives and reporting requirements.

Context

This was determined during the grant testing process.

Effect

Not having an effective centralized grant administration function results in grants being improperly accounted for and reported, higher risk of the County not meeting compliance requirements that may result in resources being refunded to the grantor, and lack of monitoring of grants from the grant's implementation through conclusion.

Cause

The County does not have a grant department that operates as the central hub for its grant administration.

Recommendation

The County should implement a centralized grant administration department in which functions as a central hub from the beginning stages (e.g. grant research and application process) through conclusion (e.g. financial reporting). This department would be responsible for tracking the status of all current and potential grants, determine the grants compliance requirements and periodically assess whether or not such requirements are being met. In addition, the grant administration function would verify accounting records with source data from the grantor, maintain a listing of grantor and grantee contacts, and other functions relating to grant administration.

FORT BEND COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended September 30, 2008

Finding #07-01 – Formal, Written Year-End Closing Procedures

Criteria

Management of the County is responsible for developing formal, written year-end closing procedures and implementing those procedures to ensure proper financial reporting.

Condition

The County does not have formal, written year-end closing procedures. This year's closing process was marked by delays caused by miscommunication among the accounting personnel. The lack of formal, written procedures resulted in the County not adjusting all account balances to reflect appropriate year-end balances. This is a necessary step to ensure the financial statements are fairly stated. The unrecorded amounts were, in our judgment, material to the financial statements. Management subsequently recorded the amounts. Since the County's control policies and procedures did not prevent or detect a material misstatement of the financial statements, we concluded that there is a material weakness in the County's control policies and procedures required to be reported under professional standards.

Context

This was determined during the audit process.

Effect

The absence of formal, written year-end closing procedures resulted in delays in producing financial reports needed by management and the auditors.

Cause

The County does not have formal, written year-end closing procedures.

Recommendation

We recommend that the County develop formal, written year-end closing procedures and assign responsibility for completing the procedures to specific County personnel. The closing procedures should be documented in a way that indicates who will perform each procedure and when completion of each procedure is due and is accomplished.

FORT BEND COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended September 30, 2008

Section III – Federal Award Findings and Questioned Costs

None Noted.

FORT BEND COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended September 30, 2008

Section IV – Status of Prior Year Findings and Questioned Costs

Finding #05-02-Capital Assets

Condition

The County had no formal capital asset policy in place in which established controls in order to prevent and detect accounting and reporting errors. This resulted in capital assets not being classified as such in a timely manner, capital additions being recorded before being received, the recording of retired capital assets not being performed in a timely manner and the amounts received for the sale of retired assets not being properly recorded. Auditors noted that the amounts involved for the aforementioned issues did not cause the financial statements to be materially misstated. However, the presence of such lack of effective controls could cause financial statements to be materially misstated.

Status

With the implementation of the new financial system that went live on December 3, 2007, the County has utilized this resource to make the accounting for capital assets more efficient and effective. The County has established a written policy for capital asset accounting and reporting and continues to make revisions as necessary. In addition, the County has an individual dedicated to the function of capital asset accounting and reporting.

Finding #05-03-Arbitrage Analysis

Condition

The County had not performed arbitrage analysis for 7 years.

Status

The County engaged a consulting firm to assist in performing its arbitrage analysis, which is completed.

Finding #06-02 – Year End Closing

See current year findings in Section II

Finding #06-04 – Grant Administration

See current year findings in Section II

Finding #07-01 Formal, Written Year-End Closing Procedures

See current year findings in Section II

FORT BEND COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended September 30, 2008

Section V. – Corrective Action Plan

Finding #06-02-Year End Closing

Responsible Person- Ed Sturdivant, County Auditor

Corrective Action Plan

With the implementation of the new financial system and the development of written closing procedures, the monthly and year end closings will occur within 30 and 60 days respectively after the last day of the month/year.

Estimated Completion Date- June 2009

Finding #06-04 Grant Administration

Responsible Person- Commissioners' Court

Corrective Action Plan

The County assigned the interim responsibility to the Director of Special Services in the County Judge's Office. The Commissioners' Court will address the implementation of a centralized grant administration department during the FY2010 budget process that will begin in April 2009.

Estimated Completion Date- September 2009

Finding #07-01 Formal, Written Year-End Closing Procedures

Responsible Person- Ed Sturdivant, County Auditor

Corrective Action Plan

The County will consolidate the documented software procedures into a single procedure manual with the addition of the processes that occur outside of the software. This procedure manual will be maintained to represent the most current process.

Estimated Completion Date- June 2009