COLLIN COUNTY, TEXAS

SINGLE AUDIT REPORT

YEAR ENDED
SEPTEMBER 30, 2019

COLLIN COUNTY, TEXAS

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PATTILLO, BROWN & HILL, L.L.P.
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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*

Honorable County Judge and Members of the
Commissioners' Court of Collin County
McKinney, 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 discretely presented component unit, each major fund, and the aggregate remaining fund information of Collin County, Texas, as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise Collin County, Texas' basic financial statements, and have issued our report thereon dated March 27, 2020.

Internal Control over Financial Reporting

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting 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 Collin County, Texas' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
March 27, 2020

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE AND THE STATE OF TEXAS *UNIFORM GRANT MANAGEMENT STANDARDS*

Honorable County Judge and Members of the
Commissioners Court of Collin County
McKinney, Texas

Report on Compliance for Each Major Federal and State Program

We have audited Collin County, Texas' (the "County's") compliance with the types of requirements described in the *OMB Compliance Supplement* and the State of Texas *Uniform Grant Management Standards* 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, 2019. 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.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and the State of Texas *Uniform Grant Management Standards*. Those standards, the Uniform Guidance, and the State of Texas *Uniform Grant Management Standards* 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 or state 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 on compliance for each major federal and state program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal and State Program

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, 2019.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and the State of Texas *Uniform Grant Management Standards*, 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 *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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that were not identified.

Report on the Schedule of Expenditures of Federal and State Awards Required by the Uniform Guidance and the State of Texas *Uniform Grant Management Standards*

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated March 27, 2020, 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 and state awards is presented for purposes of additional analysis as required by the Uniform Guidance and the State of Texas *Uniform Grant Management Standards* 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 and state awards is 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 the State of Texas *Uniform Grant Management Standards*. Accordingly, this report is not suitable for any other purpose.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
March 27, 2020

COLLIN COUNTY, TEXAS

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

YEAR ENDED SEPTEMBER 30, 2019

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Grantor's Pass-through Number	Federal Expenditures	Pass-through Expenditures
FEDERAL AWARDS				
U. S. Department of Agriculture				
Passed through the Texas Department of State Health Services:				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	2017-049828-001B	$ 1,168,871	$ -
Total Passed through the Texas Department of State Health Services			1,168,871	-
Total U. S. Department of Agriculture			1,168,871	-
U. S. Department of Justice				
Passed though the Bureau of Justice Assistance:				
State Criminal Alien Assistance Program (SCAAP)	16.606	N/A	199,205	-
Bullet Proof Vest	16.607	N/A	56,674	-
Equitable Sharing Program	16.922	N/A	44,798	-
Total Bureau of Justice Assistance			300,677	-
Passed through the Texas Office of the Governor, Criminal Justice Division:				
Victims of Crime Act Formula Grant Program	16.575	2896603	58,155	-
Victims of Crime Act Formula Grant Program	16.575	2877103	50,105	-
Total Passed through the Texas Office of the Governor, Criminal Justice Division			108,260	-
Passed through the City of Dallas:				
Missing Children's Assistance	16.543	2016-MC-FX-K034	6,813	-
Total Passed through the City of Dallas			6,813	-
Passed through the City of Plano:				
Edward Byrne Memorial Justice Assistance Grant Program 2016	16.738	2016-DJ-BX-0496	220	-
Edward Byrne Memorial Justice Assistance Grant Program 2018	16.738	2018-DJ-BX-0403	9,283	-
Total Passed through the City of Plano			9,503	-
Total U. S. Department of Justice			425,253	-
U. S. Department of the Treasury				
Direct program:				
Equitable Sharing Program	21.016	N/A	214,259	-
Total U. S. Department of the Treasury			214,259	-
U. S. Department of Health and Human Services				
Centers for Disease Control and Prevention:				
Passed through the Texas Department of State Health Services:				
Public Health Emergency Preparedness (PHEP) FY19	93.074	537-18-0128-00001 A01	425,641	-
Public Health Emergency Preparedness (PHEP) FY20	93.074	537-18-0128-00001 A02	127,139	-
CPS/CRI CPS - Cities Readiness Initiative FY19	93.074	537-18-0141-00001 A01	95,772	-
CPS/CRI CPS - Cities Readiness Initiative FY20	93.074	537-18-0141-00001 A03	28,745	-
Subtotal CFDA 93.074			677,297	-

COLLIN COUNTY, TEXAS

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
(Continued)
YEAR ENDED SEPTEMBER 30, 2019

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Grantor's Pass-through Number	Federal Expenditures	Pass-through Expenditures
FEDERAL AWARDS				
U. S. Department of Health and Human Services (continued)				
Centers for Disease Control and Prevention (continued):				
Passed through the Texas Department of State Health Services:				
Zika	93.069	537-18-0348-00001	76,339	-
Tuberculosis Control Program 2018	93.116	HHS000047600001	17,556	-
Tuberculosis Control Program 2019	93.116	HHS000047600001 A01	98,219	-
Subtotal CFDA 93.116			115,775	-
Immunization Outreach 2019	93.268	HHS000119700018	105,288	-
Immunization Outreach 2020	93.268	HHS000119700018	45,017	-
Subtotal CFDA 93.268			150,305	-
RLSS-Local Public Health System (Comprehensive) 2018/2019	93.991	537-18-0205-00001	7,596	-
RLSS-Local Public Health System (Comprehensive) 2020/2021	93.991	HHS000485600007	11,234	-
Subtotal CFDA 93.991			18,830	-
Total Passed through the Texas Department of State Health Services			1,038,546	-
Total Centers for Disease Control and Prevention			1,038,546	-
Passed through the Texas Department of Family and Protective Services:				
Title IV-E Foster Care (CPS) 2019	93.658	24735746	$ 3,021	$ -
Title IV-E Foster Care - Legal 2019	93.658	24735749	43,255	-
Total Passed through the Texas Department of Family and Protective Services			46,276	-
Total U. S. Department of Health and Human Services			1,084,822	-
U.S. Department of Homeland Security				
Passed through the Governor's Division of Emergency Management:				
2018 UASI - Collin County - Regional Fusion Center Analysts	97.067	279404	224,056	-
Total Passed through the Governor's Division of Emergency Management			224,056	-
Total U. S. Department of Homeland Security			224,056	-
Total Federal Awards			$ 3,117,261	$ -

COLLIN COUNTY, TEXAS

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
(Continued)
YEAR ENDED SEPTEMBER 30, 2019

State Grantor/Pass-through Grantor/Program Title	Grantor's Pass-through Number	State Expenditures	Pass-through Expenditures
STATE AWARDS			
Texas Department of State Health Services			
Tuberculosis 2019	537-18-0031-00001 A01	$ 133,737	$ -
Tuberculosis 2020	HHS000483500001	22,821	-
Immunization Outreach 2019	HHS000119700018	196,528	-
RLSS-Local Public Health System (Comprehensive) 2020/2021	HHS000485600007	3,545	-
Infectious Disease Control Unit/Foodborne	537-18-0300-00001	157,771	-
Infectious Disease Control Unit/Foodborne	HHS000436300030	15,500	-
Community Mental Health Grant Program FY 2019	HHS000046000006	18,488	-
Total Texas Department of State Health Services		548,390	-
Commission on State Emergency Communications			
Passed through North Central Texas Council of Governments:			
911 Addressing	N/A	43,553	-
Total Passed through North Central Texas Council of Governments		43,553	-
Total Commission on State Emergency Communications		43,553	-
Texas Task Force on Indigent Defense			
Indigent Defense Formula Grant	212-19-043	647,637	-
Indigent Defense Formula Grant	212-19-43SC	38,959	-
Total Texas Task Force on Indigent Defense		686,596	-
State Comptroller of Public Accounts			
Chapter 19 Election	N/A	78,300	-
Total State Comptroller of Public Accounts		78,300	-
Texas Office of the Governor, Criminal Justice Division			
SF-State Criminal Justice Planning	2568108	47,400	-
SF-State Criminal Justice Planning	3261402	2,800	-
Total Texas Office of the Governor, Criminal Justice Division		50,200	-
US Army Corps of Engineers			
Increased Law Enforcement services Collin County	W9126G19Q0022	24,748	-
Texas Veterans Commission		24,748	-
Texas Veterans Commission			
Fund for Veterans' Assistance	VTC_18_0598	174,713	-
Fund for Veterans' Assistance	VTC_19-005	69,630	-
Fund for Veterans' Assistance	VMH_19-017	29,110	-
Texas Veterans Commission		273,453	-
Total State Awards		$ 1,705,240	$ -

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

SEPTEMBER 30, 2019

1. GENERAL

The accompanying Schedule of Expenditures of Federal and State Awards presents the activity of all applicable federal and state awards programs of Collin County, Texas. The County's reporting entity is defined in Note 1 of the basic financial statements. Federal and state awards received directly from federal and state agencies, as well as awards passed through other government agencies, are included on the Schedule of Expenditures of Federal and State Awards.

2. BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal and State Awards is presented using the modified accrual basis of accounting. The modified accrual basis of accounting is described in Note 1 of the basic financial statements.

3. INDIRECT COSTS

The County did not elect to apply the 10% de minimus indirect cost rate as allowed in the Uniform Guidance.

COLLIN COUNTY, TEXAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

<u>Summary of Auditors' Results</u>

Financial Statements:	
Type of auditors' report issued	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	None
Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	None
Federal and State Awards:	
Internal control over major programs:	
Material weakness(es) identified?	None
Significant deficiency(ies) identified?	None reported
Type of auditors' report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) or the State of Texas *Uniform Grant Management Standards*	None
Identification of major federal program:	
CFDA Number:	Name of Program or Cluster:
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children
21.016	Equitable Sharing Program
Identification of major state program:	Name of Program: Indigent Defense Formula Grant
Dollar threshold used to distinguish between type A and type B federal programs	$750,000
Dollar threshold used to distinguish between type A and type B state programs	$300,000
Auditee qualified as low-risk auditee?	The County was not classified as a low-risk auditee in the context of 2 CFR 200. The County was classified as a low-risk auditee in the context of Texas *Uniform Grant Management Standards* .

Findings Related to the Financial Statements Which are Required to be Reported in Accordance With Generally Accepted Government Auditing Standards

None

Findings and Questioned Costs Related to Federal and State Awards

None

COLLIN COUNTY, TEXAS

SCHEDULE OF PRIOR YEAR FINDINGS

SEPTEMBER 30, 2019

None.