

**HARDIN COUNTY, TEXAS**

**SINGLE AUDIT REPORTS**

For the year ended September 30, 2024

HARDIN COUNTY, TEXAS

SINGLE AUDIT REPORTS

For the year ended September 30, 2024

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AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS

To the Honorable County Judge and  
Members of the Commissioners' Court of  
Hardin 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 Hardin County, Texas (the "County") as of and for the year ended September 30, 2024 and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated August 25, 2025.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing 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.

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(Continued)

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### Purpose of this Report

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

  
Crowe LLP

Houston, Texas  
August 25, 2025

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL AND STATE PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND TEXAS  
GRANT MANAGEMENT STANDARDS

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

**Report on Compliance for Each Major Federal and State Program**

***Opinion on Each Major Federal and State Program***

We have audited Hardin County, Texas (the "County") compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement and the Texas Grant Management Standards (TxGMS) that could have a direct and material effect on the County's major federal and state programs for the year ended September 30, 2024. The County's major federal and 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 complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal and state programs for the year ended September 30, 2024.

***Basis for Opinion on Each Major Federal and State Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the TxGMS, issued by the Texas Comptroller of Public Accounts. Our responsibilities under those standards and the Uniform Guidance and 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 the major federal and state programs. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

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## **Responsibilities of Management for Compliance**

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

## **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*, the Uniform Guidance, 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 federal and state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, 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 Uniform Guidance, and 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 federal and state 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 and 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 and 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.

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

**Report on Schedule of Expenditures of Federal and State Awards Required by the Uniform Guidance and TxGMS**

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, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated August 25, 2025, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedules of expenditures of federal and state awards is presented for purposes of additional analysis as required by the Uniform Guidance and 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 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 schedules of expenditures of federal and state awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

  
Crowe LLP

Houston, Texas  
August 25, 2025

HARDIN COUNTY, TEXAS  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
For the year ended September 30, 2024

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No prior findings.



HARDIN COUNTY, TEXAS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the year ended September 30, 2024

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SECTION I - SUMMARY OF AUDITOR'S RESULTS

**FINANCIAL STATEMENTS**

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

**FEDERAL AND STATE PROGRAMS**

Type of audit report issued on compliance for each major program?	Unmodified
Is a significant deficiency in internal control over major programs disclosed?	No
Is a material weakness in internal control over major programs disclosed?	No
Does the auditor's report include a statement that the financial statements include departments, agencies, or other organizational units expending federal and state awards which are not included in this audit?	No
What is the dollar threshold used to distinguish between Type A and Type B programs?	\$750,000
Did the auditee qualify as low-risk auditee?	No
Did the audit disclose any audit findings that the auditor is required to report under Uniform Guidance 2 CFR §200.516 Audit Findings paragraph (a)?	No

**MAJOR PROGRAM INFORMATION AND AUDIT FINDINGS**

Identification of major programs:

<u>Assistance Listing (AL) Number(s)</u>	<u>Name of Federal Program or Cluster</u>	<u>Number of Audit Findings</u>
21.027	Coronavirus State and Local Fiscal Recovery Funds	0
14.228	Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	0
<u>State Contract Number(s)</u>	<u>Name of State Program or Cluster</u>	<u>Number of Audit Findings</u>
IA-0000000045	Rural Prosecutor's Office Salary Assistance	0
IA-0000000075	Rural Prosecutor's Office Salary Assistance	0
IA-0000000160	Rural Sheriff's Office Assistance	0

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HARDIN COUNTY, TEXAS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the year ended September 30, 2024

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SECTION II - FINANCIAL STATEMENT FINDINGS

None identified.

SECTION III – FEDERAL AND STATE AWARDS FINDINGS AND QUESTIONED COSTS

None identified.

HARDIN COUNTY, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the year ended September 30, 2024

<u>Department/Pass-Through Agency/Program Name</u>	<u>Program/Grant/ Project Number</u>	<u>AL Number</u>	<u>Expenditures</u>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
Pass-through Texas Health and Human Services			
NNS-WIC Local Agency	HHS000804300001	10.561	\$ 281,129
Total U.S. Department of Agriculture			<u>281,129</u>
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			
Pass-through Texas General Land Office			
Community Development Block Grant Mitigation	24-065-065-E596	14.228	751,346
Community Development Block Grant Infrastructure	20-065-145-C857	14.228	2,580,055
Community Development Block Grant Acquisition	20-066-041-C266	14.228	100,031
Subtotal			<u>3,431,432</u>
Pass-through Texas Department of Agriculture			
Community Development Block Grant	7720189	14.228	72,212
Total U.S. Department of Housing and Urban Development			<u>3,503,644</u>
<b>U.S. DEPARTMENT OF JUSTICE</b>			
Pass-Through Office of the Governor, Criminal Justice Division			
Victims Assistant Coordinator	3598404	16.575	60,578
Victims Assistance Center	1366022	16.575	165,047
Subtotal			<u>225,625</u>
Technology Upgrade	4012504	16.738	45,000
Subtotal			<u>45,000</u>
Direct			
Patrick Leahy Bulletproof Vest Partnership Program	N/A	16.607	17,833
Subtotal			<u>17,833</u>
Total U.S. Department of Justice			<u>288,458</u>
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>			
Pass-Through State Department of Public Safety Division of Emergency Management			
Disaster Grants - Public Assistance	FEMA-4332-DR-TX	97.036	2,700
Disaster Grants - Public Assistance	4781PATXP0000001	97.036	64,882
Subtotal			<u>67,582</u>
Pass-Through Office of the Governor, Homeland Security Grants			
SHSP '24-Operation Encryption	4500402	97.067	74,343
Total U.S. Department of Homeland Security			<u>141,925</u>

(Continued)

HARDIN COUNTY, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the year ended September 30, 2024

<u>Department/Pass-Through Agency/Program Name</u>	<u>Program/Grant/ Project Number</u>	<u>AL Number</u>	<u>Expenditures</u>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
Pass-Through Department of State Health Services			
IMM/LOCALS Immunization Branch-Locals	HHS001331300022	93.268	116,504
COVID-19 Vaccination Capacity	HHS001019500020	93.268	1,047,380
Subtotal			1,163,884
CPS/Hazards (PHEP) Oct 22 - June 23	HHS001311200036	93.069	60,083
CPS/Hazards (PHEP) July 23 - Sept 23	HHS001439500022	93.069	23,561
Subtotal			83,644
RLSS/LPHS RLSS/Local Public Health System-PNP	HHS001324900025	93.991	30,113
COVID-19 Grant - EXPANSION	HHS000812700022	93.323	484
COVID-19 Grant - Additional Funding	HHS000812700022	93.323	5,372
Subtotal			5,856
COVID-19 Health Disparities Program	HHS001057600023	93.391	227,160
Public Health Crisis Response Co-Ag: Public Workforce	HHS001076900001	93.354	454,085
Public Health Infrastructure Grant Program	HHS001311900001	93.967	39,725
Pass-Through National Environment Health Association			
RPS Maintenance and & Advancement	G-BM&A-202111-01765	93.103	40,400
2023 Mentorship	G-OAME-202209-02543	93.103	5,638
2024 Training Optional Add-On	G-OATR-202309-04393	93.103	3,245
2024 Mentorship	G-OAME-202209-02543	93.103	7,961
Subtotal			57,244
NACCHO - Infectious Disease Outbreaks: Enhancing Forecasting & Analytics	2023-101710	93.421	30,620
NACCHO - Infection Prevention and Control Learning Collaborative	2024-030601	93.421	36,487
Subtotal			67,107
Direct			
Opioid Settlement	N/A	93.788	56,522
Total U.S. Department of Health and Human Services			2,185,340
<b>US DEPARTMENT OF TREASURY</b>			
Direct			
American Rescue Plan Act	1505-0271	21.027	1,262,330
Total U.S. Department of Treasury			1,262,330
<b>FEDERAL AVIATION ADMINISTRATION</b>			
Pass-Through Texas Department of Transportation			
CARES Act Airport Grant	22CVKOUTZ	20.106	11,688
CARES Act Airport Grant	21CRKOUTZ	20.106	9,000
Total Federal Aviation Administration			20,688
Total Federal Expenditures			\$ 7,683,514

HARDIN COUNTY, TEXAS  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
For the year ended September 30, 2024

<u>State Grantor/Pass-Through Grantor/Program Title</u>	<u>Program/Grant/ Project Number</u>	<u>Expenditures</u>
<b>STATE DEPARTMENT TASK FORCE ON INDIGENT DEFENSE</b>		
Direct Awards		
Indigent Defense Formula Grant	212-19-100	\$ 36,269
Total State Department Task Force on Indigent Defense		<u>36,269</u>
<b>STATE DEPARTMENT OF ECONOMIC DEVELOPMENT</b>		
Direct Awards		
Senate Bill (SB) 22 - Rural Law Enforcement Salary Assistance Program		
Rural Prosecutor's Office Salary Assistance Grant - County Attorney	IA-0000000045	154,838
Rural Prosecutor's Office Salary Assistance Grant - District Attorney	IA-0000000075	176,726
Rural Sheriff's Office Salary Assistance Grant	IA-0000000160	408,615
Subtotal		<u>740,179</u>
Total State Department Of Economic Development		<u>740,179</u>
<b>STATE DEPARTMENT OFFICE OF THE ATTORNEY GENERAL</b>		
Direct Awards		
Texas VINE Grant	20192044900-391-01	<u>15,349</u>
Sexual Assault Prevention and Crisis Service (SAPCS) State	C-01112	114,258
Sexual Assault Prevention and Crisis Service (SAPCS) State	C-01862	<u>9,795</u>
Subtotal		<u>124,053</u>
Total State Department Office of the Attorney General		<u>139,402</u>
<b>TEXAS DEPARTMENT OF TRANSPORTATION</b>		
Direct Awards		
Routine Airport Maintenance Program (RAMP) Grant	M2420KNTZ	<u>37,658</u>
Total Texas Department of Transportation		<u>37,658</u>
Total State Expenditures		<u>\$ 953,508</u>

HARDIN COUNTY, TEXAS  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
For the year ended September 30, 2024

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**NOTE 1 – REPORTING ENTITY**

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

**NOTE 2 – BASIS OF PRESENTATION**

The Schedules are presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the Texas Grant Management Standards (TxGMS). Therefore, some amounts presented in these Schedules may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE 4 – INDIRECT COST RATE**

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