

Kennemer, Masters & Lunsford

CERTIFIED PUBLIC ACCOUNTANTS

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Client Advisory Comments

March 23, 2016

The Honorable County Judge,
And Members of Commissioners Court
Johnson County, Texas

The communication of client advisory comments is discretionary and, therefore, differs from the required communications related to internal control and compliance. Client advisory comments pertain to findings, which may or may not be reportable conditions and findings reported in the Comprehensive Annual Financial Report.

Control over Grants

Throughout fieldwork, the external auditors have requested information related to the Federal Emergency Management Agency (FEMA) Disaster Grants – Public Assistance (CFDA #97.036) that has been in process due to the declared disaster from May 2015. The County hired a consultant to prepare the project worksheets on behalf of the County to file with FEMA for reimbursement. There was a lack of communication between the consultants and the County Auditor's office. This was discovered when we would inquire about the grant for federal single audit purposes and the auditor's office were not able to get the external auditor's the information that was required for federal single audit determination. We were forwarded to the consultants as inquiries would arise. The potential is high for FEMA to review the County's request for reimbursement at a point in the future so we are recommending that the County Auditor's office become knowledgeable of the items being requested for reimbursement and the related grant program.

General Considerations

During the performance of our audit and evaluation of internal accounting and administrative controls, we worked closely with the accounting and administrative personnel of the County. We found them to be very cooperative, conscientious, and concerned with the performance of they're duties. We realize that internal control communications and advisory comments are critical by nature and do not in many instances praise the performances of the personnel performing the related functions. We feel that the County will be able to accomplish the changes necessary to establish the desired system of internal and accounting controls.

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We appreciate the cooperation and congeniality extended to us during our audit and the opportunity to serve as the County's external auditor. We look forward to a continuing and beneficial relationship.

Sincerely,
Kennemer, Masters & Lunsford, LLC

By:  Kevin Callahan, CPA

cc: J.R. Kirkpatrick, Jr., County Auditor