

## **Other Supplementary Information**

**This section includes financial information and disclosures not required by the Governmental Accounting Standards Board and not considered a part of the basis financial statements. It may, however, include information which is required by other entities.**

 *Oscar R. Gonzalez*

*Certified Public Accountant*

*110 North Cage • Pharr, Texas 78577*

*Tel: (956) 787-9909 • Fax: (956) 787-3067*

*Email: org110n@aol.com*

**INDEPENDENT AUDITOR'S REPORT**  
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

Members of City Council  
City Of Pharr, Texas  
118 South Cage Blvd.  
Pharr, Texas 78577

Members of the City Council:

I 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 City Of Pharr, Texas as of and for the year ended September 30, 2008, which collectively comprise the City Of Pharr, Texas's basic financial statements and have issued my report thereon dated. I conducted my 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 my audit, I considered City Of Pharr, Texas's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinions on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the City Of Pharr, Texas's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the City Of Pharr, Texas's internal control over financial reporting. 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 City Of Pharr, Texas'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 City Of Pharr, Texas's financial statements that is more than inconsequential will not be prevented by the City Of Pharr, Texas's internal control. Significant deficiencies are described in the accompanying schedule of findings and questioned costs as items 08-1, 08-2, 08-3, 08-4, 08-5 and 08-6.

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 City Of Pharr, Texas's internal control.

My consideration of 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 internal control that might be significant deficiencies or material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City Of Pharr, Texas's financial statements are free of material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of management, others within the entity, the Members of City Council, 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.

Respectfully submitted,

  
Oscar R. Gonzalez CPA

January 16, 2009



Oscar R. Gonzalez

*Certified Public Accountant*

110 North Cage • Pharr, Texas 78577

Tel: (956) 787-9909 • Fax: (956) 787-3067

Email: org110n@aol.com

INDEPENDENT AUDITOR'S REPORT  
Report on Compliance with Requirements Applicable  
To each Major Program and on Internal Control over Compliance  
In Accordance With OMB Circular A-133

Members of City Council  
City Of Pharr, Texas  
118 South Cage Blvd.  
Pharr, Texas 78577

Members of the City Council:

Compliance

I have audited the compliance of City Of Pharr, Texas 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. City Of Pharr, Texas's major federal programs are identified in the summary of auditor's 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 City Of Pharr, Texas's management. My responsibility is to express an opinion on City Of Pharr, Texas's compliance based on my audit.

I conducted my 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 I 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 City Of Pharr, Texas's compliance with those requirements and performing such other procedures, as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination of City Of Pharr, Texas's compliance with those requirements.

In my opinion, City Of Pharr, Texas complied, in all material respects, with the 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 City Of Pharr, Texas 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 my audit, I considered City Of Pharr, Texas's internal control over compliance with the requirements that could have a direct and

In planning and performing my audit, I considered City Of Pharr, Texas'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 my auditing procedures for the purpose of expressing my opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of City Of Pharr, Texas'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. Significant deficiencies are described in the accompanying schedule of findings and questioned costs as items 08-1, 08-2, 08-3, 08-4, 08-5 and 08-6.

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.

My 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.

This report is intended solely for the information and use of management, others within the entity, the Members of City Council, 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.

Respectfully submitted,



Oscar R. Gonzalez CPA

January 16, 2009

**CITY OF PHARR, TEXAS**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2008**

A. Summary of Auditor's Results

1. Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

One or more material weaknesses identified?            Yes   X   No

One or more significant deficiencies identified that are not considered to be material weaknesses?   X   Yes            None

Noncompliance material to financial statements noted?            Yes   X   No

2. Federal Awards

Internal control over major programs:

One or more material weaknesses identified?            Yes   X   No

One or more significant deficiencies identified that are not considered to be material weaknesses?   X   Yes            None

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?            Yes   X   No

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
14.218	Community Development Block Grant
66.202	NADB Improvements to Wastewater Collection System

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee?   X   Yes            No

B. Financial Statement Findings

NONE

C. Federal Award Findings and Questioned Costs

For the Community Development Block Grant, client failed to comply with Davis Bacon Act prevailing wages in one of the development projects. Amounts involving this finding are considered immaterial and client immediately took corrective action by paying the difference to workers.

CITY OF PHARR, TEXAS  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2008

Section II – Financial Statement/Federal Awards Finding and Questioned Costs	Description
<p><b>08-1</b>  <b>Accounting Policies and Procedures Manual – Primary Government</b></p>	<p><b>Criteria:</b> Good internal controls require that the City have a written accounting policies and procedures manual for the proper handling and recording of financial transactions by the Finance Department.</p> <p><b>Statement of Condition:</b> The City does not have a written policies and procedures manual.</p> <p><b>Cause of Condition:</b> The City has not given priority to establishing such a document.</p> <p><b>Effect of Condition:</b> There is no proper guidance for applicable City personnel to follow in accounting for financial transactions.</p> <p><b>Recommendation:</b> The City should hire a consultant to help it establish a written policies and procedures manual for its Finance Department. Once the manual is approved by the Board, the City should adhere to such policies and procedures.</p> <p><b>Auditee’s Response:</b> We concur. The establishment of fiscal policies and procedures will begin in FY 08/09 and should be approved by the end of that fiscal year or soon thereafter. In addition staff uses the GFOA Blue Book as reference regarding accounting matters.</p> <p><b>Questioned Cost:</b> \$-0-</p>
<p><b>08-2</b>  <b>Purchasing – Primary Government</b></p>	<p><b>A. Purchasing Manual</b></p> <p><b>Criteria:</b> Good internal controls require that the City have a written purchasing manual to ensure compliance with state, federal, and legal requirements.</p> <p><b>Statement of Condition:</b> The City currently has a manual that is outdated.</p> <p><b>Cause of Condition:</b> The City has not given priority to updating or renewing its purchasing manual.</p> <p><b>Effect of Condition:</b> The City does not have the proper guidance to ensure compliance with state, federal, and legal requirements in the procurement process.</p> <p><b>Recommendation:</b> The City should hire a consultant to help it establish a current written purchasing manual. The manual should then be reviewed by legal counsel. Once it is approved by legal counsel, the Board should approve it. The City should adhere to the policies and procedures in its purchasing manual.</p> <p><b>Auditee’s Response:</b> We concur. The establishment of fiscal policies and procedures will begin in FY 08/09 and should be approved by the end of that fiscal year or soon thereafter. In addition, staff follows state statutes regarding procurement.</p> <p><b>Questioned Cost:</b> \$-0-</p>

CITY OF PHARR, TEXAS  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2008

Section II – Financial Statement/Federal Awards Finding and Questioned Costs	Description
<p>08-2            Purchasing – Primary Government            (Cont.)</p>	<p><b>B. <u>Purchase Orders Policies &amp; Procedures</u></b></p> <p><b><u>Criteria:</u></b> Good internal controls require that the City properly prepare purchase orders for all applicable purchases of goods or services before the purchases are made.</p> <p><b><u>Statement of Condition:</u></b> Currently, the City prepares purchase orders for certain purchases of goods. It does not prepare purchase orders for purchases of services, construction contracts, or commitments via inter-local agreements. In many instances, the purchase order (P.O.) is prepared after the fact (i.e., the P.O. is dated the same as or after the date of the invoice).</p> <p><b><u>Cause of Condition:</u></b> The City does not have a current purchasing manual, which provides proper guidance to applicable personnel.</p> <p><b><u>Effect of Condition:</u></b> The City made some purchases of goods and services that were not properly authorized. Also, the City does not readily know what all of its commitments are on any given day.</p> <p><b><u>Recommendation:</u></b> The City should establish and approve a current written purchasing manual. The purchasing manual should require that the City properly prepare purchase orders for all applicable purchases of goods or services, including construction contract and applicable inter-local agreements, before the purchases are made. The City should adhere to the policies and procedures in its purchasing manual.</p> <p><b><u>Auditee’s Response:</u></b> We concur. The establishment of fiscal policies and procedures will begin in FY 08/09 and should be approved by the end of that fiscal year or soon thereafter. In addition, staff follows state statutes regarding procurement.</p> <p><b><u>Questioned Cost:</u></b> \$-0-</p>

CITY OF PHARR, TEXAS  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2008

Section II – Financial Statement/Federal Awards Findings and Questioned Costs	Description
<p>08-3            Fixed Assets – Primary Government</p>	<p><b>A. Capitalization Policies and Procedures</b></p> <p><b>Criteria:</b> Good internal controls require that the City have written policies and procedures for the capitalization of fixed assets purchased, constructed, or received as donations and also for the depreciation of depreciable assets.</p> <p><b>Statement of Condition:</b> The City does not have written policies and procedures for the proper capitalization of fixed assets purchased, constructed, or received as donations, and also for the depreciation of depreciable assets.</p> <p><b>Cause of Condition:</b> The City’s Finance Department has not given priority to the establishment of proper policies and procedures for the proper capitalization and depreciation of fixed assets.</p> <p><b>Effect of Condition:</b> The City did not properly account for its fixed assets as of and for the year ended September 30, 2006.</p> <p><b>Recommendation:</b> The City should establish and approve its policies and procedures for the proper capitalization and depreciation of fixed assets. The policies and procedures should also address the requirements of OMB Circular A-102.</p> <p><b>Auditee’s Response:</b> We concur. The establishment of fiscal policies and procedures will begin in FY 08/09 and should be approved by the end of that fiscal year or soon thereafter. In addition staff uses the GFOA Blue Book as reference regarding accounting matters.</p> <p><b>Questioned Cost:</b> \$-0-</p>

CITY OF PHARR, TEXAS  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2008

Section II – Financial Statement/Federal Awards Finding and Questioned Costs	Description
<p>08-4            Golf Course – Primary Government</p>	<p><b>A. <u>Policies and Procedures Manual</u></b></p> <p><b><u>Criteria:</u></b> Good internal Controls require that the City have a written accounting policies and procedures manual for the proper handling and recording of financial transactions of its Golf Course Operations.</p> <p><b><u>Statement of Condition</u></b> The City does not have written accounting policies and procedures manuals for its Golf Course Operations.</p> <p><b><u>Cause of Condition:</u></b> The City has not given priority to establishing such a document.</p> <p><b><u>Effect of Condition:</u></b> There was no proper guidance for applicable personnel to follow in accounting for financial transactions.</p> <p><b><u>Recommendation:</u></b> The City should include written policies and procedures related to the Golf Course in its City-wide written accounting policies and procedures manual.</p> <p><b><u>Auditee’s Response:</u></b> We concur. The establishment of fiscal policies and procedures will begin in FY 08/09 and should be approved by the end of that fiscal year or soon thereafter. In addition staff uses the GFOA Blue Book as reference regarding accounting matters.</p> <p><b><u>Questioned Cost:</u></b> \$-0-</p>

CITY OF PHARR, TEXAS  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2008

Section II – Financial Statement/Federal Awards Findings and Questioned Costs	Description
<p>08-5            Municipal Court – Primary Government</p>	<p><b>A. <u>Policies and Procedures Manual</u></b></p> <p><b><u>Criteria:</u></b> Good internal controls require that the City have an accounting policies and procedures manual for the proper handling and recording of financial transactions of its Municipal Court operations.</p> <p><b><u>Statement of Condition:</u></b> The City does not have written policies and procedures for the for its municipal operations.</p> <p><b><u>Cause of Condition:</u></b> The City was unaware of the need to have such a document.</p> <p><b><u>Effect of Condition:</u></b> There was no proper guidance for applicable personnel to follow in accounting for financial transactions.</p> <p><b><u>Recommendation:</u></b> The City should include policies and procedures related to the Municipal Court in its City-wide accounting policies and procedures manual.</p> <p><b><u>Auditee's Response</u></b> We concur. The establishment of fiscal policies and procedures will begin in FY 08/09 and should be approved by the end of that fiscal year or soon thereafter. In addition staff uses the GFOA Blue Book as reference regarding accounting matters.</p> <p><b><u>Questioned Cost:</u></b> \$-0-</p>

CITY OF PHARR, TEXAS  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2008

Section II -- Financial Statement/Federal Awards Findings and Questioned Costs	Description
<p>08-6  <b>Accounting Policies and Procedures Manual – Pharr Economic Development Corporation, Inc. (PEDC)</b></p>	<p><b>A. <u>Policies and Procedures Manual</u></b></p> <p><b><u>Criteria:</u></b> Good internal controls require that PEDC have written accounting policies and procedures manual for the proper handling and recording of financial transactions by the Finance Department.</p> <p><b><u>Statement of Condition:</u></b> PEDC does not have a written policies and procedures manual.</p> <p><b><u>Cause of Condition:</u></b> PEDC has not given priority to establishing such a document.</p> <p><b><u>Effect of Condition:</u></b> there is no proper guidance for applicable PEDC personnel to follow in accounting for financial transactions.</p> <p><b><u>Recommendation:</u></b> PEDC should hire a consultant to help it establish written policies and procedures manual for its Finance Department. Once the manual is approved by the Board, PEDC should adhere to such policies and procedures.</p> <p><b><u>Auditee’s Response:</u></b> We concur. The establishment of policies and procedures will begin in FY 07/08 and should be approved by the end of that fiscal year or soon thereafter. These policies and procedures will be provided to PEDC as a guide for accounting for their respective operations.</p> <p><b><u>Questioned Cost:</u></b> \$-0-</p>
<p><b>Section III – Contact Persons Regarding Findings and Questioned Costs</b></p>	
<p><b>Primary Government            City of Pharr, Texas</b></p>	<p>Fred Sandoval, City Manager            118 S. Cage Blvd.            Pharr, Texas 78577            (956) 702-5300</p> <p>Juan G. Guerra, Finance Director            118 S. Cage Blvd.            Pharr, Texas 78577            (956) 702-5300</p>
<p><b>Component Unit            Pharr Economic Development Corporation, Inc.</b></p>	<p>Raul Garza, Executive Director            1215 S. Cage Blvd.            P.O. Box 1360            Pharr, Texas 78577            (956) 781-7332</p>

CITY OF PHARR  
SCHEDULE OF STATUS OF PRIOR YEAR AUDIT FINDINGS  
FOR THE YEAR ENDED SEPTEMBER 30, 2008

07-1

**Accounting Policies and Procedures Manual – Primary Government**

**Recommendation:** The City should hire a consultant to help it establish a written policies and procedures manual for its Finance Department. Once the manual is approved by the Board, the City should adhere to such policies and procedures.

**UPDATED Auditee's Response:** We concur. The upcoming fiscal year's budget (FY 0809) contains funding for a consultant to create City fiscal policies and procedures.

---

07-2

**Purchasing – Primary Government**

**Recommendation:** The City should hire a consultant to help it establish a current written purchasing manual. The manual should then be reviewed by legal counsel. Once it is approved by legal counsel, the Board should approve it. The City should adhere to the policies and procedures in its purchasing manual.

**UPDATED Auditee's Response:** We concur. The upcoming fiscal year's budget (FY 0809) contains funding for a consultant to create City fiscal policies and procedures.

**Recommendation:** The City should establish and approve a current written purchasing manual. The purchasing manual should require that the City properly prepare purchase orders for all applicable purchases of goods or services, including construction contract and applicable inter-local agreements, before the purchases are made. The City should adhere to the policies and procedures in its purchasing manual.

**UPDATED Auditee's Response:** We concur. The upcoming fiscal year's budget (FY 0809) contains funding for a consultant to create City fiscal policies and procedures.

---

07-3

**Fixed Assets – Primary Government**

**Recommendation:** The City should establish and approve its policies and procedures for the proper capitalization and depreciation of fixed assets. The policies and procedures should also address the requirements of OMB Circular A-102.

**UPDATED Auditee's Response:** We concur. The upcoming fiscal year's budget (FY 0809) contains funding for a consultant to create City fiscal policies and procedures.

---

07-4

**Golf Course – Primary Government**

**Recommendation:** The Pro Shop personnel should conduct physical counts of inventory, at least quarterly (if not monthly). Personnel should also reconcile each inventory to the preceding inventory. Any significant variance should be investigated and resolved in a timely manner.

**UPDATED Auditee's Response:** We concur. Communication with the golf course has taken place to ensure that inventories are taken. Inventories are now being taken.

**Recommendation:** The City should include written policies and procedures related to the Golf Course in its City-wide written accounting policies and procedures manual.

**UPDATED Auditee's Response:** We concur. The upcoming fiscal year's budget (FY 0809) contains funding for a consultant to create City fiscal policies and procedures.

---

**07-5**

**Municipal Court – Primary Government**

**Recommendation:** The City should replace the current system with a new one that is compatible with City's accounting system. The City should establish a subsidiary ledger for such tickets after it reconciles the information on the warrant reports with the actual warrants on file.

**UPDATED Auditee's Response:** We concur. The City has upgraded the old system with a new Incode computer system. We are in the process of figuring out a way to merge the networks at City Hall and at the municipal court building. A new court supervisor is in place to track tickets with the warrant report.

**Recommendation:** The City should include policies and procedures related to the Municipal Court in its City-wide accounting policies and procedures manual.

**UPDATED Auditee's Response:** We concur. The upcoming fiscal year's budget (FY 0809) contains funding for a consultant to create City fiscal policies and procedures.

---

**07-6**

**Capital Projects – Primary Government**

**Recommendation:** Have an employee responsible for the management and proper funding/budgeting of capital projects. Develop an action plan to correct the deficit unreserved fund balance.

**UPDATED Auditee's Response:** We concur. Management and the City Commission have placed an importance on this issue and developed a plan to correct the negative unreserved fund balance and was approved by the City Commission in September 2008. The fund balance has drastically improved due to the freeze of unbudgeted capital projects and the understanding of the need to replenish the unreserved fund balance.

---

**07-7**

**Accounting Policies and Procedures Manual – Pharr Economic Development Corporation, Inc. (PEDC)**

**Recommendation:** PEDC should hire a consultant to help it establish written policies and procedures manual for its Finance Department. Once the manual is approved by the Board, PEDC should adhere to such policies and procedures.

**UPDATED Auditee's Response:** We concur. The establishment of policies and procedures will begin in FY 07/08 and should be approved by the end of that fiscal year or soon thereafter. These policies and procedures will be provided to PEDC as a guide for accounting for their respective operations.

---

**CITY OF PHARR, TEXAS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2008**

**EXHIBIT D-1**  
Page 1 of 2

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
<b><u>U.S. DEPARTMENT OF THE TREASURY</u></b>			
Passed Through Direct Programs:			
Operation Task Force	21.00	106SA1599	\$ 29,055
<b>Total U.S. DEPARTMENT OF TREASURY</b>			<u>29,055</u>
<b><u>U.S. DEPARTMENT OF JUSTICE</u></b>			
Passed Through Direct Programs:			
Byrne Formula Grant Program	16.738	DB-04-A10-18777-01	157,631
Domestic Highway Enforcement	16.579	17PSSP573Z	8,757
<b>Total Passed Through Direct Programs</b>			<u>166,388</u>
<b>Total U.S. DEPARTMENT OF JUSTICE</b>			<u>166,388</u>
<b><u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u></b>			
Passed Through Direct Programs:			
Community Development Block Grant	14.218	B-04-MC-48-0507	7,084
Community Development Block Grant	14.218	B-05-MC-48-0507	50,449
Community Development Block Grant	14.218	B-06-MC-48-0507	201,850
Community Development Block Grant	14.218	B-07-MC-48-0507	830,810
<b>Total Passed Through Direct Programs</b>			<u>1,090,193</u>
<b>Total U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			<u>1,090,193</u>
<b><u>U.S. DEPARTMENT OF HOMELAND SECURITY</u></b>			
Passed Through Passed Through Governor's Division of Emergency Management:			
Homeland Security Grant Program	97.073	2007HSGP-57200	58,424
Homeland Security Grant Program	97.074	2006HSGP-57200	10,810
<b>Total Passed Through Passed Through Governor's Division of Emergency Management</b>			<u>69,234</u>
<b>Total U.S. DEPARTMENT OF HOMELAND SECURITY</b>			<u>69,234</u>
<b><u>NATIONAL TRAFFIC SAFETY ADMINISTRATION, DEPARTMENT OF TRANSPORTATION</u></b>			
Passed Through Passed Through State Department of Transportation:			
STEP - CI OT*	20.609	587XXF6204	4,561
STEP - Comprehensive Grant	20.600	587XXF6039	60,148
El Protector Project	20.609	588XXF6233	48,552
<b>Total Passed Through Passed Through State Department of Transportation</b>			<u>113,261</u>
<b>Total NATIONAL TRAFFIC SAFETY ADMINISTRATION, DEPARTMENT OF TRANSPORTATION</b>			<u>113,261</u>
<b><u>FEDERAL HIGHWAY ADMINISTRATION, DEPARTMENT OF TRANSPORTATION</u></b>			
Passed Through Passed Through State Department of Transportation:			
Pharr int. Bridge Improvements-N.Bound Lane	20.205	5XXF6002	1,000,000
<b>Total Passed Through Passed Through State Department of Transportation</b>			<u>1,000,000</u>
<b>Total FEDERAL HIGHWAY ADMINISTRATION, DEPARTMENT OF TRANSPORTATION</b>			<u>1,000,000</u>



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

NADB Improvements to Wastewater Collection System	66.202	BEIF TX 3501	<u>4,668,426</u>
Total UNITED STATE ENVIRONMENTAL PROTECTION AGENCY			<u>4,668,426</u>

FEDERAL EMERGENCY MANAGEMENT AGENCY

Passed Through Passed Through Governor's Division of Emergency Management:			
FEMA Grant	97.036	DR-1780	<u>41,336</u>
TOTAL FEDERAL EMERGENCY MANAGEMENT AGENCY			<u>41,336</u>

TOTAL EXPENDITURES OF FEDERAL AWARDS \$ 7,177,893

\* Indicates clustered program under OMB Circular A-133 Compliance Supplement

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60  
61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84  
85  
86  
87  
88  
89  
90  
91  
92  
93  
94  
95  
96  
97  
98  
99  
100

**CITY OF PHARR, TEXAS**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2008**

**Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of City Of Pharr, Texas and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, AUDITS OF STATES, LOCAL GOVERNMENTS, AND NON-PROFIT ORGANIZATIONS. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the general purpose financial statements.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60  
61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84  
85  
86  
87  
88  
89  
90  
91  
92  
93  
94  
95  
96  
97  
98  
99  
100