

**Harris County Hospital District  
d/b/a Harris Health System  
(A Component Unit of Harris County, Texas)**

Single Audit Reports

February 28, 2022

**Harris County Hospital District  
d/b/a Harris Health System  
(A Component Unit of Harris County, Texas)**

February 28, 2022

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**Harris County Hospital District  
d/b/a Harris Health System  
(A Component Unit of Harris County, Texas)  
Schedule of Expenditures of Federal and State Awards  
Year Ended February 28, 2022**

Federal Grantor/Passthrough Grantor/State Grantor/Federal Program Title	Assistance Listing Number	Grantor Number	Grant Period	Expenditures	Amount Paid to Subrecipients
U.S. Department of Health and Human Services COVID-19 HRSA COVID-19 Claims Reimbursement for the Uninsured Program and the COVID -19 Coverage Assistance Fund	93.461	N/A	3/18/20 until expended	\$ 103,807,427	\$ -
COVID-19 Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution	93.498	N/A	4/10/20 to 12/31/21	56,161,605	-
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	1H79TI084352-01	9/30/21 to 9/29/22	129,126	-
Coordinated Services and Access to Research for Women, Infants, Children, and Youth Total-ALN 93.153	93.153	H12HA24800-09-00 H12HA24800-08-04	8/1/21 to 7/31/22 8/1/19 to 7/31/21	131,571 128,323 259,894	- - -
Health Center Program Cluster Health Center Program Health Center Program COVID-19 Health Center Program COVID-19 Health Center Program COVID-19 Health Center Program COVID-19 Health Center Program Total-ALN 93.224	93.224	H80CS00038-21 H80CS00038-20 H80CS00038-19 H8FCS40542-01 4 H8ECS38745-01 4 H8DCS36482-01 6 H8CCS35283-01	1/1/22 to 2/28/22 1/1/21 to 8/31/22 3/1/20 to 8/31/21 4/1/21 to 3/31/23 5/1/20 to 4/30/22 4/1/20 to 3/31/22 3/15/20 to 3/14/22	581,206 3,168,746 71,579 95,961 65,865 466,694 12,297 4,462,348	- - - - - - - -
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease Total-ALN 93.918	93.918	H76HA00128-31 H76HA00128-30 H7CHA37097-01-00	1/1/22 to 12/31/22 1/1/21 to 12/31/21 4/1/20 to 3/31/22	144,065 623,568 71,340 838,973	- - - -
Maternal Opioid Misuse Model Total-ALN 93.687	93.687	2A2CMS331766-01-00 2A2CMS331766-01-00	1/1/22 to 12/31/22 1/1/21 to 12/31/21	86,125 514,883 601,008	- - -
Opioid STR Total Direct U.S. Department of Health and Human Services	93.788	HHS001062800003 HHS000909700002	10/1/21 to 9/30/22 9/1/20 to 9/30/21	232,019 296,393 528,412 166,788,793	- - - -
<i>Passed Through Harris County Public Health Department:</i>					
HIV Emergency Relief Project Grants	93.914	GEN0216	3/1/21 to 2/28/22	7,920,176	-
<i>Passed Through the Univ of Texas MD Anderson Cancer Center Research and Development Cluster</i>					
Cancer Treatment Research	93.395	3MU1 AI068619	9/1/21 to 8/31/22	21,590	-

**Harris County Hospital District  
d/b/a Harris Health System  
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Schedule of Expenditures of Federal and State Awards (Continued)  
Year Ended February 28, 2022**

Federal Grantor/Passthrough Grantor/State Grantor/Federal Program Title	Assistance Listing Number	Grantor Number	Grant Period	Expenditures	Amount Paid to Subrecipients
<i>Passed Through City of Houston:</i>					
HIV Prevention Activities – Health Department Based	93.940	C20-002-22	1/1/22 to 12/31/22	37,653	-
		C20-002-21	1/1/21 to 12/31/21	255,236	-
				<u>292,889</u>	-
<i>Passed Through Texas Department of State Health Services</i>					
HIV Prevention Activities – Health Department Based	93.940	HHS000322300001	1/1/21 to 12/31/21	144,395	-
Total-ALN 93.940				<u>437,284</u>	-
Sexually Transmitted Diseases (STD) Prevention and Control Grants	93.977	HHS000322300001	1/1/21 to 12/31/21	109,083	-
Temporary Assistance for Needy Families	93.558	HHS0007346000039	9/1/20 to 8/31/21	98,816	-
Cancer Prevention & Control Program for State, Territorial and Tribal Organizations (Fee-for-Service)	93.898	HHS 000734600039	9/1/20 to 8/31/21	427,636	-
<i>Passed Through Texas Health &amp; Human Services Commission</i>					
Cancer Prevention & Control Program for State, Territorial and Tribal Organizations (Fee-for-Service)	93.898	HHS 000734600039	9/1/21 to 8/31/22	391,261	-
Total-ALN 93.898				<u>818,897</u>	-
Maternal and Child Health Services Block Grant to the States (Fee-for-Service)	93.994	529-17-0023-00037A	9/1/20 to 8/31/21	65,764	-
		529-17-0023-00037A	9/1/21 to 8/31/22	81,821	-
Total-ALN 93.994				<u>147,585</u>	-
<i>Passed Through The University of Texas Health Science Center at Houston</i>					
Research and Development Cluster Drug Abuse and Addiction Research Programs	93.279		6/1/20 to 5/31/21	13,464	-
<i>Passed Through Baylor College of Medicine</i>					
HIV-Related Training and Technical Assistance	93.145	U10HA29290	7/1/21 to 6/30/22	12,517	-
		U10HA29290	7/1/20 to 6/30/21	9,941	-
Total-ALN 93.145				<u>22,458</u>	-
<i>Passed Through Baylor College of Medicine</i>					
Research and Development Cluster Minority Health and Health Disparities Research	93.307	1 H8FCS40542-01	1/1/21 to 12/31/21	240,572	-
		1 H8FCS40542-01	1/1/22 to 12/31/22	38,992	-
Total-ALN 93.307				<u>279,564</u>	-
Total U.S. Department of Health and Human Services				<u>176,657,710</u>	-

**Harris County Hospital District  
d/b/a Harris Health System  
(A Component Unit of Harris County, Texas)  
Schedule of Expenditures of Federal and State Awards (Continued)  
Year Ended February 28, 2022**

Federal Grantor/Passthrough Grantor/State Grantor/Federal Program Title	Assistance Listing Number	Grantor Number	Grant Period	Expenditures	Amount Paid to Subrecipients
U.S. Department of Homeland Security					
<i>Passed through the Texas Department of Public Safety</i>					
Disaster Grants-Public Assistance (Presidentially Declared Disasters)	97.036	DR-4332	8/23/17 to 8/22/20	5,477,153	-
Total U.S. Department of Homeland Security				5,477,153	-
U.S. Department of Justice					
<i>Passed through the City of Houston</i>					
Crime Victim Assistance	16.575	2016-VA-GX-0033	10/1/21 to 9/30/22	37,007	-
		2016-VA-GX-0033	10/1/20 to 9/30/21	43,054	-
				80,061	-
<i>Passed through the Office of the Texas Governor</i>					
Crime Victim Assistance	16.575	4092601	10/1/20 to 9/30/21	11,019	-
Total-ALN 16.575				91,080	-
Total U.S. Department of Justice				91,080	-
Total Expenditures of Federal Awards				\$ 182,225,943	\$ -

**Harris County Hospital District  
d/b/a Harris Health System  
(A Component Unit of Harris County, Texas)  
Schedule of Expenditures of Federal and State Awards (Continued)  
Year Ended February 28, 2022**

Federal Grantor/Passthrough Grantor/ State Grantor/Federal Program Title	Grantor Number	Grant Period	Expenditures	Amount Paid to Subrecipients
Office of the Texas Governor				
Enhancement of a Community SAFE-Ready Facility	3942103	9/1/21 to 8/31/22	\$ 1,098	\$ -
	3942102	9/1/20 to 8/31/21	8,907	-
Total-Enhancement of a Community SAFE-Ready Facility			<u>10,005</u>	<u>-</u>
Texas Department of State Health Services				
TB-Prevention and Control – Hospitals (Fee-for-Service)	HHS000454800001	9/1/20 to 8/31/21	5,320	-
	HHS000454800001	9/1/21 to 8/31/22	1,540	-
Total-TB-Prevention and Control – Hospitals			<u>6,860</u>	<u>-</u>
ACS Epilepsy Program	HHS000701500003	9/1/21 to 8/31/22	77,174	-
	HHS000701500003	9/1/20 to 8/31/21	73,913	-
Total-ACS Epilepsy Program			<u>151,087</u>	<u>-</u>
AIDS Drug Assistance Program Eligibility	18HHS00SS-R	4/1/21 to 3/31/22	132,678	-
	19HHS00SS-R	4/1/20 to 3/31/21	25,743	-
Total - AIDS Drug Assistance Program Eligibility			<u>158,421</u>	<u>-</u>
Total Texas Department of State Health Services			<u>316,368</u>	<u>-</u>
Title V Fee for Service Prenatal Medical and Dental Grant Program	HHS000588100007	9/1/20 to 8/31/21	3,122	-
	HHS000136500015	9/1/21 to 8/31/22	22,049	-
Total-Title V Fee for Service Prenatal Medical and Dental Grant Program			<u>25,171</u>	<u>-</u>
Family Planning Grant Program (Fee-for-Service)	HHS000734600039	9/1/21 to 8/31/22	1,038,521	-
	HHS000734600039	9/1/20 to 8/31/21	1,023,255	-
Total Family Planning Grant Program			<u>2,061,776</u>	<u>-</u>
Healthy Texas Women's Grant Program	HHS000734600039	9/1/21 to 8/31/22	30,968	-
	HHS000734600039	9/1/20 to 8/31/21	25,149	-
Total Healthy Texas Women's Grant Program			<u>56,117</u>	<u>-</u>
Breast & Cervical Cancer Control Program (Fee-for -Service)	HHS000734600039	9/1/21 to 8/31/22	201,367	-
Total Texas Health and Human Services Commission			<u>2,344,431</u>	<u>-</u>

**Harris County Hospital District  
d/b/a Harris Health System  
(A Component Unit of Harris County, Texas)  
Schedule of Expenditures of Federal and State Awards (Continued)  
Year Ended February 28, 2022**

Federal Grantor/Passthrough Grantor/ State Grantor/Federal Program Title	Grantor Number	Grant Period	Expenditures	Amount Paid to Subrecipients
Cancer Prevention and Research Institute of Texas <i>Passed through Baylor College of Medicine</i>				
Colorectal Screening and Follow-up Among an Urban Medically Underserved Population	PP170094	8/31/20 to 8/31/21	51,982	-
Prevent HCC - through Screening, Vaccination, and Treatment of Viral Hepatitis	PP160079 PP160089	3/1/20 to 2/28/22 8/31/16 to 4/30/21	16,205 6,405	- -
Total Prevent HCC			22,610	-
Expanding a Community Network for Cancer Prevention to Increase HPV Vaccine Uptake and Tobacco Prevention in a Medically Underserved Pediatric Population				
	PP190051	8/31/21 to 8/30/22	61,274	-
	PP190051	8/31/20 to 8/31/21	122,224	-
Total Expanding HPV Vaccine and Tobacco Prevention Program			183,498	-
Community Network for Cancer Prevention to Improve Cervical and Colorectal Screening and Follow-up Among an Urban Medically Underserved Population				
	PP170094	8/31/21 to 8/30/22	101,088	-
	PP210007	8/31/18 to 8/30/22	58,334	-
Total Cervical Cancer and Colorectal Screening Program			159,422	-
Total Cancer Prevention and Research Institute of Texas			417,512	-
Total Expenditures of State Awards			3,088,316	-
Total Expenditures of Federal and State Awards			\$ 185,314,259	\$ -

**Harris County Hospital District,  
d/b/a Harris Health System  
(A Component Unit of Harris County, Texas)**

**Notes to the Schedule of Expenditures of Federal and State Awards  
Year Ended February 28, 2022**

**Note 1: Basis of Presentation**

The accompanying schedule of expenditures of federal and state awards (Schedule) includes the federal and state award activity of Harris County Hospital District, d/b/a Harris Health System (System) under programs of the federal and state of Texas governments for the year ended February 28, 2022. The information in this Schedule is presented in accordance with the requirements of the 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 State of Texas *Uniform Grant Management Standards* (UGMS). Because the Schedule presents only a selected portion of the operations of the System, it is not intended to and does not present the financial position, changes in net position or cash flows of the System.

**Note 2: Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles contained Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* or UGMS, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

**Note 3: Indirect Cost Rate**

The System has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

**Note 4: Federal Loan Programs**

The System did not have any federal or state loan programs during the year ended February 28, 2022.

**Harris County Hospital District,  
d/b/a Harris Health System  
(A Component Unit of Harris County, Texas)**

**Notes to the Schedule of Expenditures of Federal and State Awards (Continued)  
Year Ended February 28, 2022**

**Note 5: Donated PPE (unaudited)**

The System received donated PPE during the year with an approximate fair value of \$172,900.

**Note 6: FEMA Expenditures**

Non-federal entities must record expenditures for Federal Emergency Agency (FEMA) projects on the Schedule when: 1) FEMA has approved the non-federal entity's project worksheet and, 2) the non-federal entity has incurred the eligible expenditures. The 2022 expenditures for Federal Assistance Listing Number 97.036 include \$5,477,153 of expenditures that were incurred by the System prior to fiscal year 2022 that the project worksheet was approved in fiscal year 2022.



14241 Dallas Parkway, Suite 1100 / Dallas, TX 75254

P 972.702.8262 / F 912.702.6073

[forvis.com](http://forvis.com)

## **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***

### **Independent Auditor's Report**

Board of Trustees  
Harris County Hospital District,  
d/b/a Harris Health System  
Houston, Texas

We have audited, 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, the financial statements of the business-type activities and the aggregate discretely presented component units of Harris County Hospital District, d/b/a Harris Health System (System), a component unit of Harris County, Texas, as of and for the year ended February 28, 2022, and the related notes to the financial statements, which collectively comprise the System's basic financial statements, and have issued our report thereon dated June 23, 2022. Our report includes reference to other auditors who audited the financial statements of Harris County Hospital District Foundation, as described in our report on the System's financial statements. The financial statements of the Harris County Hospital District Foundation, Community Health Choice, Inc. and Community Health Choice Texas, Inc., the discretely presented component units included in the System's financial statements, were not audited in accordance with *Government Auditing Standards* and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with these discretely presented component units.

#### ***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the System's internal control over financial reporting (internal control) as a basis for designing 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 System's internal control. Accordingly, we do not express an opinion on the effectiveness of the System'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 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 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 were not identified.

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the System'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 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.

**FORVIS,LLP**

Dallas, Texas  
June 23, 2022



14241 Dallas Parkway, Suite 1100 / Dallas, TX 75254

P 972.702.8262 / F 912.702.6073

[forvis.com](http://forvis.com)

**Report on Compliance for Each Major Federal and State Program; Report on Internal Control over Compliance; and Report on Schedule of Expenditures of Federal and State Awards Required by the Uniform Guidance and the State of Texas *Uniform Grant Management Standards***

**Independent Auditor's Report**

Board of Trustees  
Harris County Hospital District,  
d/b/a Harris Health System  
Houston, Texas

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

***Opinion on Each Major Federal Program***

We have audited Harris County Hospital District, d/b/a Harris Health System's (System) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* and the State of Texas *Uniform Grant Management Standards* (UGMS) that could have a direct and material effect on each of the System's major federal and state programs for the year ended February 28, 2022. The System'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 System complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended February 28, 2022.

***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 UGMS. Our responsibilities under those standards, the Uniform Guidance and UGMS 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 System 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 each major federal and state program. Our audit does not provide a legal determination of the System's compliance with the compliance requirements referred to above.

***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 System'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 System'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 UGMS 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 System'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 UGMS, 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 System'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 System'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 UGMS, but not for the purpose of expressing an opinion on the effectiveness of the System'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.

### ***Other Matters***

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2022-001. Our opinion on each major federal program is not modified with respect to this matter.

*Government Auditing Standards* requires the auditor to perform limited procedures on the System's response to the noncompliance finding identified in our audit described in the accompanying schedule of findings and questioned costs. The System's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response. The System is responsible for preparing a corrective action plan to address the audit finding included in our auditor's report. The System's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

## **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 or 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 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 “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 UGMS. 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 UGMS***

We have audited the financial statements of the business type activities and the aggregate discretely presented component units of the System as of and for the year ended February 28, 2022, and the related notes to the financial statements, which collectively comprise the System’s basic financial statements. We issued our report thereon dated June 23, 2022, which contained unmodified opinions on those financial statements. Our audits were performed 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 UGMS 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 audits of the basic 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 financial statements as a whole.

**FORVIS, LLP**

June 23, 2022  
Dallas, Texas

**Harris County Hospital District,  
d/b/a Harris Health System  
(A Component Unit of Harris County, Texas)  
Schedule of Findings and Questioned Costs (Continued)  
Year Ended February 28, 2022**

**Section I – Summary of Auditor's Results**

*Financial Statements*

1. Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified       Qualified       Adverse       Disclaimer

2. Internal control over financial reporting:

Significant deficiency(ies) identified?       Yes       None reported

Material weakness(es) identified?       Yes       No

3. Noncompliance material to the financial statements noted?       Yes       No

***Federal and State Awards***

4. Internal control over major federal and state awards programs:

Significant deficiency(ies) identified?       Yes       None reported

Material weakness(es) identified?       Yes       No

5. Type of auditor's report issued on compliance for major federal and state award programs:

Unmodified       Qualified       Adverse       Disclaimer

6. Any audit findings disclosed that are required to be reported by 2 CFR 200.516(a)?       Yes       No

7. Any audit findings disclosed that are required to be reported by UGMS?       Yes       No

**Harris County Hospital District,  
d/b/a Harris Health System  
(A Component Unit of Harris County, Texas)  
Schedule of Findings and Questioned Costs (Continued)  
Year Ended February 28, 2022**

8. Identification of major federal and state programs:

Cluster/Program	Assistance Listing Number
COVID-19 HRSA COVID-19 Claims Reimbursement for the Uninsured Program and the COVID-19 Coverage Assistance Fund [Federal]	93.461
HIV Emergency Relief Project Grants	93.914
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036
COVID-19 Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution	93.498
Family Planning Grant Program [State]	State

9. The threshold used to distinguish between Type A and Type B federal programs: \$3,000,000.

10. The threshold used to distinguish between Type A and Type B state programs: \$300,000.

11. Auditee qualified as a low-risk auditee?  Yes  No

**Section II – Financial Statement Findings**

Reference Number	Finding
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No matters are reportable.

**Harris County Hospital District,  
d/b/a Harris Health System  
(A Component Unit of Harris County, Texas)  
Schedule of Findings and Questioned Costs (Continued)  
Year Ended February 28, 2022**

**Section III – Federal Award Findings and Questioned Costs**

<b>Reference Number</b>	<b>Finding</b>
2022-001	<p>COVID-19 Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution</p> <p style="text-align: center;">ALN 93.498</p> <p style="text-align: center;">U.S. Department of Health and Human Services</p> <p style="text-align: center;">Period 1 Distribution</p> <p>Criteria or specific requirement – Activities Allowed or Unallowed – Law (Pub. L. No 116-136, 134 Stat. 563 and Pub. L. No 116-139, 134 Stat. 622 and 623); Allowable Costs/Cost Principles – Charges to PRF must be necessary, reasonable, accorded consistent treatment, and conform to the limitations and exclusions of the terms and conditions of the award; and Reporting – Provider Relief Fund Portal</p> <p>Condition – The System’s records reflected an invoice in the total other PRF expenses of \$1,040, but the supporting invoice and payment support was for \$225.</p> <p>Questioned costs - \$815</p> <p>Context – Out of a population of 3,780 other PRF expenses reported in the PRF Reporting Portal, a sample of 40 was selected for testing. Our sample was not, and was not intended to be, statistically valid. Support for one expense was less than what was reflected in the System’s records.</p> <p>Effect – Other PRF expenses were overstated.</p> <p>Cause – A purchase order was improperly marked in the system as fully received, resulting in the full amount being accrued when only part of the invoice had been received.</p> <p>Identification as a repeat finding, if applicable – N/A</p> <p>Recommendation – We recommend the System’s controls be updated to ensure there is full support for all amounts charged to grants.</p> <p>Views of responsible officials and planned corrective actions – Management agrees with this finding and will review procedures regarding receipt accruals for purchase orders to ensure only amounts received are receipted into the system.</p>

**Harris County Hospital District,  
d/b/a Harris Health System  
(A Component Unit of Harris County, Texas)  
Schedule of Findings and Questioned Costs (Continued)  
Year Ended February 28, 2022**

**Section IV – State Award Findings and Questioned Costs**

<b>Reference Number</b>	<b>Finding</b>
No matters are reportable.	

**Harris County Hospital District,  
d/b/a Harris Health System  
(A Component Unit of Harris County, Texas)**

**Summary Schedule of Prior Audit Findings  
Year Ended February 28, 2022**

<b>Reference Number</b>	<b>Summary of Finding</b>	<b>Status</b>
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No matters are reportable.