



**CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY**

Single Audit Report  
Year Ended June 30, 2011

(With Independent Auditors' Report Thereon)

**Independent Auditors' 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***

To the Board of Directors  
Central Texas Regional Mobility Authority:

We have audited the financial statements of Central Texas Regional Mobility Authority (Authority) as of and for the year ended June 30, 2011, and have issued our report thereon dated October 26, 2011. We conducted our 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 our audit, we considered the Authority's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over financial reporting.

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.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

**Compliance and Other Matters**

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

This report is intended solely for the information and use of management and Board of Directors of Central Texas Regional Mobility Authority 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.

**PMB HELIN DONOVAN, LLP**

*PMB Helin Donovan, LLP*

October 26, 2011

**Independent Auditors' Report on Compliance with Requirements  
That Could have a Direct and Material Effect on Each Major Program and on  
Internal Control Over Compliance in Accordance with OMB Circular A-133 and  
Schedule of Expenditures of Federal Awards**

To the Board of Directors  
Central Texas Regional Mobility Authority:

**Compliance**

We have audited the compliance of Central Texas Regional Mobility Authority (Authority) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended June 30, 2011. The Authority'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 its major federal program is the responsibility of the Authority's management. Our responsibility is to express an opinion on the Authority's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Authority's compliance with those requirements.

In our opinion, the Authority 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 June 30, 2011.

**Internal Control Over Compliance**

Management of the Authority 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 our audit, we considered the Authority's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be *material weaknesses*, as defined above.

### **Schedule of Expenditures of Federal Awards**

We have audited the financial statements as of and for the year ended June 30, 2011, and have issued our report thereon dated October 26, 2011. Our audit was performed for the purpose of forming an opinion on the combined financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the OMB Circular A-133 and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation the financial statements taken as a whole.

This report is intended solely for the information and use of management and Board of Directors of Central Texas Regional Mobility Authority, 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.

**PMB HELIN DONOVAN, LLP**

*PMB Helin Donovan, LLP*

October 26, 2011

**Central Texas Regional Mobility Authority**  
 Schedule of Expenditures of Federal Awards  
 Year Ended June 30, 2011

<u>Federal Grantor / Pass-Through Grantor / Program or Cluster Title</u>	<u>CFDA</u>	<u>Grant Award Number</u>	<u>Federal Expenditures</u>
<b>Highway Planning and Construction Cluster</b>			
<b>U.S. Department of Transportation</b>			
<i>Pass Through from Texas Department of Transportation</i>			
Highway Planning and Construction-ARRA	20.205	CSJ 0114-02-090	\$ 31,107,686
Highway Planning and Construction-ARRA	20.205	CSJ 0914-00-305	927,920
Highway Planning and Construction-ARRA	20.205	CSJ 0114-02-053	20,292,522
Highway Planning and Construction	20.205	CSJ 9001-14-013	<u>718,619</u>
<b>Total Federal Expenditures</b>			<u><u>\$ 53,046,747</u></u>

See accompanying notes to the schedule of expenditures of federal awards.

**CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY**

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2011

**(1) Summary of Significant Accounting Policies**

**(a) Reporting Entity**

The Schedule of Expenditures of Federal Awards (the "Schedule") includes the activity of all federal loan programs administered by Central Texas Regional Mobility Authority (the "Authority"). The Authority's organization is defined in Note 1 of the Authority's basic financial statements.

**(b) Basis of Presentation**

The Schedule presents total federal awards expended for each individual program in accordance with the OMB A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

**(c) Basis of Accounting**

The expenditures for each of the federal financial assistance programs are presented on the accrual basis of accounting, which is defined in Note 1 of the Authority's basic financial statements.

**(2) Relationship to Federal Financial Reports**

The amounts reported in the financial reports agree with the amounts reported in the accompanying Schedule which is prepared on the basis explained in Note 1 of the Authority's financial statements.

**CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY**  
 Schedule of Findings and Questioned Costs  
 Year Ended June 30, 2011

**Section I - Summary of Auditors' Results**

**A Financial Statements**

Type of auditors' report issued:	<b>Unqualified opinion</b>
Internal control over financial reporting:	
<ul style="list-style-type: none"> <li>• Material weakness(es) identified? <span style="float: right;"><b>No</b></span></li> <li>• Significant deficiency(ies) identified that are not considered to be material weaknesses? <span style="float: right;"><b>None reported</b></span></li> </ul>	
Noncompliance material to financial statements noted?	<b>No</b>

**B. Federal Awards**

Internal control over compliance:	
<ul style="list-style-type: none"> <li>• Material weakness(es) identified? <span style="float: right;"><b>No</b></span></li> <li>• Significant deficiency(ies) identified that are not considered to be material weaknesses? <span style="float: right;"><b>None reported</b></span></li> </ul>	
Type of auditors' report issued on compliance for major programs:	<b>Unqualified</b>
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	<b>No</b>

Identification of major federal programs:

<b>CFDA Number</b>	<b>Name of Federal Program or Cluster</b>
20.205	Highway Planning and Construction Cluster

Dollar threshold used to distinguish programs:	<b>\$1,591,402</b>
Auditee qualified as low-risk auditee:	<b>No</b>

**CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY**  
Schedule of Findings and Questioned Costs  
Year Ended June 30, 2011

**Section II - Financial Statement Findings**

None reported

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

None reported

**Section IV – Summary Schedule of Prior Audit Findings**

None reported