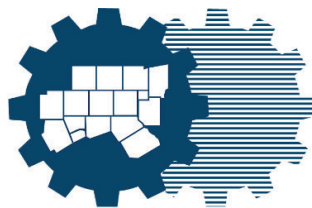




FEDERAL FINANCIAL ASSISTANCE REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2025



**North Central Texas
Council of Governments**

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS

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**INDEPENDENT AUDITOR'S 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 Executive Board
North Central Texas Council of Governments
Arlington, 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 governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the North Central Texas Council of Governments (the "Council"), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements, and have issued our report thereon dated February 9, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Council'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 Council's internal control. Accordingly, we do not express an opinion on the effectiveness of the Council'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 Council'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 Council'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*.

OFFICE LOCATIONS

TEXAS | Waco | Temple | Hillsboro | Houston
NEW MEXICO | Albuquerque

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 Council'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 Council's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
February 9, 2026



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

To the Executive Board
North Central Texas Council of Governments
Arlington, Texas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Program

We have audited North Central Texas Council of Governments' (the "Council") compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the Council's major federal programs for the year ended September 30, 2025. The Council's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

The Council's financial statements include the operations of the North Central Texas Emergency Communications District (the "District"), a discretely presented component unit, which expended \$2,476,767 in federal awards that is not included in the Council's schedule of expenditures of federal awards for the year ended September 30, 2025. Our compliance audit, described below, did not include the operations of the District because a separate single audit is performed on the District.

In our opinion, the Council complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2025.

Basis for Opinion on Each Major Federal 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, and 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). Our responsibilities under those standards and the Uniform Guidance 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 Council 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 program. Our audit does not provide a legal determination of the Council's compliance with the compliance requirements referred to above.

OFFICE LOCATIONS

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NEW MEXICO | Albuquerque

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 Council's federal 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 Council'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*, and the Uniform Guidance 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 Council's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, 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 Council'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 Council'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, but not for the purpose of expressing an opinion on the effectiveness of the Council'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 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. 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 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. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We 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 the Council, as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements. We issued our report thereon, dated February 9, 2026, 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 schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance 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 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 awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
February 9, 2026

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2025

Federal Grantor / Pass-through Grantor / Program or Cluster Title	NCTCOG Grant Number	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Agriculture					
Passed through the Texas Workforce Commission:					
SNAP - 2025	0800925	10.561	0425SNE001	\$ 240,293	\$ 225,293
<i>Total SNAP Cluster</i>				240,293	225,293
<i>Total Texas Workforce Commission</i>				240,293	225,293
Total U.S. Department of Agriculture				240,293	225,293
U.S. Department of Commerce					
Direct Programs:					
EDA CEDS - Planning 2024	0100008	11.302	ED24AUS0G0272	167,970	-
<i>Total Direct Programs</i>				167,970	-
Total U.S. Department of Commerce				167,970	-
U.S. Department of Defense					
Direct Programs:					
Agile Curriculum Program	0790003	12.617	HQ00052110055	224,491	22,368
<i>Total Direct Programs</i>				224,491	22,368
Total U.S. Department of Defense				224,491	22,368
U.S. Department of Housing and Urban Development					
Passed through the Texas Department Agriculture:					
TDA - CEDAF	0667125	14.228	CEDAF24-07	21,576	-
<i>Total Texas Department Agriculture</i>				21,576	-
Passed through the Texas General Land Office:					
CDBG Mitigation	0668351	14.228	24-145-000-E514	2,178,258	358,643
<i>Total Texas General Land Office</i>				2,178,258	358,643
<i>Total 14.228</i>				2,199,834	358,643
Total U.S. Department of Housing and Urban Development				2,199,834	358,643
U.S. Department of Labor					
Passed through the Texas Workforce Commission:					
WIOA Dislocated Worker-2025	800825	17.278	0424WOD001	6,035,471	4,452,232
WIOA Youth-2025	800625	17.259	0424WOY001	5,517,837	4,211,311
WIOA Adult-2025	800725	17.258	0424WOA001	5,105,183	4,051,102
WIOA Dislocated Worker-2024	800824	17.278	0423WOD001	843,955	516,282
WIOA Adult-2024	800724	17.258	0423WOA001	838,648	553,608
WIOA Youth-2026	800626	17.259	0425WOY001	458,334	394,053
WIOA Adult-2026	800726	17.258	0425WOA001	296,969	222,852
Teacher Externship 25	802025	17.278	0425EXT001	160,350	10,000
WIOA Youth-2024	800624	17.259	0423WOY001	102,121	-
Registered Apprenticeship	804524	17.278	0424BSA001	86,200	-
Workforce Innovation Fund	804425	17.278	0425WIF001	47,808	-
Rapid Response 2025	801425	17.278	0424WOR001	41,559	35,530
Rapid Response 2026	801426	17.278	0425WOR001	25,259	20,926
Teacher Externship 24	802024	17.258	0424EXT001	8,483	-
<i>Total WIOA Cluster</i>				19,568,177	14,467,896
REA-2024	0803324	17.225	0424REA001	326,842	326,842
REA-2025	0803325	17.225	0425REA001	1,982,436	1,423,297
<i>Total 17.225</i>				2,309,278	1,750,139
TAA-2024	0802124	17.245	0424TRA001	(3,018)	(3,018)
TAA-2025	0802125	17.245	0425TRA001	730	8
<i>Total 17.245</i>				(2,288)	(3,010)

The accompanying notes are an integral part of this schedule.

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2025

Federal Grantor / Pass-through Grantor / Program or Cluster Title	NCTCOG Grant Number	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Labor (continued)					
Passed through the Texas Workforce Commission (continued):					
RAG ES-2024	0801924	17.207	0424WPA001	\$ 243,276	\$ 67,566
RAG ES-2025	0801925	17.207	0425WPA001	261,781	-
WCI 2025	0803425	17.207	0425WCI001	43,603	-
TWC RAG ISAMS-2025	0801725	17.207	0425RAG001	7,409	-
Veteran Resource-2025	0802225	17.801	0425TVC001	102,675	1,294
<i>Total Employment Service Cluster</i>				658,744	68,860
TWC RAG ISAMS-2025	0801725	17.273	0425RAG001	1,883	-
APPRENTICE TX EXPAN 23	0804823	17.285	0422ATG001	267,127	-
<i>Total Texas Workforce Commission</i>				22,802,921	16,283,885
Total U.S. Department of Labor				22,802,921	16,283,885
U.S. Department of Transportation					
Passed through the Texas Department of Transportation:					
TPF-2025	07D1Y25	20.205	50-25XF0006	14,171,805	29,015
Regional Air Quality Initiative	783158	20.205	2025064	2,086,187	-
Land Use Transportation	783157	20.205	2B24485	1,663,967	-
Regional Rail Information	783117	20.205	STP 2022(223)MM	1,460,117	-
Auto Occupancy 24	783156	20.205	STP 2B24(318)MM	1,371,451	-
Air Quality Public Education	783141	20.205	2025168	1,248,951	-
Integrated Transportation	783123	20.205	STP 2022(521) MM	1,051,234	148,974
Regional Goods Movement	783152	20.205	2B24240	1,045,637	-
Region ETR	783154	20.205	STP 2B24 (182)MM	871,994	-
DFW Freight Optimization	783121	20.205	2022554	849,973	-
Regional Safety Program	783162	20.205	2B24457	824,123	-
RTMS	783161	20.205	STP 2B24 (286)MM	816,484	-
Oak Farms Regional Corridor	783122	20.205	STP 2022(596) MM	799,092	-
Regional Geospatial Imaging	783163	20.205	STP 2025(069)MM	775,926	-
Travel Survey & Data Collection	783130	20.205	STP 2023 (332) MM	692,657	-
Revenue And Project Tracking	783150	20.205	STP 2B24(442)MM	566,565	-
Transportation Technical	783159	20.205	STP 2B24(473)MM	496,207	-
RTSRP FY24	782044	20.205	CM 2B24 (461)MM	401,207	-
Planning & Streamlined PR	783149	20.205	2024709	330,186	-
Special Event Management	783139	20.205	STP 2024(524)MM	256,796	-
Go Carma US 75	785001	20.205	F 2023 (531)	238,581	140,469
Travel Survey Data Collection	783151	20.205	STP 2B24(284)MM	234,722	-
Regional Data Hub Dfw	783133	20.205	STP 2B23 (033)MM	195,760	-
Grand Ave Travel Forecast	783140	20.205	STP 2024(514)MM	168,854	-
Regional Parking Management	783146	20.205	2024761	157,803	-
Regional Aerial Photography	783135	20.205	STP 2B23(277)MM	153,913	-
Program Oversight Coordination	783160	20.205	2B24480	112,387	-
Air Quality Initiatives	783167	20.205	2026039	109,110	-
Input Output Eco Model	783148	20.205	STP 2024(800)MM	96,960	-
High Speed Auto Vehicle	783129	20.205	2023271	88,584	-
511DFW FY23	783134	20.205	F 2B23(200)	78,515	-
Pavement Condition On RTC	783137	20.205	STP 2024 (091)MM	74,663	-
DFW Regional Safety	783143	20.205	2024760	73,592	-
Park Row Historic District	783147	20.205	2024752	55,647	-
Mckinney Line Passenger R	783164	20.205	2B24492	49,604	-
Region Wide Assistance Project	783144	20.205	2024715	19,872	9,792
Regional Goods Movement	783127	20.205	2023293	11,754	-
Automated Transportation	783165	20.205	STP 2B25(013)MM	5,294	-

The accompanying notes are an integral part of this schedule.

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2025

Federal Grantor / Pass-through Grantor / Program or Cluster Title	NCTCOG Grant Number	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
U.S. Department Of Transportation (continued)					
Passed Through The Texas Department Of Transportation (continued):					
Eng For Pass Rail Roadway	783142	20.205	STP 2024(494)MM	\$ 3,641	\$ -
Traffic Signal Retiming	782045	20.205	CM 2025(985)	1,378	-
Engineering For Passenger	783155	20.205	STP 2B24(434)MM	1,348	-
Las Colinas Automated Transportation	783153	20.205	STP 2B24 (474)MM	1,230	-
DFW AV Work Zone	783166	20.205	STP 2025(991)MM	472	-
TPF-2026	07D1Y26	20.205	601CT0000038502	<u>30,363</u>	<u>30,363</u>
<i>Total Texas Department of Transportation</i>				<u>33,744,606</u>	<u>358,613</u>
Direct Programs:					
CFI Community NTX-EEVI	07FHA03	20.205	693JJ32540004	735,672	-
EVC-RAA EV Infrastructure	07FHA02	20.205	693JJ32440835	89,612	-
CFI Corridor NTX-HEFTI	07FHA04	20.205	693JJ32540013	<u>5,801</u>	<u>-</u>
<i>Total 20.205</i>				<u>34,575,691</u>	<u>358,613</u>
FTA 5307 FY 2019	0711Y19	20.507	TX-2020-122-00	2,110,390	2,099,188
FTA 5307 FY 2023	0711Y23	20.507	TX-2025-002-00	2,096,382	1,055,641
DFW Core Express	710002	20.507	TX-2020-086-00	1,557,855	-
FTA 5307 FY 2020	0711Y20	20.507	TX-2021-051-00	1,162,442	1,144,593
FTA 5307 FY 2021	0711Y21	20.507	TX-2023-022-00	955,513	955,513
FTA 5339 FY2021	0719Y21	20.526	TX-2024-019-00	672,037	600,355
FTA 5307 FY 2022	0711Y22	20.507	TX-2024-032-00	588,574	102,552
FTA 5339 FY2022	0719Y22	20.526	TX-2025-102-00	514,140	500,000
FTA 5307 FY 2024	0711Y24	20.507	TX-2025-138-00	301,976	301,976
Tod Pilot Silver Line	714002	20.500	TX-2022-060-00	141,021	-
FTA 5307 FY 2017	0711Y17	20.507	TX-2017-058-00	111,717	111,717
COVID-19 - FY2020 CARES Act Op. Assistance	071C001	20.507	TX-2020-087-00	99,316	89,496
FTA 5307 FY 2018	0711Y18	20.507	TX-2019-034-00	98,915	98,915
FY2018 Lapsing 5307 Funds	071118B	20.507	TX-2023-080-00	72,409	-
Regional Vanpool Program	071F001	20.507	TX-2024-051-00	13,218	-
FTA 5307 FY 2016	071116A	20.507	TX-2016-033-00	<u>7,837</u>	<u>7,837</u>
<i>Total Federal Transit Cluster</i>				<u>10,503,742</u>	<u>7,067,783</u>
FTA 5310 FY2022	0718Y22	20.513	TX-2024-010-00	707,717	537,913
FTA FY19 5310	0718Y19	20.513	TX-2020-080-00	520,876	520,876
FTA 5310 FY2021	0718Y21	20.513	TX-2022-078-00	271,606	271,606
FTA - 5310 FY2017	0718Y17	20.513	TX-2017-073-02	259,541	259,541
FTA 5310 FY2018	0718Y18	20.513	TX-2019-027-00	210,763	210,763
FTA 5310 FY2023	0718Y23	20.513	TX-2025-111-00	55,818	-
FTA 5310 FY2020	0718Y20	20.513	TX-2021-036-00	<u>47,559</u>	<u>47,559</u>
<i>Total Transit Services Programs Cluster</i>				<u>2,073,880</u>	<u>1,848,258</u>
Fort Worth to Houston HIG	07FRA01	20.326	69A36524520470FSPTX	35,361	-
Areas of Persistent Poverty Program	071E001	20.505	TX-2023-090-00	70,952	-
PTS Emergency Relief 5324	071G001	20.527	TX-2025-011-00	64,286	64,286
FY23 Safe Streets and ROA	07FHA01	20.939	693JJ32440392	<u>989,303</u>	<u>-</u>
<i>Total Direct Programs</i>				<u>14,568,609</u>	<u>8,980,327</u>
Total U.S. Department of Transportation				<u>48,313,215</u>	<u>9,338,940</u>

The accompanying notes are an integral part of this schedule.

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2025

Federal Grantor / Pass-through Grantor / Program or Cluster Title	NCTCOG Grant Number	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
U.S. Environmental Protection Agency					
Direct Programs:					
DERA 2020 - NTX Emissions	0721013	66.039	DE-01F88301-0	\$ 5,645	\$ -
DERA 2019 - NTX Emissions	0721012	66.039	DE-01F68301-1	422,235	414,438
DERA 2023 - NTX Emissions	0721015	66.039	DE-02F58201-0	2,382	-
<i>Total 66.039</i>				<u>430,262</u>	<u>414,438</u>
EPA CLIMATE Pollution Reduction	0721014	66.046	5D02F39201	172,768	-
<i>Total Direct Programs</i>				<u>603,030</u>	<u>414,438</u>
Passed through the Texas Commission on Environmental Quality:					
Water Quality Management Planning	0667025	66.454	582-25-00044	68,081	-
Water Quality Management Planning	0667024	66.456	582-24-50307	132,331	-
SWIFR 2025	0658725	66.920	582-25-00037	59,175	-
<i>Total Texas Commission on Environmental Quality</i>				<u>259,587</u>	<u>-</u>
Total U.S. Environmental Protection Agency				<u>862,617</u>	<u>414,438</u>
U.S. Department of Energy					
Direct Programs:					
EV Resiliency Plan	0740026	81.086	DE-EE0011235	83,771	-
NETL CC Coalition Network	0740021	81.086	DE-EE0010582	42,305	-
<i>Total Direct Programs</i>				<u>126,076</u>	<u>-</u>
Passed through the City of Arlington, Texas:					
FY22 DOE Vehicle Technology	0740023	81.086	DE-EE0010635	56,333	-
<i>Total City of Arlington, Texas</i>				<u>56,333</u>	<u>-</u>
Passed through the Louisiana Clean Fuels:					
GUMBO	0740024	81.086	DE-EE0010629	2,800	-
<i>Total Louisiana Clean Fuels</i>				<u>2,800</u>	<u>-</u>
Passed through the Renewable Energy Council:					
FY22 DOE Vehicle Technology	0740022	81.086	DE-EE0010634	29,461	-
<i>Total Renewable Energy Council</i>				<u>29,461</u>	<u>-</u>
<i>Total 81.086</i>				<u>214,670</u>	<u>-</u>
Passed through GTI Energy:					
H2LA Hydrogen Corridor	0740025	81.089	DE-EE0010650	16,229	-
<i>Total GTI Energy</i>				<u>16,229</u>	<u>-</u>
Total U.S. Department of Energy				<u>230,899</u>	<u>-</u>
U.S. Department of Health and Human Services					
Passed through the Texas Health and Human Services Commission:					
Title IIIC2 FY 25	0300425	93.045	HHS000874100018	4,375,904	4,370,975
Title IIIB FY25	0300225	93.044	HHS000874100018	1,870,933	684,721
Title IIIC1 FY25	0300325	93.045	HHS000874100018	1,286,734	1,281,805
NSIP	0300925	93.053	HHS000874100018	666,173	666,173
Title III Admin FY 25	0300125	93.045	HHS000874100018	471,182	-
Title III Admin FY 25	0300125	93.044	HHS000874100018	221,130	-
<i>Total Aging Cluster</i>				<u>8,892,056</u>	<u>7,003,674</u>

The accompanying notes are an integral part of this schedule.

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2025

Federal Grantor / Pass-through Grantor / Program or Cluster Title	NCTCOG Grant Number	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Health and Human Services (continued)					
Passed through the Texas Health and Human Services Commission (continued):					
Title VII EAP FY 25	0300725	93.041	HHS000874100018	\$ 24,999	\$ -
Title VII OAG FY 25	0300825	93.042	HHS000874100018	195,393	-
Title IIID FY 25	0300525	93.043	HHS000874100018	155,213	-
Title IIIE FY 25	0300625	93.052	HHS000874100018	750,788	350,068
Title III Admin FY 25	0300125	93.052	HHS000874100018	9,568	-
<i>Total 93.052</i>				<u>760,356</u>	<u>350,068</u>
CMS-MIPPA Priority 2	0390025	93.071	HHS000874100018	769	-
CMS-MIPPA	0390024	93.071	HHS000874100018	67,223	-
Aging & Disability Resource Center	0301525	93.071	HHS001341600013	28,021	-
<i>Total 93.071</i>				<u>96,013</u>	<u>-</u>
CMS Basic	0301324	93.324	HHS000874100018	29,211	-
CMS Basic	0301325	93.324	HHS000874100018	38,755	-
<i>Total 93.324</i>				<u>67,966</u>	<u>-</u>
COVID-19 - ARP Elder Justice Act	0301223	93.747	HHS000874100018	35,236	-
Aging & Disability Resource Center	0301525	93.791	HHS001341600013	42,580	-
<i>Total Texas Health and Human Services Commission</i>				<u>10,269,812</u>	<u>7,353,742</u>
Passed through the Texas Workforce Commission:					
Child Care-2025	0800325	93.575	0425CCF001	64,305,638	60,227,427
Child Care-2025	0800325	93.596	0425CCF001	13,546,292	13,546,292
CCDF QLTY IMP ACTIVITY 20	0802325	93.575	0425CQF001	5,446,183	5,446,183
Child Care Quality - 2025	0802725	93.575	0425CCQ001	4,270,174	2,003,816
Child Care Quality - 2024	0802724	93.575	0424CCQ001	42,798	12,861
Child Care-2024	0800324	93.575	0424CCF001	6,637	6,837
Child Care-2024	0800324	93.596	0424CCF001	(849)	(849)
<i>Total CCDF Cluster</i>				<u>87,616,873</u>	<u>81,242,567</u>
TANF/Choice-2025	0801325	93.558	0425TAF001	3,774,425	2,500,909
TANF/Choice-2024	0801324	93.558	0424TAF002	72,728	7
NCP-2025	0802825	93.558	0425NCP001	137,756	45,942
RAG ES-2025	0801925	93.558	0425WPA001	35,119	-
RAG ES-2024	0801924	93.558	0424WPA001	35,670	-
WCI 2025	0803425	93.558	0425WCI001	33,836	-
<i>Total 93.558</i>				<u>4,089,534</u>	<u>2,546,858</u>
Child Care-2024	0800324	93.667	0424CCF001	(9)	(9)
Child Care-2025	0800325	93.667	0425CCF001	135,032	135,032
<i>Total 93.667</i>				<u>135,023</u>	<u>135,023</u>
<i>Total Texas Workforce Commission</i>				<u>91,841,430</u>	<u>83,924,448</u>
U.S. Department of Health and Human Services (continued)					
Direct Programs:					
ACL Dementia Friendly	0303002	93.470	90ADPI0070-01-00	\$ 148,806	\$ 47,197
<i>Total Direct Programs</i>				<u>148,806</u>	<u>47,197</u>
Total U.S. Department of Health and Human Services				<u>102,260,048</u>	<u>91,325,387</u>

The accompanying notes are an integral part of this schedule.

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2025

Federal Grantor / Pass-through Grantor / Program or Cluster Title	NCTCOG Grant Number	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Homeland Security					
Passed through the Texas Office of the Governor:					
2024 SHSP Regional Planning	09S2401	97.067	2945610	\$ 481,868	\$ -
2024 UASI - Planning	09U2401	97.067	2984210	181,528	-
2024 SHSP-METRO X LEPTA	09S2450	97.067	5053001	181,468	-
2024 SHSP-METRO X	09S2407	97.067	5052801	166,160	-
2022 UASI - CCP	09U2205	97.067	4923501	56,820	-
2023 UASI - Planning	09U2301	97.067	2984209	28,561	-
2023 SHSP Regional Planning	09S2301	97.067	2945609	28,392	-
2023 SHSP USAR	09S2304	97.067	4810601	21,600	-
2022 UASI - Planning	09U2201	97.067	2984208	20,015	-
2023 SHSP Training	09S2307	97.067	3061408	12,844	-
2023 SHSP Interoperability	09S2302	97.067	4427202	9,752	-
2023 SHSP PUB ED	09S2303	97.067	2945208	2,370	-
<i>Total 97.067</i>				<u>1,191,378</u>	<u>-</u>
<i>Total Texas Office of the Governor</i>				<u>1,191,378</u>	<u>-</u>
Direct Programs:					
23 - COMS COG	0668242	97.045	EMT-2023-CA-05023	77,383	-
23 CTP-COG PM	0668241	97.045	EMT-2023-CA-05022	19,229	-
24-CTP SOW PM	0668243	97.045	EMT-2024-CA-05011	3,534	-
21 CTP-East Fork	0668522	97.045	EMT-2021-CA-00011-S1	46	-
20 CTP-Catherine Branch	0668621	97.045	EMT-2020-CA-00039-S01	(95)	-
<i>Total 97.045</i>				<u>100,097</u>	<u>-</u>
Regional Catastrophic Preparedness	0905072	97.111	EMT-2024-CA-05072	<u>333,942</u>	<u>-</u>
<i>Total Direct Programs</i>				<u>434,039</u>	<u>-</u>
Total U.S. Department of Homeland Security				<u>1,625,417</u>	<u>-</u>
Total Expenditures of Federal Awards				<u>\$ 178,927,705</u>	<u>\$ 117,968,954</u>

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2025

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "SEFA") includes the federal grant activity of North Central Texas Council of Governments (the "Council") under programs of the federal government for the year ended September 30, 2025. The information in the SEFA is presented in accordance with the requirements of Office of Management and Budget (OMB) *Uniform Guidance*. Because the SEFA presents only a selected portion of the operations of the Council, it is not intended to and does not present the financial position, changes in net position or cash flows of the Council.

Note 2 - Summary of Significant Accounting Policies

The Council accounts for all federal awards under programs of the federal government in the General and Special Revenue Fund. These programs are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (i.e. revenues and other financing sources) and decreases (i.e. expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for these funds. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual, i.e. both measurable and available. Federal grant funds for governmental funds are considered to be earned to the extent of expenditures made under the provisions of the grant. When such funds are advanced to the Council, they are recorded as unearned revenue until earned. Otherwise, federal grant funds are received on a reimbursement basis from the respective federal program agencies. Generally, unused balances are returned to the grantor at the close of specified project periods.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service principal and interest expenditures on general long-term debt, including lease liabilities, as well as expenditures related to compensated absences, and claims and judgments, are recognized later based on specific accounting rules applicable to each, generally when payment is due.

Note 3 – Indirect Costs

The Council has elected not to use the de minimis indirect cost rate allowed under the *Uniform Guidance*.

Note 4 - Relationship to Federal Financial Reports

Amounts reported in the SEFA may not agree with the amounts reported in the related federal financial reports with grantor agencies because of accruals which would be included in the next report filed with the agencies.

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS

NOTES TO SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS
(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2025

Note 5 - Relationship to the Basic Financial Statements

Federal awards revenue are reported in the Council's basic financial statements as follows:

Federal administered grants	\$ 16,273,021
State administered grants	185,843,217
Less: State-funded grant awards	<u>(23,188,533)</u>
 Federal expenditures reported on the SEFA	 <u>\$ 178,927,705</u>

Note 6 - Negative Amounts

Due to a revision in the calculation of administrative costs, the funding agent has retroactively calculated certain grant expenditures. As a result of this recalculation, the affected grants reflect a negative balance on the SEFA.

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED SEPTEMBER 30, 2025

I. Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	None
Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	None

Federal Awards:

Internal control over major programs:	
Material weakness(es) identified?	None
Significant deficiency(ies) identified?	None reported
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) of Uniform Guidance?	None

Identification of major programs:

Assistance Listing Number:	Name of Federal Program or Cluster:
17.258, 17.259, 17.278	WIOA Cluster
20.500, 20.507, 20.526	Federal Transit Cluster
93.575, 93.596	CCDF Cluster
93.558	Temporary Assistance for Needy Families
Dollar threshold used to distinguish between type A and type B programs for federal single audit:	\$3,000,000
Auditee qualified as low-risk auditee for federal single audit?	Yes

II. Financial Statement Findings

None noted

III. Findings and Questioned Costs for Federal Awards

None noted

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FOR THE YEAR ENDED SEPTEMBER 30, 2025

Title 2, U.S. Code of Federal Regulations, Section 200.511 states, "The auditee is responsible for follow-up and corrective action on all audit findings. As part of this responsibility, the auditee must prepare a summary schedule of prior audit findings." The summary schedule of prior audit findings must report the status of the following:

- All audit findings included in the prior audit's schedule of findings and questioned costs and
- All audit findings reported in the prior audit's summary schedule of prior audit findings except audit findings listed as corrected.

I. Prior Audit Findings

None reported

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS

CORRECTIVE ACTION PLAN

FOR THE YEAR ENDED SEPTEMBER 30, 2025

Title 2, U.S. Code of Federal Regulations, Section 200.511 states, "At the completion of the audit, the auditee must prepare, in a document separate from the auditor's findings described in §200.516 Audit findings, a corrective action plan to address each audit finding included in the current year auditor's reports."

I. Corrective Action Plan

Not applicable