

**COLLIN COUNTY  
COMMUNITY SUPERVISION AND  
CORRECTIONS DEPARTMENT**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**FOR THE YEAR ENDED  
AUGUST 31, 2014**

**WITH INDEPENDENT AUDITORS' REPORT**

**COLLIN COUNTY  
COMMUNITY SUPERVISION  
AND CORRECTIONS DEPARTMENT**

**YEAR ENDED AUGUST 31, 2014**

**TABLE OF CONTENTS**

	<u>Page Number</u>
Independent Auditors' Report .....	1 – 3
 <b>BASIC FINANCIAL STATEMENTS</b>	
Combined Statement of Financial Position.....	4
Combined Statement of Revenues, Expenditures, and Changes in Fund Balance .....	5
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – All Diversion Grant Program Funds .....	6
Individual Statement of Revenues, Expenditures and Changes in Fund Balance – Budget, Actual and Variance – Basic Supervision Program .....	7
Individual Statements of Revenues, Expenditures and Changes in Fund Balance – Budget, Actual and Variance – Community Corrections Programs.....	8
Individual Statements of Revenues, Expenditures and Changes in Fund Balance – Budget, Actual and Variance – Diversion Grant Programs.....	9 – 11
Individual Statement of Revenues, Expenditures and Changes in Fund Balance – Budget, Actual and Variance – Treatment Alternatives to Incarceration Program .....	12
Notes to Financial Statements .....	13 – 18

**COLLIN COUNTY  
COMMUNITY SUPERVISION  
AND CORRECTIONS DEPARTMENT**

**YEAR ENDED AUGUST 31, 2014**

**TABLE OF CONTENTS**

**Page  
Number**

**SUPPLEMENTARY INFORMATION**

Schedules of Differences Between Audit Report and CSCD Reports Sent to TDCJ-CJAD.....	19 – 24
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**COMPLIANCE SECTION**

Independent Auditors' Report on Compliance and on Internal Control Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	25 – 26
Schedule of Findings and Questioned Costs.....	27
Fiscal Year 2014 TDCJ-CJAD Compliance Checklist .....	28 – 32



P A T T I L L O , B R O W N & H I L L , L . L . P .  
CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

## INDEPENDENT AUDITORS' REPORT

Collin County Community  
Supervision and Corrections Department  
McKinney, Texas

We have audited the accompanying Combined Statement of Financial Position, the Combined Statement of Revenue, Expenditures and Changes in Fund Balance, the Combining Statement of Revenue, Expenditures and Changes in Fund Balance – All Diversion Program Funds and the individual statements of revenue, expenditures and changes in fund balance – budget, actual, and variance as of and for the year ended August 31, 2014, and the related notes to the financial statements, which collectively comprise Collin County Community Supervision and Corrections Department's ("CSCD's") basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Texas Department of Criminal Justice – Community Justice Assistance Division (TDCJ-CJAD); this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the

effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is significant and appropriate to provide a basis for our opinions.

### ***Opinions***

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the combined statement of financial position as of August 31, 2014, and the respective changes in financial position and the respective budgetary comparisons for the year ended August 31, 2014, of Collin County Community Supervision and Corrections Department, in accordance with the financial reporting provisions of the TDCJ-CJAD as described in Note 1.

### ***Basis of Accounting***

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the basis of the financial reporting provisions of the TDCJ-CJAD, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the requirements of the TDCJ-CJAD. Our opinion is not modified with respect to that matter.

### ***Emphasis of Matter***

As discussed in Note 1, the financial statements present the operations of the Collin County Community Supervision and Corrections Department only, and are not intended to present fairly the financial position of Collin County, Texas and the results of its operations in conformity with accounting principles generally accepted in the United States of America.

### ***Other Matters***

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Collin County Community Supervision and Corrections Department's basic financial statements. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Schedules of Differences Between Audit Report and CSCD Reports Sent to TDCJ-CJAD are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated March 20, 2015, on our consideration of the Collin County Community Supervision and Corrections Department's internal control over financial reporting and on our tests of its compliance with certain provisions of laws and regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Collin County Community Supervision and Corrections Department's internal control over financial reporting and compliance.

**Restriction of Use**

This report is intended solely for the information and use of the management of Collin County Community Supervision and Corrections Department, others within the organization, and the Texas Department of Criminal Justice - Community Justice Assistance Division and is not intended to be and should not be used by anyone other than these specified parties.

*Pattillo, Brown & Hill, LLP*

Waco, Texas  
March 20, 2015

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**COLLIN COUNTY COMMUNITY SUPERVISION  
AND CORRECTIONS DEPARTMENT**

**COMBINED STATEMENT OF FINANCIAL POSITION**

**AUGUST 31, 2014**

	Basic Supervision	Community Corrections	Diversion Programs	Treatment Alternative to Incarceration Program	Total
<b>ASSETS</b>					
Cash and Investments:					
Bank Balances	\$ 140,391	\$ 366,687	\$ 18,240	\$ 3,058	\$ 528,376
Time Deposits	<u>3,205,939</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,205,939</u>
Total Cash and Investments	<u>3,346,330</u>	<u>366,687</u>	<u>18,240</u>	<u>3,058</u>	<u>3,734,315</u>
Accounts Receivable:					
Community Supervision Fees	258,171	-	-	-	258,171
Program Participation Fees	52,269	646	-	-	52,915
Other Receivables	<u>3,089</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,089</u>
Total Accounts Receivable	<u>313,529</u>	<u>646</u>	<u>-</u>	<u>-</u>	<u>314,175</u>
Total Assets	<u>\$ 3,659,859</u>	<u>\$ 367,333</u>	<u>\$ 18,240</u>	<u>\$ 3,058</u>	<u>\$ 4,048,490</u>
<b>LIABILITIES AND FUND BALANCE</b>					
Liabilities:					
Accounts Payable	<u>352,167</u>	<u>27,964</u>	<u>18,222</u>	<u>3,052</u>	<u>401,405</u>
Total Liabilities	<u>352,167</u>	<u>27,964</u>	<u>18,222</u>	<u>3,052</u>	<u>401,405</u>
Fund Balance	<u>3,307,692</u>	<u>339,369</u>	<u>18</u>	<u>6</u>	<u>3,647,085</u>
Total Liabilities and Fund Balance	<u>\$ 3,659,859</u>	<u>\$ 367,333</u>	<u>\$ 18,240</u>	<u>\$ 3,058</u>	<u>\$ 4,048,490</u>

**The accompanying notes are an integral part of these financial statements.**

**COLLIN COUNTY COMMUNITY SUPERVISION  
AND CORRECTIONS DEPARTMENT**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE**

**FOR THE YEAR ENDED AUGUST 31, 2014**

	Basic Supervision	Community Corrections	Diversion Programs	Treatment Alternative to Incarceration Program	Total
<b>REVENUE</b>					
State Aid	\$ 1,821,192	\$ 916,505	\$ 190,235	\$ 40,126	\$ 2,968,058
State Aid: SAFPF	1,992	-	-	-	1,992
Community Supervision Fees	3,153,870	-	-	-	3,153,870
Payments by Program Participants	696,078	14,562	-	-	710,640
Interest Income	3,076	-	-	-	3,076
Other Revenue	28,731	-	-	-	28,731
<b>Total Revenue</b>	<u>5,704,939</u>	<u>931,067</u>	<u>190,235</u>	<u>40,126</u>	<u>6,866,367</u>
<b>EXPENDITURES</b>					
Salaries and Fringe Benefits	4,874,774	150,966	360,957	-	5,386,697
Travel and Furnished Transportation	41,203	974	-	-	42,177
Contract Services for Offenders	101,254	236,930	41,525	46,883	426,592
Professional Fees	96,887	8,825	1,426	301	107,439
Supplies and Operating Expenses	448,295	5,978	-	-	454,273
Utilities	3,990	-	-	-	3,990
Equipment	9,396	1,461	-	-	10,857
<b>Total Expenditures</b>	<u>5,575,799</u>	<u>405,133</u>	<u>403,908</u>	<u>47,184</u>	<u>6,432,024</u>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>					
	129,140	525,934	(213,673)	( 7,058)	434,343
<b>FUND BALANCE, SEPTEMBER 1, 2013</b>					
	3,212,742	-	-	-	3,212,742
<b>INTERFUND TRANSFER IN (OUT)</b>					
	( 34,190)	(186,565)	213,691	7,064	-
<b>FUND BALANCE, AUGUST 31, 2014</b>					
	<u>\$ 3,307,692</u>	<u>\$ 339,369</u>	<u>\$ 18</u>	<u>\$ 6</u>	<u>\$ 3,647,085</u>

**The accompanying notes are an integral part of these financial statements.**

**COLLIN COUNTY COMMUNITY SUPERVISION  
AND CORRECTIONS DEPARTMENT**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE**

**ALL DIVERSION GRANT PROGRAM FUNDS**

**FOR THE YEAR ENDED AUGUST 31, 2014**

	Specialized Caseload- Mental Health Initiative	Specialized Caseload-Sex Offender	Specialized Caseload- Substance Abuse	Total
<b>REVENUE</b>				
State Aid	\$ 43,576	\$ 96,064	\$ 50,595	\$ 190,235
Total Revenue	<u>43,576</u>	<u>96,064</u>	<u>50,595</u>	<u>190,235</u>
<b>EXPENDITURES</b>				
Salaries and Fringe Benefits	110,353	98,946	151,658	360,957
Contract Services for Offenders	-	41,525	-	41,525
Professional Fees	<u>327</u>	<u>720</u>	<u>379</u>	<u>1,426</u>
Total Expenditures	<u>110,680</u>	<u>141,191</u>	<u>152,037</u>	<u>403,908</u>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	( 67,104)	( 45,127)	( 101,442)	( 213,673)
<b>FUND BALANCE, SEPTEMBER 1, 2013</b>	-	-	-	-
<b>INTERFUND TRANSFER IN (OUT)</b>	<u>67,112</u>	<u>45,132</u>	<u>101,447</u>	<u>213,691</u>
<b>FUND BALANCE, AUGUST 31, 2014</b>	<u>\$ 8</u>	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 18</u>

The accompanying notes are an integral part of these financial statements.

**COLLIN COUNTY COMMUNITY SUPERVISION  
AND CORRECTIONS DEPARTMENT**

**INDIVIDUAL STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET, ACTUAL AND VARIANCE**

**BASIC SUPERVISION PROGRAM**

**FOR THE YEAR ENDED AUGUST 31, 2014**

	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUE</b>			
State Aid	\$ 1,821,192	\$ 1,821,192	\$ -
State Aid: SAFPF	25,000	1,992	( 23,008)
Community Supervision Fees	2,800,000	3,153,870	353,870
Payments by Program Participants	286,200	696,078	409,878
Interest Income	2,000	3,076	1,076
Other Revenue	37,653	28,731	( 8,922)
Total Revenue	4,972,045	5,704,939	732,894
<b>EXPENDITURES</b>			
Salaries and Fringe Benefits	5,536,228	4,874,774	661,454
Travel and Furnished Transportation	279,000	41,203	237,797
Contract Services for Offenders	264,950	101,254	163,696
Professional Fees	619,796	96,887	522,909
Supplies and Operating Expenses	1,383,007	448,295	934,712
Utilities	10,600	3,990	6,610
Equipment	45,880	9,396	36,484
Total Expenditures	8,139,461	5,575,799	2,563,662
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	( 3,167,416)	129,140	3,296,556
<b>FUND BALANCE, SEPTEMBER 1, 2013</b>	3,212,742	3,212,742	-
<b>INTERFUND TRANSFER IN (OUT)</b>	( 45,326)	( 34,190)	11,136
<b>FUND BALANCE, AUGUST 31, 2014</b>	\$ -	\$ 3,307,692	\$ 3,307,692

**The accompanying notes are an integral part of these financial statements.**

**COLLIN COUNTY COMMUNITY SUPERVISION  
AND CORRECTIONS DEPARTMENT**

**INDIVIDUAL STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET, ACTUAL AND VARIANCE**

**COMMUNITY CORRECTIONS PROGRAM  
COMMUNITY CORRECTIONS FACILITY - SCORE**

**FOR THE YEAR ENDED AUGUST 31, 2014**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUE</b>			
State Aid	\$ 916,505	\$ 916,505	\$ -
Payments by Program Participants	<u>-</u>	<u>14,562</u>	<u>14,562</u>
Total Revenue	<u>916,505</u>	<u>931,067</u>	<u>14,562</u>
 <b>EXPENDITURES</b>			
Salaries and Fringe Benefits	174,340	150,966	23,374
Travel and Furnished Transportation	35,000	974	34,026
Contract Services for Offenders	261,724	236,930	24,794
Professional Fees	14,874	8,825	6,049
Supplies and Operating Expenses	156,033	5,978	150,055
Utilities	456	-	456
Equipment	<u>3,210</u>	<u>1,461</u>	<u>1,749</u>
Total Expenditures	<u>645,637</u>	<u>405,133</u>	<u>240,504</u>
 <b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	 270,868	 525,934	 255,066
 <b>FUND BALANCE, SEPTEMBER 1, 2013</b>	 -	 -	 -
 <b>INTERFUND TRANSFER IN (OUT)</b>	 <u>( 270,868)</u>	 <u>( 186,565)</u>	 <u>84,303</u>
 <b>FUND BALANCE, AUGUST 31, 2014</b>	 <u>\$ -</u>	 <u>\$ 339,369</u>	 <u>\$ 339,369</u>

The accompanying notes are an integral part of these financial statements.

**COLLIN COUNTY COMMUNITY SUPERVISION  
AND CORRECTIONS DEPARTMENT**

**INDIVIDUAL STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET, ACTUAL AND VARIANCE**

**DIVERSION GRANT PROGRAM  
SPECIALIZED CASELOAD-MENTAL HEALTH INITIATIVE**

**FOR THE YEAR ENDED AUGUST 31, 2014**

	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUE</b>			
State Aid	\$ 43,576	\$ 43,576	\$ -
Total Revenue	43,576	43,576	-
<b>EXPENDITURES</b>			
Salaries and Fringe Benefits	122,723	110,353	12,370
Professional Fees	327	327	-
Total Expenditures	123,050	110,680	12,370
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	( 79,474)	( 67,104)	12,370
<b>FUND BALANCE, SEPTEMBER 1, 2013</b>	-	-	-
<b>INTERFUND TRANSFER IN (OUT)</b>	79,474	67,112	( 12,362)
<b>FUND BALANCE, AUGUST 31, 2014</b>	\$ -	\$ 8	\$ 8

The accompanying notes are an integral part of these financial statements.

**COLLIN COUNTY COMMUNITY SUPERVISION  
AND CORRECTIONS DEPARTMENT**

**INDIVIDUAL STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET, ACTUAL AND VARIANCE**

**DIVERSION GRANT PROGRAM  
SPECIALIZED CASELOAD-SEX OFFENDER**

**FOR THE YEAR ENDED AUGUST 31, 2014**

	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUE</b>			
State Aid	\$ 96,064	\$ 96,064	\$ -
Total Revenue	96,064	96,064	-
<b>EXPENDITURES</b>			
Salaries and Fringe Benefits	114,384	98,946	15,438
Travel and Furnished Transportation	8,000	-	8,000
Contract Services for Offenders	52,500	41,525	10,975
Professional Fees	720	720	-
Total Expenditures	175,604	141,191	34,413
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	( 79,540)	( 45,127)	34,413
<b>FUND BALANCE, SEPTEMBER 1, 2013</b>	-	-	-
<b>INTERFUND TRANSFER IN (OUT)</b>	79,540	45,132	( 34,408)
<b>FUND BALANCE, AUGUST 31, 2014</b>	\$ -	\$ 5	\$ 5

The accompanying notes are an integral part of these financial statements.

**COLLIN COUNTY COMMUNITY SUPERVISION  
AND CORRECTIONS DEPARTMENT**

**INDIVIDUAL STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET, ACTUAL AND VARIANCE**

**DIVERSION GRANT PROGRAM  
SPECIALIZED CASELOAD-SUBSTANCE ABUSE**

**FOR THE YEAR ENDED AUGUST 31, 2014**

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<b>REVENUE</b>			
State Aid	\$ 50,595	\$ 50,595	\$ -
Total Revenue	<u>50,595</u>	<u>50,595</u>	<u>-</u>
<b>EXPENDITURES</b>			
Salaries and Fringe Benefits	174,396	151,658	22,738
Professional Fees	8,379	379	8,000
Total Expenditures	<u>182,775</u>	<u>152,037</u>	<u>30,738</u>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	( 132,180)	( 101,442)	30,738
<b>FUND BALANCE, SEPTEMBER 1, 2013</b>	-	-	-
<b>INTERFUND TRANSFER IN (OUT)</b>	<u>132,180</u>	<u>101,447</u>	<u>( 30,733)</u>
<b>FUND BALANCE, AUGUST 31, 2014</b>	<u>\$ -</u>	<u>\$ 5</u>	<u>\$ 5</u>

The accompanying notes are an integral part of these financial statements.

**COLLIN COUNTY COMMUNITY SUPERVISION  
AND CORRECTIONS DEPARTMENT**

**INDIVIDUAL STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET, ACTUAL AND VARIANCE**

**TREATMENT ALTERNATIVE TO INCARCERATION PROGRAM**

**FOR THE YEAR ENDED AUGUST 31, 2014**

	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUE</b>			
State Aid	\$ 40,126	\$ 40,126	\$ -
Total Revenue	40,126	40,126	-
<b>EXPENDITURES</b>			
Contract Services for Offenders	64,825	46,883	17,942
Professional Fees	301	301	-
Total Expenditures	65,126	47,184	17,942
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	( 25,000)	( 7,058)	17,942
<b>FUND BALANCE, SEPTEMBER 1, 2013</b>	-	-	-
<b>INTERFUND TRANSFER IN (OUT)</b>	25,000	7,064	17,936
<b>FUND BALANCE, AUGUST 31, 2014</b>	\$ -	\$ 6	\$ 6

The accompanying notes are an integral part of these financial statements.

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**COLLIN COUNTY  
COMMUNITY SUPERVISION  
AND CORRECTIONS DEPARTMENT**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED AUGUST 31, 2014**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Entity**

The accompanying financial statements include the revenue of the Collin County Community Supervision and Corrections Department (“CSCD”) related to the receipt of funds administered by the Community Justice Assistance Division of the Texas Department of Criminal Justice from State Appropriations for the Basic Supervision Fund, Community Corrections Program Funds, Diversion Program Grant Funds, Treatment Alternatives to Incarceration Program Grant Funds, local fees collected for the use of the CSCD, and the expenditures of those funds.

The Collin County Community Supervision and Corrections Department, a special purpose district of state government, was organized to provide certain adult probation services to judicial districts.

**Basis of Accounting**

Since the Department receives funding from State government, it must comply with requirements of the State. Therefore, the financial statements were prepared using the basis of accounting prescribed by the TDCJ-CJAD, a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Basis of accounting refers to the time at which revenues and expenditures are recognized in the accounts and reported in the statements. The accounts of Collin County CSCD are organized on the basis of fund accounting. Under fund accounting, each fund is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts. Resources are allocated to and accounted for in a fund based upon the source of the funds and the purposes for which they may be spent and the means by which the spending activities are controlled. Revenues and expenditures are accounted for using either the cash basis of accounting or the modified accrual basis of accounting until the last quarter when the modified accrual basis of accounting must be used.

The modified accrual basis of accounting is followed in that revenues are recorded when susceptible to accrual; i.e., earned, measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities for the current period. Revenues received by October 31, 2014 for financial activity performed by August 31, 2014, are considered available. Also purchases for which the commitment has been established by August 31, 2014, are considered liabilities regardless of whether possession of these goods has been received by August 31, 2014, provided that the liability purchase is received and is paid for by October 31, 2014. Exception to this method of accounting is the recording of refunds to the State as reductions of Fund Balance.

## **Budgets (Accounting and Legal Compliance)**

The budgets governing the funding to the programs are approved by the district judges and the criminal court-at-law judges with jurisdiction over the department in an open meeting and by the Texas Department of Criminal Justice - Community Justice Assistance Division. Only budget adjustment requests, at year end, received by September 30, 2014 will be reviewed and approved/disapproved by TDCJ-CJAD. TDCJ-CJAD will not accept any budget adjustments after September 30, 2014 for the previous fiscal year. Only budget adjustments approved by TDCJ-CJAD are referred to in performing the financial audit.

## **Encumbrance Accounting**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is utilized. All encumbrances not liquidated by October 31, 2014 became part of the subsequent year's budget.

## **Compensated Absences**

The CSCD's permanent, fulltime employees accrue 7.39 hours of paid time off (PTO) per pay period (biweekly) from date of employment to four years of service; 8.31 hours per pay period from 5 years to 9 years of service; 9.23 hours per pay period from 10 to 19 years of service; and 10.15 hours per pay period for 20 plus years of continuous employment. The maximum accrual is 200, 240, 320, and 400 hours of PTO for the respective accrual categories specified. Upon termination from the CSCD, an employee is entitled to payment for the total accrued hours as long as they have completed at least one year of continuous service. A liability for vacation pay and compensatory time is not reported in these financial statements. The CSCD's balance of earned but unused compensated absences as of August 31, 2014, was \$469,990.

## **2. FUNDING SOURCES – STATE AID**

### **Basic Supervision Funds**

This state funding is a per capita allocation based on statistics from the previous full calendar year. The per capita formula includes calendar year misdemeanor placements, direct felony and felony pre-trial cases. Funding is first allocated to misdemeanor placements for 182 days. The remaining funding is allocated to felons under community supervision and pretrial supervision based on the CSCD's share of the state total population of direct and pretrial felons. Basic Supervision is distributed only to CSCDs.

### **Community Corrections Program Funds**

This appropriation line item is allocation based. The funding is based on two equally assigned factors: the percentage of the state's population residing in the counties served by the Department and the percentage of all felony defendants in the state under direct community supervision by the Department. CSCDs are the only entities eligible for Community Corrections funds.

### **Diversion Program Grant Funds**

This discretionary appropriation line item funding is awarded on a competitive basis. The priorities for distribution are determined biennially. All requests are reviewed by TDCJ-CJAD staff, approved by management and then presented to the Judicial Advisory Council. Diversion Program funds shall not be used for Basic Supervision services.

Substance Abuse Felony Punishment Facility (SAFPF) Funding: Aftercare caseloads are funded on a per case basis and must meet specific supervision requirements. Funding for SAFPF aftercare caseloads is allocated by TDCJ-CJAD through the DP line item but is budgeted and reported by CSCDs as state aid under Basic Supervision.

Dedicated Salary Funding: Funds were appropriated by the 81<sup>st</sup> Legislature specifically for community supervision officers and direct care staff salary increases of 3.5% of the salaries as of August 31, 2009 for FY 2010 and another 3.5% increase of the August 31, 2009 salaries for FY 2011. To date, the dedicated salary funding amounts are the same as in FY 2011. Appropriations of the Dedicated Salary are allocated by TDCJ-CJAD through the DP line item but are budgeted and reported by CSCDs as state aid under Basic Supervision.

### **Treatment Alternative to Incarceration Programs (TAIP) Grant Funds**

The Treatment Alternative to Incarceration Program provides a continuum of substance abuse treatment services and accountability programming for individual offenders, subject to TAIP funding and guidelines. Services include assessment, screening, and referral to treatment services.

**3. FUNDS COLLECTED BY THE CSCD FROM SOURCES OTHER THAN TDCJ-CJAD WHICH ARE REQUIRED TO BE REPORTED ON THE TDCJ-CJAD QUARTERLY FINANCIAL REPORTS (community supervision fees collected, program participation fees collected, county contributions, donations, interest, commissions, etc.)**

The Department utilized the following funds collected from sources other than TDCJ-CJAD which are required to be reported for the year ended August 31, 2014:

Source	Amount Received	Restrictions for Use	Expended in Accordance with Restrictions
Community Supervision Fees	\$ 3,153,870	<i>Financial Management Manual for TDCJ-CJAD Funding</i> restrictions	Yes
Payments by Program Participants	\$ 710,640	<i>Financial Management Manual for TDCJ-CJAD Funding</i> restrictions	Yes
Interest Income	\$ 3,076	<i>Financial Management Manual for TDCJ-CJAD Funding</i> restrictions	Yes
Administrative Fees	\$ 25,178	<i>Financial Management Manual for TDCJ-CJAD Funding</i> restrictions	Yes
Welfare Restitution and Restitution Fees	\$ 1,715	<i>Financial Management Manual for TDCJ-CJAD Funding</i> restrictions	Yes
Subpoena Fees	\$ 101	<i>Financial Management Manual for TDCJ-CJAD Funding</i> restrictions	Yes
5% Collection Fee	\$ 1,737	<i>Financial Management Manual for TDCJ-CJAD Funding</i> restrictions	Yes

Locally generated revenues are expended in accordance with the Financial Management Manual for TDCJ-CJAD Funding, TDCJ-CJAD Funding and Fiscal Management Updates, TDCJ-CJAD Standards, TDCJ-CJAD Field Correspondence, TDCJ-CJAD Policy Statements, Standard and Special Grant Conditions, and applicable laws.

**4. FUNDS COLLECTED BY THE CSCD FROM SOURCES OTHER THAN TDCJ-CJAD WHICH ARE NOT REQUIRED TO BE REPORTED ON THE TDCJ-CJAD QUARTERLY FINANCIAL REPORTS (civil fees, victim restitution funds, federal grants, bond supervision funds, grants from sources other than TDCJ-CJAD, etc.)**

The Department utilized the following funds collected from sources other than TDCJ-CJAD which are not required to be reported for the year ended August 31, 2014:

Source	Amount Received	Restrictions for Use	Expended in Accordance with Restrictions	Fund Balance at August 31, 2014
Victim restitution	\$ 1,340,917	Government Code 73.013, paid directly to victim within certain timelines	Yes	\$ -
Bond Supervision	\$ 150,473	Article 17.40 of the Code of Criminal Procedure \ Senate Bill (SB) 880 in the 82nd Legislature	Yes	-
Crimestoppers	\$ 109,766	Local Government Code, Chapter 113, Section 113.022	Yes	-
Supervision Fee for Sex Offenders	\$ 8,456	Article 42.12, Section 19(f) of the Code of Criminal Procedure	Yes	-
Womens Shelter Donation Fee	\$ 3,567	Code of Criminal Procedure, Article 42.12, Section 11(h)	Yes	-
Domestic Violence Fee	\$ 2,290	Code of Criminal Procedure, Article 42.12, Section 11(h)	Yes	-
Children's Advocacy Center	\$ 2,991	Code of Criminal Procedure, Article 42.12, Section 11(g)	Yes	-
Attorney fees	\$ 10,272	Local Government Code, Chapter 113, Section 113.022	Yes	-
Court costs	\$ 18,332	Local Government Code, Chapter 113, Section 113.023	Yes	-
Fines	\$ 42,745	Local Government Code, Chapter 113, Section 113.024	Yes	-
Deferred Prosecution	\$ 153,540	Local Government Code, Chapter 113, Section 113.025	Yes	-
Forgery	\$ 980	Local Government Code, Chapter 113, Section 113.026	Yes	-
Sheriff Service Fee	\$ 2,472	Local Government Code, Chapter 113, Section 113.027	Yes	-

**5. CASH, PETTY CASH AND INVESTMENTS**

Collection or clearing accounts are trust funds and must be covered by pledged collateral to cover the estimated highest daily balance of funds operated in conjunction with or through the county depository by the CSCD. Collection accounts must be transferred to the CSCD district account within the time frames listed in Local Government Code 113.022. All CSCD funds must be in the county treasury and must be disbursed by the County Treasurer.

The Department does not maintain a petty cash account.

Idle funds to be invested, if any, shall only be within the depository of the county in a manner that protects the integrity of the principal and guarantees no loss of principal to the CSCD.

**6. EXCESS OF EXPENDITURES OVER BUDGETS IN INDIVIDUAL PROGRAMS**

The CSCD did not have any excess expenditures over \$15,000 or 15% of the approved line item budgeted amount.

**7. ACCOUNTS AND/OR INTERFUND TRANSFERS RECEIVABLE AND/OR PAYABLE AT AUGUST 31, 2014**

There were no interfund receivable or payable balances at August 31, 2014. There were general accounts payable and receivable balances at August 31, 2014.

**8. VENDOR CONTRACTS FOR OFFENDER SERVICES**

Vendors for offender service contracts with the County with a value of \$100,000 or above are listed below. The County has entered a valid contract or contracts with all vendors listed per the *Contract Management Manual for TDCJ-CJAD Funding of Offender Services (CMM)*.

	<u>August 31, 2014</u>
Treatment Assessment Screening Center, Inc.	\$ 333,500
Collin County Sheriff's Office - SCORE	<u>202,077</u>
	<u>\$ 535,577</u>

**9. COMMITMENTS AND CONTINGENCIES**

The Department is contingently liable in respect to lawsuits and other claims in the ordinary course of its operations. The potential settlement (if any) of such contingencies under the budgetary process would require appropriation of revenues yet to be realized and in the opinion of Department management would not materially affect the financial position of the Department at August 31, 2014.

**10. PRIOR PERIOD ADJUSTMENTS AND REFUNDS**

The Department did not have a prior period adjustment or refund in fiscal year 2014.

**11. SUBSEQUENT EVENTS**

The Department has no subsequent events that require disclosure.

# **SUPPLEMENTARY INFORMATION**

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**COLLIN COUNTY COMMUNITY SUPERVISION  
AND CORRECTIONS DEPARTMENT**

**SCHEDULE OF DIFFERENCES BETWEEN  
AUDIT REPORT AND CSCD REPORTS SENT TO TDCJ-CJAD**

**BASIC SUPERVISION PROGRAM**

**FOR THE YEAR ENDED AUGUST 31, 2014**

	<u>Audit</u>	<u>Per CSCD Quarterly Report</u>	<u>Difference</u>
<b>REVENUE</b>			
State Aid	\$ 1,821,192	\$ 1,821,192	\$ -
State aid: SAFP	1,992	1,992	-
Community Supervision Fees	3,153,870	3,153,870	-
Payments by Program Participants	696,078	696,078	-
Interest Income	3,076	3,076	-
Other Revenue	<u>28,731</u>	<u>28,731</u>	<u>-</u>
Total Revenue	<u>5,704,939</u>	<u>5,704,939</u>	<u>-</u>
<b>EXPENDITURES</b>			
Salaries and Fringe Benefits	4,874,774	4,874,774	-
Travel and Furnished Transportation	41,203	41,203	-
Contract Services for Offenders	101,254	101,254	-
Professional Fees	96,887	96,887	-
Supplies and Operating Expenses	448,295	448,295	-
Utilities	3,990	3,990	-
Equipment	<u>9,396</u>	<u>9,396</u>	<u>-</u>
Total Expenditures	<u>5,575,799</u>	<u>5,575,799</u>	<u>-</u>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	129,140	129,140	-
<b>FUND BALANCE, SEPTEMBER 1, 2013</b>	3,212,742	3,212,742	-
<b>INTERFUND TRANSFER IN (OUT)</b>	<u>( 34,190)</u>	<u>( 34,190)</u>	<u>-</u>
<b>FUND BALANCE, AUGUST 31, 2014</b>	<u>\$ 3,307,692</u>	<u>\$ 3,307,692</u>	<u>\$ -</u>

**COLLIN COUNTY COMMUNITY SUPERVISION  
AND CORRECTIONS DEPARTMENT**

**SCHEDULE OF DIFFERENCES BETWEEN  
AUDIT REPORT AND CSCD REPORTS SENT TO TDCJ-CJAD**

**COMMUNITY CORRECTIONS PROGRAM  
COMMUNITY CORRECTIONS FACILITY - SCORE**

**FOR THE YEAR ENDED AUGUST 31, 2014**

	Audit	Per CSCD Quarterly Report	Difference
<b>REVENUE</b>			
State Aid	\$ 916,505	\$ 916,505	\$ -
Payments by Program Participants	14,562	14,562	-
Total Revenue	931,067	931,067	-
<b>EXPENDITURES</b>			
Salaries and Fringe Benefits	150,966	150,966	-
Travel and Furnished Transportation	974	974	-
Contract Services for Offenders	236,930	236,930	-
Professional Fees	8,825	8,825	-
Supplies and Operating Expenses	5,978	5,978	-
Equipment	1,461	1,461	-
Total Expenditures	405,133	405,133	-
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	525,934	525,934	-
<b>FUND BALANCE, SEPTEMBER 1, 2013</b>	-	-	-
<b>INTERFUND TRANSFER IN (OUT)</b>	( 186,565)	( 186,565)	-
<b>FUND BALANCE, AUGUST 31, 2014</b>	\$ 339,369	\$ 339,369	\$ -

**COLLIN COUNTY COMMUNITY SUPERVISION  
AND CORRECTIONS DEPARTMENT**

**SCHEDULE OF DIFFERENCES BETWEEN  
AUDIT REPORT AND CSCD REPORTS SENT TO TDCJ-CJAD**

**DIVERSION GRANT PROGRAM  
SPECIALIZED CASELOAD-MENTAL HEALTH INITIATIVE**

**FOR THE YEAR ENDED AUGUST 31, 2014**

	<u>Audit</u>	<u>Per CSCD Quarterly Report</u>	<u>Difference</u>
<b>REVENUE</b>			
State Aid	\$ 43,576	\$ 43,576	\$ -
Total Revenue	<u>43,576</u>	<u>43,576</u>	<u>-</u>
<b>EXPENDITURES</b>			
Salaries and Fringe Benefits	110,353	110,353	-
Professional fees	<u>327</u>	<u>327</u>	<u>-</u>
Total Expenditures	<u>110,680</u>	<u>110,680</u>	<u>-</u>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	( 67,104)	( 67,104)	-
<b>FUND BALANCE, SEPTEMBER 1, 2013</b>	-	-	-
<b>INTERFUND TRANSFER IN (OUT)</b>	<u>67,112</u>	<u>67,112</u>	<u>-</u>
<b>FUND BALANCE, AUGUST 31, 2014</b>	<u>\$ 8</u>	<u>\$ 8</u>	<u>\$ -</u>

**COLLIN COUNTY COMMUNITY SUPERVISION  
AND CORRECTIONS DEPARTMENT**

**SCHEDULE OF DIFFERENCES BETWEEN  
AUDIT REPORT AND CSCD REPORTS SENT TO TDCJ-CJAD**

**DIVERSION GRANT PROGRAM  
SPECIALIZED CASELOAD-SEX OFFENDER**

**FOR THE YEAR ENDED AUGUST 31, 2014**

	<u>Audit</u>	<u>Per CSCD Quarterly Report</u>	<u>Difference</u>
<b>REVENUE</b>			
State Aid	\$ 96,064	\$ 96,064	\$ -
Total Revenue	<u>96,064</u>	<u>96,064</u>	<u>-</u>
<b>EXPENDITURES</b>			
Salaries and Fringe Benefits	98,946	98,946	-
Contract Services for Offenders	41,525	41,525	-
Professional Fees	<u>720</u>	<u>720</u>	<u>-</u>
Total Expenditures	<u>141,191</u>	<u>141,191</u>	<u>-</u>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	( 45,127)	( 45,127)	-
<b>FUND BALANCE, SEPTEMBER 1, 2013</b>	-	-	-
<b>INTERFUND TRANSFER IN (OUT)</b>	<u>45,132</u>	<u>45,132</u>	<u>-</u>
<b>FUND BALANCE, AUGUST 31, 2014</b>	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ -</u>

**COLLIN COUNTY COMMUNITY SUPERVISION  
AND CORRECTIONS DEPARTMENT**

**SCHEDULE OF DIFFERENCES BETWEEN  
AUDIT REPORT AND CSCD REPORTS SENT TO TDCJ-CJAD**

**DIVERSION GRANT PROGRAM  
SPECIALIZED CASELOAD-SUBSTANCE ABUSE**

**FOR THE YEAR ENDED AUGUST 31, 2014**

	<u>Audit</u>	<u>Per CSCD Quarterly Report</u>	<u>Difference</u>
<b>REVENUE</b>			
State Aid	\$ 50,595	\$ 50,595	\$ -
Total Revenue	<u>50,595</u>	<u>50,595</u>	<u>-</u>
<b>EXPENDITURES</b>			
Salaries and Fringe Benefits	151,658	151,658	-
Professional Fees	<u>379</u>	<u>379</u>	<u>-</u>
Total Expenditures	<u>152,037</u>	<u>152,037</u>	<u>-</u>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	( 101,442)	( 101,442)	-
<b>FUND BALANCE, SEPTEMBER 1, 2013</b>	-	-	-
<b>INTERFUND TRANSFER IN (OUT)</b>	<u>101,447</u>	<u>101,447</u>	<u>-</u>
<b>FUND BALANCE, AUGUST 31, 2014</b>	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ -</u>

**COLLIN COUNTY COMMUNITY SUPERVISION  
AND CORRECTIONS DEPARTMENT**

**SCHEDULE OF DIFFERENCES BETWEEN  
AUDIT REPORT AND CSCD REPORTS SENT TO TDCJ-CJAD**

**TREATMENT ALTERNATIVE TO INCARCERATION PROGRAM**

**FOR THE YEAR ENDED AUGUST 31, 2014**

	Audit	Per CSCD Quarterly Report	Difference
<b>REVENUE</b>			
State Aid	\$ 40,126	\$ 40,126	\$ -
Total Revenue	40,126	40,126	-
<b>EXPENDITURES</b>			
Contract Services for Offenders	46,883	46,883	-
Professional Fees	301	301	-
Total Expenditures	47,184	47,184	-
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	( 7,058)	( 7,058)	-
<b>FUND BALANCE, SEPTEMBER 1, 2013</b>	-	-	-
<b>INTERFUND TRANSFER IN (OUT)</b>	7,064	7,064	-
<b>FUND BALANCE, AUGUST 31, 2014</b>	\$ 6	\$ 6	\$ -

# **COMPLIANCE SECTION**

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PATILLO, BROWN & HILL, L.L.P.  
CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

**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**

Collin County Community  
Supervision and Corrections Department  
McKinney, Texas

We have audited, in accordance with the 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 Collin County Community Supervision and Corrections Department, as of and for the year ended August 31, 2014, and the related notes to the financial statements, which collectively comprise of the Collin County Community Supervision and Corrections Department's financial statements, and have issued our report thereon dated March 20, 2015.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Collin County Community Supervision and Corrections Department's internal control over financial reporting to determine the 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 Collin County Community Supervision and Corrections Department's internal control. Accordingly, we do not express an opinion on the effectiveness of Collin County Community Supervision and Corrections Department'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 may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Collin County Community Supervision and Corrections Department's financial statements are free of material misstatement, we performed tests of its compliance with certain provision 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*.

### **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 Collin County Community Supervision and Corrections Department's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Collin County Community Supervision and Corrections Department's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Pattillo, Brown & Hill, LLP*

Waco, Texas  
March 20, 2015

**COLLIN COUNTY  
COMMUNITY SUPERVISION  
AND CORRECTIONS DEPARTMENT**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**FOR THE YEAR ENDED AUGUST 31, 2014**

**Findings:**

None

**Fiscal Year 2014 TDCJ-CJAD Compliance Checklist**

Indicate whether these compliance requirements have been met by answering "Yes," "No," or "NA" (Not Applicable): *(Note: The first eighteen (18) checklist items are to be answered "Yes" or "No" only.)*

YES	NO	N/A	
<u>Yes</u>	___		Is separate accountability maintained for TDCJ-CJAD funds; i.e., fund accounting? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
<u>Yes</u>	___		Are Revenues and Expenditures reported to TDCJ-CJAD in agreement with, or reconcilable to, the funding recipient's accounting records and with audited expenditures in each budget category? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
<u>Yes</u>	___		Are TDCJ-CJAD funds and locally generated revenues expended in accordance with the <i>Financial Management Manual for TDCJ-CJAD Funding (FMM)</i> , TDCJ-CJAD Standards, TDCJ-CJAD Field Correspondence, TDCJ-CJAD Policy Statements, Standard and Special Grant Conditions, and applicable laws? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
<u>Yes</u>	___		Are proper cutoff procedures observed at the end of each fiscal period? The cutoff date for revenues recognition and expenditures payments of FY 2014 is October 31, 2014.
<u>Yes</u>	___		Is the modified accrual basis of accounting used in preparing the fourth quarter reports for submission to TDCJ-CJAD? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
___	<u>No</u>		Are any TDCJ-CJAD funds used to pay judges' salaries (unless specifically approved by TDCJ-CJAD in a Program Budget; i.e., DWI Courts), community justice council members' salaries, or other court-related expenses? If any of these salaries or expenses are paid, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
<u>Yes</u>	___		Are expenditures and revenues supported by adequate documentation? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
<u>Yes</u>	___		Are all employees with access to funds covered by a surety bond? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
<u>Yes</u>	___		Does the CSCD have an existing policy on budget approval, operate by the policy, and the policy has been approved in an open meeting by the judges charged with oversight of the CSCD (Government Code, Section 76.002, and the <i>Financial Management Manual for TDCJ-CJAD Funding (FMM)</i> Pages 8-10)). If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
<u>Yes</u>	___		Are all of the CSCD's funds and collections deposited in the county treasury

<u>Yes</u>	_____	(county's bank account)? ( <i>FMM</i> Pages 7-8; Government Code, Section 509.011; Local Government Code, Section 140.003 (f); and Attorney General's Opinion DM-257, dated September 15, 1993) If not, explain in the Notes to the Financial Statements and include in the Schedule of Findings and Questioned Costs.
<u>Yes</u>	_____	Are all of the CSCD's funds and collections disbursed by the county treasurer on behalf of the CSCD? ( <i>FMM</i> Pages 7-8; Government Code, Section 509.011; Local Government Code, Section 140.003 (f); and Attorney General's Opinion DM-257, dated September 15, 1993) If not, explain in the Notes to the Financial Statements and include in the Schedule of Findings and Questioned Costs.
<u>Yes</u>	_____	Are all of the CSCD's funds and collections deposited in the county treasury (county's bank account) within the time period required by Local Government Code 113.022? ( <i>FMM</i> Pages 7-8) If not, explain in the Notes to the Financial Statements and include in the Schedule of Findings and Questioned Costs.
<u>Yes</u>	_____	Did the Fiscal Officer follow the applicable laws, guidelines, and duties as specified on Pages 31-35 of the <i>Financial Management Manual for TDCJ-CJAD Funding</i> ? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
<u>Yes</u>	_____	Were purchasing laws, including required competitive bidding, followed as directed in accordance with the same procedures applicable to a county? (Texas Local Government Code Section 140.003 and Chapter 262, <i>FMM</i> Pages 35-36) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
_____	<u>No</u>	Were there any instances of fraud, non-compliance, waste, or abuse noted by the auditor (Chapter 4, Item 4.25 <i>Government Auditing Standards</i> )? If yes, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
<u>Yes</u>	_____	Are locally generated funds, and other collections, documented with a proper receipt system, and can they be traced to probationers' accounts, bank deposits and statements? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
<u>Yes</u>	_____	Is <u>equipment</u> physically inventoried and adequately supported with an inventory form? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
<u>Yes</u>	_____	Is surplus <u>equipment</u> disposed of in accordance with TDCJ-CJAD guidelines? ( <i>FMM</i> Page 24) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
<u>Yes</u>	_____	Was an explanation given in the Schedule of Differences for any changes that were made to Revenues and Expenditures that adjusted the previous amounts reported to TDCJ-CJAD? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
_____	_____	<u>NA</u> Are expenditures that benefit both juveniles and adults prorated on an equitable basis? Is determination of the method of prorating such expenditures supported by adequate documentation, including an annual time

study? (FMM Page 26) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

Yes     \_\_\_     \_\_\_  
 If the CSCD determines that an increase or decrease in revenue or expenditures is required, were budget adjustments submitted to TDCJ-CJAD, **by September 30, 2014**, and in accordance with the *Financial Management Manual for TDCJ-CJAD Funding?* (FMM Pages 8-10) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

Yes     \_\_\_     \_\_\_  
 Are idle funds, if any, invested? (FMM Page 7) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

Yes     \_\_\_     \_\_\_  
 Are all non-TDCJ-CJAD funded program fees expended in accordance with applicable limitations; i.e., civil fees, Federal grants, bond fees, etc.? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

Yes     \_\_\_     \_\_\_  
 Are Victim Restitution Funds accounted for in accordance with Texas Government Code, Section 76.013, and are unclaimed funds tracked for the required five-year period prior to sending to the State Comptroller? (FMM Page 28) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

Yes     \_\_\_     \_\_\_  
 Have TDCJ-CJAD policies regarding contracts with vendors been followed, which includes maintaining a Contract Monitoring Plan (policy) to monitor vendor payments and compliance with contracts? (CMM and Pages 10-11 of these Guidelines) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

Yes     \_\_\_     \_\_\_  
 Does the CSCD have a policy regarding eligibility for employee salary merit increases, if merit or one-time increases are given? (FMM Page 46) If such increases are given without a written policy, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

Yes     \_\_\_     \_\_\_  
 If the CSCD allows offenders to pay a fee or donate goods to a local food bank in lieu of performing community service restitution (CSR) work hours, does the CSCD have a written **CSR Policy** stating this fact? (TDCJ-CJAD Policy Statement No. CJAD-PS-08) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

\_\_\_     \_\_\_     NA  
 Are petty cash funds (not change funds) authorized by the county auditor or fiscal officer? (FMM, Pages 7-8, 20 and 34) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

\_\_\_     \_\_\_     NA  
 Are petty cash funds used only for specific purposes for allowable items as listed in the *Financial Management Manual for TDCJ-CJAD Funding* and expended only for emergency situations authorized by a written policy and approved by the CSCD director? (FMM, Pages 7-8, 20 and 34) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

Yes     \_\_\_     \_\_\_  
 Are Personal Bond, Surety Bond, Bail and Certain Other Supervision expenses relating to CSCD employees supervising these cases paid from the

administrative fees (and not from state-funded budgets) set in Article 76.015(c) of the Texas Government Code, as amended; i.e., salaries, fringe benefits, travel, supplies, equipment, etc., paid from these fees? If a CSCD employee (or more than one employee where cumulative time is not over 10% of one full-time equivalent position) spends no more than 10% of his/her time on the Bond/Other Supervision Program activities, separation of expenses is considered immaterial and is not required. However, all revenue generated from these fees must be accounted for separately in a local budget. Is this being properly captured? (*FMM* Pages 20-21 and TDCJ-CJAD Policy Statement No. CJAD-PS-09) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

With prior TDCJ-CJAD approval, CSCDs may use Basic Supervision, CC, DP, or TAIP funds as required cash matching for grants from other governmental agencies, non-profit organizations, or private foundations, etc., for the purpose of expanding an existing program. Was cash matching properly authorized, budgeted, and expended? (*FMM* Pages 21-22) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

\_\_\_    \_\_\_    NA

The Texas Code of Criminal Procedure, Article 42.12, Section 19 (e) requires as a condition of probation that certain sex offenders pay \$5.00 per month during the period of supervision. These fees are in addition to court costs or any other fee imposed on the offender as court ordered. Are these fees collected and accounted for by the CSCD and remitted to the State Comptroller? (*FMM* Page 27) If fees are collected, include them in the Note to the Financial Statements for funds not required to be budgeted. If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

Yes    \_\_\_    \_\_\_

Article 42.12, Section 11 (a) (18), Code of Criminal Procedure authorizes the court to order a defendant, as a condition of community supervision, to reimburse the Crime Victims' Compensation Fund for any amounts paid from that fund to a victim of the defendant's offense or, if no reimbursement is required, make one payment to the fund in an amount not to exceed \$50 if the offense is a misdemeanor or not to exceed \$100 if the offense is a felony. If these fees were collected, were they remitted to the State Comptroller in compliance with the timelines outlined by the State Comptroller's Office? (*FMM* Pages 28-29) If these fees are collected, include in the Note to the Financial Statements for funds not required to be budgeted. If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

\_\_\_    \_\_\_    NA

Were pretrial intervention fees properly collected and accounted for as payments by program participants? (*FMM* Pages 28-29, Government Code, Section 76.015 (c), Texas Code of Criminal Procedure, Article 102.012) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

Yes    \_\_\_    \_\_\_

Is there proper identification on motor vehicles that are issued exempt license plates? (*FMM* Pages 29-30, Transportation Code, Chapter 721) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

Yes    \_\_\_    \_\_\_

<u>Yes</u>	_____	_____	Is the transactions' administrative fee, if collected, accounted for on a consistent basis? ( <i>FMM</i> Page 30) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
<u>Yes</u>	_____	_____	If there were negative fund balances in programs, were they covered by interfund transfers as described in the <i>Financial Management Manual</i> ? ( <i>FMM</i> Pages 33-34) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
_____	_____	<u>NA</u>	Do action plans exist for all significant findings from previous audits, and are action plans current? (Chapter 4, Item 4.05, <i>Government Auditing Standards</i> ) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.