

**COLLIN COUNTY  
COMMUNITY SUPERVISION AND  
CORRECTIONS DEPARTMENT**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**FOR THE YEAR ENDED  
AUGUST 31, 2017**

**WITH INDEPENDENT AUDITORS' REPORT**

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**COLLIN COUNTY  
COMMUNITY SUPERVISION  
AND CORRECTIONS DEPARTMENT**

**YEAR ENDED AUGUST 31, 2017**

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**COLLIN COUNTY  
COMMUNITY SUPERVISION  
AND CORRECTIONS DEPARTMENT**

**YEAR ENDED AUGUST 31, 2017**

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

## INDEPENDENT AUDITORS' REPORT

Collin County Community  
Supervision and Corrections Department  
McKinney, Texas

### **Report on the Financial Statements**

We have audited the accompanying combined statement of financial position as of August 31, 2017, the combined statement of revenue, expenditures and changes in fund balance, the combining statement of revenues, expenditures, and changes in fund balance – All Diversion Grant Program Funds, and the individual statements of revenue, expenditures and changes in fund balance – budget, actual, and variance for the year ended August 31, 2017, and the related notes to the financial statements, which collectively comprise Collin County Community Supervision and Corrections Department (CSCD) basic financial statements, and have issued our report thereon dated February 27, 2018.

### ***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.

### ***Opinion***

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, 2017, and the combined statement of revenue, expenditures and changes in fund balance, the combining statement of revenues, expenditures, and changes in fund balance – All Diversion Grant Program Funds, and the individual statements of revenue, expenditures and changes in fund balance – budget, actual, and variance for the year ended August 31, 2017, and the related notes to the financial statements 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 the Audit Report and CSCD Reports as submitted 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 February 27, 2018, 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, L.L.P.*

Waco, Texas  
February 27, 2018

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# **COMBINED FINANCIAL STATEMENTS**

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**COLLIN COUNTY COMMUNITY SUPERVISION  
AND CORRECTIONS DEPARTMENT**

**COMBINED STATEMENT OF FINANCIAL POSITION**

**AUGUST 31, 2017**

	Basic Supervision	Community Corrections	Diversion Programs	Treatment Alternative to Incarceration Program	Total
<b>ASSETS</b>					
Cash and Investments:					
Bank Balances	\$ 241,043	\$ 661,692	\$ 30,358	\$ 39,919	\$ 973,012
Time Deposits	2,486,003	-	-	-	2,486,003
Total Cash and Investments	<u>2,727,046</u>	<u>661,692</u>	<u>30,358</u>	<u>39,919</u>	<u>3,459,015</u>
Accounts Receivable:					
Travel Advances	6,158	-	-	-	6,158
Misc. A/R - Restitution	562	-	-	-	562
Community Supervision Fees	256,620	-	-	-	256,620
Program Participation Fees	50,768	-	-	-	50,768
Other - Interest	116	-	-	-	116
Total Accounts Receivable	<u>314,224</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>314,224</u>
Total Assets	<u>3,041,270</u>	<u>661,692</u>	<u>30,358</u>	<u>39,919</u>	<u>3,773,239</u>
<b>LIABILITIES AND FUND BALANCE</b>					
Liabilities:					
Accounts Payable	350,135	32,582	29,362	1,901	413,980
Due to TDCJ-CJAD	-	629,110	996	38,018	668,124
Total Liabilities	<u>350,135</u>	<u>661,692</u>	<u>30,358</u>	<u>39,919</u>	<u>1,082,104</u>
Fund Balance	<u>2,691,135</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,691,135</u>
Total Liabilities and Fund Balance	<u>\$ 3,041,270</u>	<u>\$ 661,692</u>	<u>\$ 30,358</u>	<u>\$ 39,919</u>	<u>\$ 3,773,239</u>

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

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**COLLIN COUNTY COMMUNITY SUPERVISION  
AND CORRECTIONS DEPARTMENT**

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

**FOR THE YEAR ENDED AUGUST 31, 2017**

	Basic Supervision	Community Corrections	Diversion Programs	Treatment Alternative to Incarceration Program	Total
<b>REVENUE</b>					
State Aid (Prior to One Time Payment)	\$ 1,845,524	\$ 961,682	\$ 182,089	\$ 40,126	\$ 3,029,421
One Time Payment (Addition to State Aid)	<u>36,275</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>36,275</u>
Total State Aid	<u>1,881,799</u>	<u>961,682</u>	<u>182,089</u>	<u>40,126</u>	<u>3,065,696</u>
State Aid: SAFPF	33,647	-	-	-	33,647
Community Supervision Fees	3,297,100	-	-	-	3,297,100
Payments by Program Participants	602,992	-	-	-	602,992
Interest Income	25,850	-	-	-	25,850
Other Revenue	<u>16,187</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,187</u>
Total Revenue	<u>5,857,575</u>	<u>961,682</u>	<u>182,089</u>	<u>40,126</u>	<u>7,041,472</u>
<b>EXPENDITURES</b>					
Salaries and Fringe Benefits	5,195,697	167,646	412,161	-	5,775,504
Travel and Furnished Transportation	77,501	73	-	-	77,574
Contract Services for Offenders	506,235	253,852	16,552	16,890	793,529
Professional Fees	52,342	7,562	1,365	301	61,570
Supplies and Operating Expenses	114,346	5,051	-	-	119,397
Utilities	3,804	-	-	-	3,804
Equipment	<u>5,808</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,808</u>
Total Expenditures	<u>5,955,733</u>	<u>434,184</u>	<u>430,078</u>	<u>17,191</u>	<u>6,837,186</u>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	( 98,158)	527,498	( 247,989)	22,935	204,286
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfer In	-	6,904	248,967	-	255,871
Transfer Out	<u>( 30,326)</u>	<u>( 225,545)</u>	<u>-</u>	<u>-</u>	<u>( 255,871)</u>
Total Other Financing Sources (Uses)	<u>( 30,326)</u>	<u>( 218,641)</u>	<u>248,967</u>	<u>-</u>	<u>-</u>
<b>PRIOR YEAR ENDING FUND BALANCE</b>	2,819,566	320,253	-	15,083	3,154,902
Prior Period Adjustment	<u>53</u>	<u>-</u>	<u>18</u>	<u>-</u>	<u>71</u>
Adjusted Beginning Fund Balance	<u>2,819,619</u>	<u>320,253</u>	<u>18</u>	<u>15,083</u>	<u>3,154,973</u>
Refund Due to TDCJ-CJAD	<u>-</u>	<u>( 629,110)</u>	<u>( 996)</u>	<u>( 38,018)</u>	<u>( 668,124)</u>
<b>AUDITED YEAR ENDING FUND BALANCE</b>	<u>\$ 2,691,135</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,691,135</u>

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

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**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, 2017**

	Specialized Caseload- Mental Health Initiative	Specialized Caseload-Sex Offender	Specialized Caseload- Substance Abuse	Total
<b>REVENUE</b>				
State Aid	\$ 36,552	\$ 96,064	\$ 49,473	\$ 182,089
Total Revenue	36,552	96,064	49,473	182,089
<b>EXPENDITURES</b>				
Salaries and Fringe Benefits	123,637	111,724	176,800	412,161
Contract Services for Offenders	-	16,552	-	16,552
Professional Fees	274	720	371	1,365
Total Expenditures	123,911	128,996	177,171	430,078
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	( 87,359)	( 32,932)	( 127,698)	( 247,989)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer In	87,446	33,488	128,033	248,967
Total Other Financing Sources (Uses)	87,446	33,488	128,033	248,967
<b>PRIOR YEAR ENDING FUND BALANCE</b>				
Prior Period Adjustment	-	-	18	18
Adjusted Beginning Fund Balance	-	-	18	18
Refund Due to TDCJ-CJAD	( 87)	( 556)	( 353)	( 996)
<b>AUDITED YEAR ENDING FUND BALANCE</b>	\$ -	\$ -	\$ -	\$ -

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

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**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, 2017**

	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUE</b>			
State Aid (Prior to One Time Payment)	\$ 1,845,524	\$ 1,845,524	\$ -
One Time Payment (Addition to State Aid)	36,275	36,275	-
Total State Aid	1,881,799	1,881,799	-
State Aid: SAFPF	34,000	33,647	( 353)
Community Supervision Fees	3,431,696	3,297,100	( 134,596)
Payments by Program Participants	547,436	602,992	55,556
Interest Income	22,500	25,850	3,350
Other Revenue	20,000	16,187	( 3,813)
Total Revenue	5,937,431	5,857,575	( 79,856)
<b>EXPENDITURES</b>			
Salaries and Fringe Benefits	5,857,183	5,195,697	661,486
Travel and Furnished Transportation	270,000	77,501	192,499
Contract Services for Offenders	724,850	506,235	218,615
Professional Fees	609,541	52,342	557,199
Supplies and Operating Expenses	1,202,669	114,346	1,088,323
Utilities	6,100	3,804	2,296
Equipment	26,800	5,808	20,992
Total Expenditures	8,697,143	5,955,733	2,741,410
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	( 2,759,712)	( 98,158)	2,661,554
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer Out	( 59,854)	( 30,326)	29,528
Total Other Financing Sources (Uses)	( 59,854)	( 30,326)	29,528
<b>PRIOR YEAR ENDING FUND BALANCE</b>	2,819,566	2,819,566	-
Prior Period Adjustment	-	53	53
Adjusted Beginning Fund Balances	2,819,566	2,819,619	53
<b>AUDITED YEAR ENDING FUND BALANCE</b>	\$ -	\$ 2,691,135	\$ 2,691,135

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**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, 2017**

	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUE</b>			
State Aid	\$ 961,682	\$ 961,682	\$ -
Total Revenue	961,682	961,682	-
<b>EXPENDITURES</b>			
Salaries and Fringe Benefits	187,431	167,646	19,785
Travel and Furnished Transportation	10,500	73	10,427
Contract Services for Offenders	261,724	253,852	7,872
Professional Fees	15,213	7,562	7,651
Supplies and Operating Expenses	470,054	5,051	465,003
Total Expenditures	944,922	434,184	510,738
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	16,760	527,498	510,738
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer In	6,904	6,904	-
Transfer Out	( 343,917)	( 225,545)	118,372
Total Other Financing Sources (Uses)	( 337,013)	( 218,641)	118,372
<b>PRIOR YEAR ENDING FUND BALANCE</b>	320,253	320,253	-
Refund Due to CJAD	-	( 629,110)	( 629,110)
<b>AUDITED YEAR ENDING FUND BALANCE</b>	\$ -	\$ -	\$ -

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

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**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, 2017**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUE</b>			
State Aid	\$ 36,552	\$ 36,552	\$ -
Total Revenue	<u>36,552</u>	<u>36,552</u>	<u>-</u>
<b>EXPENDITURES</b>			
Salaries and Fringe Benefits	129,396	123,637	5,759
Travel and Furnished Transportation	3,110	-	3,110
Professional Fees	<u>274</u>	<u>274</u>	<u>-</u>
Total Expenditures	<u>132,780</u>	<u>123,911</u>	<u>8,869</u>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	( 96,228)	( 87,359)	8,869
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer In	<u>96,228</u>	<u>87,446</u>	<u>( 8,782)</u>
Total Other Financing Sources (Uses)	<u>96,228</u>	<u>87,446</u>	<u>( 8,782)</u>
<b>PRIOR YEAR ENDING FUND BALANCE</b>	-	-	-
Refund Due to CJAD	<u>-</u>	<u>( 87)</u>	<u>( 87)</u>
<b>AUDITED YEAR ENDING FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

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**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, 2017**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</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	123,216	111,724	11,492
Travel and Furnished Transportation	17,740	-	17,740
Contract Services for Offenders	52,500	16,552	35,948
Professional Fees	<u>720</u>	<u>720</u>	<u>-</u>
Total Expenditures	<u>194,176</u>	<u>128,996</u>	<u>65,180</u>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	( 98,112)	( 32,932)	65,180
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer In	<u>98,112</u>	<u>33,488</u>	<u>( 64,624)</u>
Total Other Financing Sources (Uses)	<u>98,112</u>	<u>33,488</u>	<u>( 64,624)</u>
<b>PRIOR YEAR ENDING FUND BALANCE</b>	-	-	-
Refund Due to CJAD	<u>-</u>	<u>( 556)</u>	<u>( 556)</u>
<b>AUDITED YEAR ENDING FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

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**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, 2017**

	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUE</b>			
State Aid	\$ 49,473	\$ 49,473	\$ -
Total Revenue	49,473	49,473	-
<b>EXPENDITURES</b>			
Salaries and Fringe Benefits	192,136	176,800	15,336
Professional Fees	8,371	371	8,000
Supplies and operating expenses	6,493	-	6,493
Total Expenditures	207,000	177,171	29,829
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	( 157,527)	( 127,698)	29,829
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer In	157,527	128,033	( 29,494)
Total Other Financing Sources (Uses)	157,527	128,033	( 29,494)
<b>PRIOR YEAR ENDING FUND BALANCE</b>	-	-	-
Prior Period Adjustment	-	18	18
Adjusted Beginning Fund Balance	-	18	18
Refund Due to CJAD	-	( 353)	( 353)
<b>AUDITED YEAR ENDING FUND BALANCE</b>	\$ -	\$ -	\$ -

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

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**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, 2017**

	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	84,825	16,890	67,935
Professional Fees	301	301	-
Supplies & Operating Expenses	15,083	-	15,083
Total Expenditures	100,209	17,191	83,018
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	( 60,083)	22,935	83,018
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer In	45,000	-	( 45,000)
Total Other Financing Sources (Uses)	45,000	-	( 45,000)
<b>PRIOR YEAR ENDING FUND BALANCE</b>	15,083	15,083	-
Adjusted Beginning Fund Balances	15,083	15,083	-
Refund Due to CJAD	-	( 38,018)	( 38,018)
<b>AUDITED YEAR ENDING FUND BALANCE</b>	\$ -	\$ -	\$ -

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, 2017**

**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, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures. 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 for the specific activities in accordance with laws, regulations, or other restrictions. 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, 2017 for financial activity performed by August 31, 2017, are considered available. Also purchases for which the commitment has been established by August 31, 2017, are considered liabilities regardless of whether possession of these goods has been received by August 31, 2017, provided that the liability purchase is received and is paid for by October 31, 2017. Exception to this method of accounting is the recording of refunds to the State as reductions of Fund Balance.

Funds of the Collin County CSCD are grouped into the agency fund type for the purpose of operation on the Collin County, Texas accounting system. Accounting agency funds are accounts established for deposit and disbursement of funds which are not controlled through the Collin County, Texas budget process and are held in purely a custodial capacity.

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

Pursuant to Government Code, Section 76.004 and 76.002, the budgets governing the funding to the programs are prepared biennially, then approved by the district judges and the criminal court-at-law judges with jurisdiction over the department and by the Texas Department of Criminal Justice - Community Justice Assistance Division. Only budget adjustment requests, at year end, received by September 30, 2017 will be reviewed and approved/disapproved by TDCJ-CJAD. TDCJ-CJAD will not accept any budget adjustments after September 30, 2017 for the previous fiscal year. Only budget adjustments approved by TDCJ-CJAD should be 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, 2017 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, 2017, was \$398,678.

## **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 and direct felony cases. Funding is first allocated to misdemeanor placements for 182 days. The remaining funding is allocated to felons under direct 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 (DP) 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.

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.

High/Medium Reduction Caseload Funding: Appropriations of the High/Medium Reduction Caseload funding are allocated by TDCJ-CJAD through the DP line item but are budgeted and reported by CSCD's as State aid under Basic Supervision.

Pre-Trial Funding: Funds were appropriated by the 85<sup>th</sup> legislature. Appropriations of the pre-trial funding 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, 2017:

Source	Amount Received	Restrictions for Use	Expended in Accordance with Restrictions
Community Supervision Fees	\$ 3,297,100	Financial Management Manual for TDCJ-CJAD Funding restrictions	Yes
Payments by Program Participants	602,992	Financial Management Manual for TDCJ-CJAD Funding restrictions	Yes
Interest Income	25,850	Financial Management Manual for TDCJ-CJAD Funding restrictions	Yes
Administrative Fees, Welfare Restitution, Subpoena, and 5% Collection Fees	16,187	Financial Management Manual for TDCJ-CJAD Funding 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, 2017:

Source	Amount Received	Restrictions for Use	Expended in Accordance with Restrictions	Fund Balance at August 31, 2016
Victim restitution	\$ 1,774,370	Government Code 76.013, paid directly to victim within certain timelines	Yes	\$ -
Bond Supervision	237,683	Article 17.40 of the Code of Criminal Procedure\State Bill (SB) 880 in the 82nd Legislature Paid directly to County Treasurer	Yes	-
Children's Advocacy Center	700	Treasurer	Yes	-
Crimestoppers	99,419	Paid directly to Crimestoppers	Yes	-
Supervision Fee for Sex Offenders	5,768	Article 42.12, Section 19 (f) of the Code of Criminal Procedure	Yes	-
Attorney fees	1,008	Local Government Code, Chapter 113, Section 113.022	Yes	-
Court costs	8,295	Local Government Code, Chapter 113, Section 113.023	Yes	-
Fines	13,124	Local Government Code, Chapter 113, Section 113.024	Yes	-
Women's Shelter Donation Fee	5,880	Code of Criminal Procedure, Article 42.12, Section 11(h)	Yes	-
Domestic Violence Fee	2,247	Code of Criminal Procedure, Article 42.12, Section 11(h)	Yes	-
Deferred Prosecution	155,480	Local Government Code, Chapter 113, Section 113.023	Yes	-
Forgery	525	Local Government Code, Chapter 113, Section 113.023	Yes	-
Sheriff Service Fee	1,280	Local Government Code, Chapter 113, Section 113.023	Yes	-
North Texas Food Bank	200	Local Government Code, Chapter 113, Section 113.023	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 County Treasurer 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. (Government Code 509.011 (I) and local Government Code 140.003 (f)).

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

**7. ACCOUNTS RECEIVABLES AND / OR PAYABLES AS STATED ON THE COMBINED STATEMENT OF FINANCIAL POSITION AS OF AUGUST 31, 2017**

Accounts receivable consists of state aid, supervision fees, program participation fees, and interest due to the Department. The receivable balances at August 31, 2017 are described in the table below.

Supervision Fees	\$	256,620
Program Participant Fees		50,768
Other - Interest		<u>116</u>
	\$	<u><u>307,504</u></u>

The accounts payable consists of payments to vendors for services or supplies outstanding as of August 31, 2017. The payable balances at August 31, 2017 are described in the table below.

Accrued Salaries and Benefits	\$	330,902
Travel		6,728
Consultants		75,259
Professional Fees		80
Supplies		<u>1,011</u>
	\$	<u><u>413,980</u></u>

**8. INTERFUND TRANSFERS**

Basic Supervision transfers out were made to distribute the 2017 Dedicated Salary Grant Increases award amounts received each quarter to programs indicated below. Community Corrections Program transfers out were made to cover any fund besides Basic Supervision that had a negative fund balance at the end of any quarter.

Transfer Out:	Transfers In:		
	Community Corrections	Diversion Programs	Total
Basic Supervision	\$ 6,904	\$ 23,422	\$ 30,326
Community Corrections Program	-	225,545	225,545
Total	<u>\$ 6,904</u>	<u>\$ 248,967</u>	<u>\$ 255,871</u>

**9. 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)*.

	August 31, 2017
Treatment Assessment Screening Center, Inc.	\$ 485,000
Collin County Sheriff's Office - SCORE	<u>202,077</u>
	<u>\$ 687,077</u>

**10. 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, 2017.

**11. DEOBLIGATIONS**

The Department did not have any deobligated funds for the 2017 fiscal year.

## 12. PRIOR PERIOD ADJUSTMENTS

A prior period adjustment to beginning fund balance was made in the amount of \$17.66 for the Diversion Grant Program – Specialized Caseload-Substance Abuse. This was due to the double reporting of expenses from fiscal year 2014. Additionally, there was a prior period adjustment to restate beginning fund balance in the amount of \$53 in the Basic Supervision Grant. This was a correction of expenses from a prior period.

## 13. REFUNDS

A list of the refunds distributed by the Department are as follows:

<u>Program</u>	<u>Amount</u>
Community Corrections Program	\$ 629,110
Diversion Program	996
Treatment Alternatives to Incarcation Program (TAIP)	<u>38,018</u>
Total	<u><u>\$ 668,124</u></u>

## 14. SUBSEQUENT EVENTS

The Department has no subsequent events that require disclosure.

## 15. OTHER

The Department has no other 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 AS SUBMITTED TO TDCJ-CJAD**

**BASIC SUPERVISION PROGRAM**

**FOR THE YEAR ENDED AUGUST 31, 2017**

	Audit	Per CSCD Quarterly Report	Difference
<b>REVENUE</b>			
State Aid (Prior to One Time Payment)	\$ 1,845,524	\$ 1,845,524	\$ -
One Time Payment (Addition to State Aid)	36,275	36,275	-
Total State Aid	<u>1,881,799</u>	<u>1,881,799</u>	<u>-</u>
State aid: SAFPF	33,647	33,647	-
Community Supervision Fees	3,297,100	3,297,100	-
Payments by Program Participants	602,992	602,992	-
Interest Income	25,850	25,850	-
Other Revenue	16,187	16,187	-
Total Revenue	<u>5,857,575</u>	<u>5,857,575</u>	<u>-</u>
<b>EXPENDITURES</b>			
Salaries and Fringe Benefits	5,195,697	5,195,697	-
Travel and Furnished Transportation	77,501	77,501	-
Contract Services for Offenders	506,235	506,235	-
Professional Fees	52,342	52,342	-
Supplies and Operating Expenses	114,346	114,346	-
Utilities	3,804	3,804	-
Equipment	5,808	5,808	-
Total Expenditures	<u>5,955,733</u>	<u>5,955,733</u>	<u>-</u>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	( 98,158)	( 98,158)	-
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer In			
Transfer Out	( 30,326)	( 30,326)	-
Total Other Financing Sources (Uses)	<u>( 30,326)</u>	<u>( 30,326)</u>	<u>-</u>
<b>PRIOR YEAR ENDING FUND BALANCE</b>	2,819,566	2,819,566	-
Prior Period Adjustment	53	53	-
Adjusted Beginning Fund Balances	<u>2,819,619</u>	<u>2,819,619</u>	<u>-</u>
<b>AUDITED YEAR ENDING FUND BALANCE</b>	<u>\$ 2,691,135</u>	<u>\$ 2,691,135</u>	<u>\$ -</u>

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**COLLIN COUNTY COMMUNITY SUPERVISION  
AND CORRECTIONS DEPARTMENT**

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

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

**FOR THE YEAR ENDED AUGUST 31, 2017**

	Audit	Per CSCD Quarterly Report	Difference
<b>REVENUE</b>			
State Aid	\$ 961,682	\$ 961,682	\$ -
Total Revenue	<u>961,682</u>	<u>961,682</u>	<u>-</u>
<b>EXPENDITURES</b>			
Salaries and Fringe Benefits	167,646	167,646	-
Travel and Furnished Transportation	73	73	-
Contract Services for Offenders	253,852	253,852	-
Professional Fees	7,562	7,562	-
Supplies and Operating Expenses	<u>5,051</u>	<u>5,051</u>	<u>-</u>
Total Expenditures	<u>434,184</u>	<u>434,184</u>	<u>-</u>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	527,498	527,498	-
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer In	6,904	6,904	
Transfer Out	( 225,545)	( 225,545)	-
Total Other Financing Sources (Uses)	<u>( 218,641)</u>	<u>( 218,641)</u>	<u>-</u>
<b>PRIOR YEAR ENDING FUND BALANCE</b>	<u>320,253</u>	<u>320,253</u>	<u>-</u>
Refund Due to CJAD	( 629,110)	( 629,110)	-
<b>AUDITED YEAR ENDING FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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**COLLIN COUNTY COMMUNITY SUPERVISION  
AND CORRECTIONS DEPARTMENT**

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

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

**FOR THE YEAR ENDED AUGUST 31, 2017**

	Audit	Per CSCD Quarterly Report	Difference
<b>REVENUE</b>			
State Aid	\$ 36,552	\$ 36,552	\$ -
Total Revenue	<u>36,552</u>	<u>36,552</u>	<u>-</u>
<b>EXPENDITURES</b>			
Salaries and Fringe Benefits	123,637	123,637	-
Professional fees	274	274	-
Total Expenditures	<u>123,911</u>	<u>123,911</u>	<u>-</u>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	( 87,359)	( 87,359)	-
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer In	87,446	87,446	-
Total Other Financing Sources (Uses)	<u>87,446</u>	<u>87,446</u>	<u>-</u>
<b>PRIOR YEAR ENDING FUND BALANCE</b>	-	-	-
Refund Due to CJAD	( 87)	( 87)	-
<b>AUDITED YEAR ENDING FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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**COLLIN COUNTY COMMUNITY SUPERVISION  
AND CORRECTIONS DEPARTMENT**

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

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

**FOR THE YEAR ENDED AUGUST 31, 2017**

	Audit	Per CSCD Quarterly Report	Difference
<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	111,724	111,724	-
Contract Services for Offenders	16,552	16,552	-
Professional Fees	<u>720</u>	<u>720</u>	<u>-</u>
Total Expenditures	<u>128,996</u>	<u>128,996</u>	<u>-</u>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	( 32,932)	( 32,932)	-
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer In	<u>33,488</u>	<u>33,488</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>33,488</u>	<u>33,488</u>	<u>-</u>
<b>PRIOR YEAR ENDING FUND BALANCE</b>	-	-	-
Refund Due to CJAD	<u>( 556)</u>	<u>( 556)</u>	<u>-</u>
<b>AUDITED YEAR ENDING FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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**COLLIN COUNTY COMMUNITY SUPERVISION  
AND CORRECTIONS DEPARTMENT**

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

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

**FOR THE YEAR ENDED AUGUST 31, 2017**

	Audit	Per CSCD Quarterly Report	Difference
<b>REVENUE</b>			
State Aid	49,473	\$ 49,473	\$ -
Total Revenue	<u>49,473</u>	<u>49,473</u>	<u>-</u>
<b>EXPENDITURES</b>			
Salaries and Fringe Benefits	176,800	176,800	-
Professional Fees	371	371	-
Total Expenditures	<u>177,171</u>	<u>177,171</u>	<u>-</u>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	( 127,698)	( 127,698)	-
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer In	128,033	128,033	-
Total Other Financing Sources (Uses)	<u>128,033</u>	<u>128,033</u>	<u>-</u>
<b>PRIOR YEAR ENDING FUND BALANCE</b>	-	-	-
Prior Period Adjustment	18	18	-
Adjusted Beginning Fund Balances	<u>18</u>	<u>18</u>	<u>-</u>
Refund Due to CJAD	( 353)	( 353)	-
<b>AUDITED YEAR ENDING FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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**COLLIN COUNTY COMMUNITY SUPERVISION  
AND CORRECTIONS DEPARTMENT**

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

**TREATMENT ALTERNATIVE TO INCARCERATION PROGRAM**

**FOR THE YEAR ENDED AUGUST 31, 2017**

	<u>Audit</u>	<u>Per CSCD Quarterly Report</u>	<u>Difference</u>
<b>REVENUE</b>			
State Aid	\$ 40,126	\$ 40,126	\$ -
Total Revenue	<u>40,126</u>	<u>40,126</u>	<u>-</u>
<b>EXPENDITURES</b>			
Contract Services for Offenders	16,890	16,890	-
Professional Fees	<u>301</u>	<u>301</u>	<u>-</u>
Total Expenditures	<u>17,191</u>	<u>17,191</u>	<u>-</u>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	22,935	22,935	-
<b>PRIOR YEAR ENDING FUND BALANCE</b>	<u>15,083</u>	<u>15,083</u>	<u>-</u>
Refund Due to CJAD	<u>( 38,018)</u>	<u>( 38,018)</u>	<u>-</u>
<b>AUDITED YEAR ENDING FUND BALANCE</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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# **COMPLIANCE SECTION**

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

**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 FOR COLLIN COUNTY COMMUNITY SUPERVISION AND CORRECTIONS DEPARTMENT, COLLIN COUNTY, TEXAS**

Collin County Community  
Supervision and Corrections Department  
Collin County, 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, 2016, and the related notes to the financial statements, which collectively comprise the Collin County Community Supervision and Corrections Department's basic financial statements, and have issued our report thereon dated February 27, 2018.

**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 from 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 the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the 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, L.L.P.*

Waco, Texas  
February 27, 2018

**COLLIN COUNTY  
COMMUNITY SUPERVISION  
AND CORRECTIONS DEPARTMENT**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**FOR THE YEAR ENDED AUGUST 31, 2017**

**Findings:**

There were no findings or questioned costs for the year ended August 31, 2017.

**COLLIN COUNTY  
COMMUNITY SUPERVISION  
AND CORRECTIONS DEPARTMENT**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**FOR THE PRIOR YEAR ENDED AUGUST 31, 2016**

**Findings:**

There were no findings or questioned costs for the year ended August 31, 2016.

## VI. TDCJ-CJAD INDEPENDENT AUDIT COMPLIANCE CHECKLIST

(Note: **The Compliance Checklist FORMAT AND CONTENT are NOT TO BE ATTLTERED.**)

Indicate whether these compliance requirements have been met by answering “Yes,” “No,” or “NA” (Not Applicable). If “N/A” is blocked out then answers must be “Yes” or “No”. *Please contact your Fiscal Auditor if you have any questions.*

YES	NO	N/A	
<b><u>POLICIES AND PROCEDURES</u></b>			
1.	<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.
2.	<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.
3.	<u>YES</u>		Did the Fiscal Officer follow the applicable laws, guidelines, and duties as specified on Fiscal Officer section 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.
4.	<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> Purchasing)? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
5.	___	<u>N/A</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 ( <i>FMM</i> Multiple Positions & Dual Departments)? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
6.	<u>YES</u>		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 ( <i>CMM</i> and Pages 13-14 <i>SRF</i> of these Guidelines)? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
7.	<u>YES</u>		Does the CSCD have a policy regarding eligibility for employee salary merit increases, if merit or one-time increases are given ( <i>FMM</i> Salaries Expenditure Items)? 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.
8.	<u>YES</u>		If a Judge allows an offender to pay a fee or donate goods to a local food bank or food pantry in the community in which the defendant resides or another nonprofit organization that: (A) has a 501 (a) IRS exemption as listed in Section 501 (c) (3) of that code and (B) provides services or assistance to needy individuals and families in the community in which the defendant resides in lieu of performing community service restitution (CSR) work hours, does the CSCD have a written <b>CSR Policy</b> stating that fact (As amended in Section 16 (f), Article 42.12, Code of Criminal Procedure)? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings of 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* Grants, Donations, Fees...)? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

9.     \_\_\_     \_\_\_     N/A

Local Benefit Coordinators shall participate in required ERS training. The TDCJ-CJAD Benefits Administrator will train local Benefit Coordinators on Benefits Administration and the ERS Online Website procedures. Did the Local Benefit Coordinators, as required each year by TDCJ-CJAD-PS-11 and ERS, attend an FY 2017 Refresher Training and the Annual Enrollment Training?

10.    YES    \_\_\_

Is equipment physically inventoried annually and adequately supported with a TDCJ-CJAD Equipment Inventory Form as instructed in the Equipment Section of the *FMM*? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

11.    YES    \_\_\_

Is surplus equipment disposed of in accordance with TDCJ-CJAD guidelines (*FMM* Disposable Surplus of Property)? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

12.    YES    \_\_\_

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

13.    YES    \_\_\_     \_\_\_

When the CSCD or a vendor operating a commissary for a CSCD purchase goods at retail outlets for resale at the commissary using sales tax exemption documentation, did the CSCD charge and collect state sales tax from the residents for items purchased? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

14.    \_\_\_     \_\_\_     N/A

If the CSCD charged and collected state sales tax from residents, does the CSCD have a sales tax permit issued by the Comptroller of Public Accounts? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

15.    \_\_\_     \_\_\_     N/A

Did the CSCD remit the collected sales taxes to the state either quarterly or yearly (with the permission of the Comptroller of Public Accounts)? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

16.    \_\_\_     \_\_\_     N/A

Did the CSCD follow the procedures for tax return, record keeping, tax remittance regarding state sales tax as summarized in Rule §3.286 of the Texas Administrative Code? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

17.    \_\_\_     \_\_\_     N/A

**FINANCIAL STATEMENTS**

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.

18.    YES    \_\_\_

Were interfund transfers, if any, correctly identified in the financial statements (*FMM*, Financial Reports)? If not, explain in the Interfund Transfer note of the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

19.    YES    \_\_\_     \_\_\_

It is inappropriate for government funded programs to end a fiscal year in a deficit. If there were negative fund balances at the end of the fiscal year, were they covered by interfund transfers as described in the *Financial Management Manual* for TDCJ-CJAD Funding (*FMM* Fiscal Officer)? If not, explain in the Interfund Transfer note Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

20. YES    \_\_\_

\_\_\_ In FY 2017, did the CSCD determine if funds allocated to program(s) were in excess of the actual needs to operate the programs for the remainder of the fiscal year, resulting in deobligation of funds? Government Code, Chapter 509, Section 509.011 (h), allows CSCDs to deobligate any unencumbered state funds held by the department during a fiscal year (Basic Supervision, CC, DP, and TAIP). If so, indicate the program(s) and the amount(s) in the Deobligation note of the Notes to the Financial Statements and in their specified line of the financial statements in the Independent Audit.

21.    \_\_\_ NO

Are the deobligated funds, if any, reported as reductions to State Aid (I.e. is the reported state aid the correct amount after deobligation)? If applicable. If not, explain in the Deobligation note of the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

22.    \_\_\_    \_\_\_ N/A

If funds were deobligated, were the appropriate budget adjustments made for the reallocated funds? If not, explain in the Deobligation note of the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

23.    \_\_\_    \_\_\_ N/A

24. YES    \_\_\_

Did the CSCD receive any One Time Payments in FY 2017? If so, include them in their specified line of the financial statements in the Independent Audit.

25. YES    \_\_\_

Were the One Time Payments, if any, expended or had a purchase order issued within their allotted time frame? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

26.    \_\_\_ NO

Does the CSCD have any unfavorable budget variances from FY 2017 that require refunding back to TDCJ-CJAD? If so, identify them in the Excess of Expenditures Over Budgets note of the Note to the Financial Statements.

27.    \_\_\_    \_\_\_ N/A

If the CSCD had any unfavorable budget variance refunds for FY 2017, were these refunds properly reported as prior period adjustments on the Quarterly Financial Report in period that the funds were paid and returned to TDCJ-CJAD? If not, explain in the Prior Period Adjustment note of the Note to the Financial Statements.

**BASIS OF ACCOUNTING**

28. YES    \_\_\_

Is separate accountability maintained for TDCJ-CJAD funds; i.e., fund accounting of self-balancing funds? If not, explain in the Basis of Accounting portion of the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

29. YES    \_\_\_

Are proper cutoff procedures observed at the end of each fiscal period? The cutoff date for revenues recognition and expenditures payments of FY 2017 is **October 31, 2017**. If not, explain in the Basis of Accounting portion of the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

30. YES    \_\_\_

Is the modified accrual basis of accounting used in preparing the fourth quarter reports for submission to TDCJ-CJAD? If not, explain in the Basis of Accounting portion of the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

**BUDGET**

31. YES \_\_\_ Does the CSCD have an existing policy on budget approval, operate by the policy, and the policy has been approved by the judges charged with oversight of the CSCD (Government Code, Section 76.002, and the Financial Management Manual for TDCJ-CJAD Funding (FMM Budgets)). If not, explain in the Budget note of the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

32. 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, 2017, and in accordance with the Financial Management Manual for TDCJ-CJAD Funding (FMM Budgets)? If not, explain in the Budget note of the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

**FUNDS COLLECTED FROM SOURCES OTHER THAN TDCJ-CJAD**

33. YES \_\_\_ Are TDCJ-CJAD funds and locally generated revenues expended in accordance with the Financial Management Manual for TDCJ-CJAD Funding (FMM), 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.

34. YES \_\_\_ 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.

35. YES \_\_\_ Did the CSCD collect any administrative fees for Offender Program Participation on individuals who participate in a program operated by the department or receives services from the department and who is not paying a monthly fee under Articles 42A Code of Criminal Procedure (Supervision Fees)? If so, indicate whether they were accounted for as payments by program participants or as community supervision fees, as a separate line item, in the Funds Collected by the CSCD From Sources Other Than TDCJ-CJAD Which ARE Required to be Reported on the TDCJ-CJAD Quarterly Financial Reports note of the Notes to the Financial Statements.

36. YES \_\_\_ If the CSCD collected administrative fees for Offender Program Participation, did the CSCD assess a reasonable administrative fee of not less than \$25 and not more than \$60 per Government Code, Section 76.015? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

37. YES \_\_\_ Did the CSCD collect pretrial diversion/intervention fees in fiscal year 2017? If so, indicate whether they were accounted for as payments by program participants or as community supervision fees, as a separate line item, in the Funds Collected by the CSCD From Sources Other Than TDCJ-CJAD Which ARE Required to be Reported on the TDCJ-CJAD Quarterly Financial Reports note of the Notes to the Financial Statements.

38. YES \_\_\_ \_\_\_ Were pretrial diversion/intervention fees properly accounted for, if collected (FMM Statutory Requirements, 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.

39. YES   Did the CSCD collect transactions' administrative fees in fiscal year 2017? If so, include them in the Funds Collected by the CSCD From Sources Other Than TDCJ-CJAD Which ARE Required to be Reported on the TDCJ-CJAD Quarterly Financial Reports of the Notes to the Financial Statements.
40.  NO  Is the transactions' administrative fee budgeted and recorded as Other Revenue in Basic Supervision and accounted for on a consistent basis (FMM Statutory Requirements)? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
41. YES   Did the CSCD collect Supervision Fee's for Sex Offenders in fiscal year 2017? If so, include them in the 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 of the Notes to the Financial Statements.
42. YES   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 remitted to the State Comptroller (FMM Statutory Requirements)? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
43. YES   Are Supervision Fee's for Sex Offenders expended in accordance with applicable limitations? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
44.  NO  Did the CSCD collect Crime Victims' Compensation Funds in fiscal year 2017? If so, include them in the 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 of the Notes to the Financial Statements.
45.   N/A 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. Were these fees remitted to the State Comptroller in compliance with the timelines outlined by the State Comptroller's Office (FMM Statutory Requirements)? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
46.   N/A Are Crime Victims' Compensation Funds expended in accordance with applicable limitations? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
47. YES   Did the CSCD collect Victim Restitution Funds in fiscal year 2017? If so, include them in the 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 note of the Notes to the Financial Statements.
48. YES   Are Victim Restitution Funds accounted for in accordance with Texas Government Code, Section 76.013 (FMM Statutory Requirements)? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
49. YES   Are Victim Restitution Funds unclaimed funds tracked for the required five-year period prior to sending to the State Comptroller? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

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 (Pre-Trial Bond, Surety Bond, Bail etc.), 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 Grants, Donations, Fees..., Statutory Requirements 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.

50. YES    \_\_\_    \_\_\_     Did the CSCD collect Personal Bond fees in fiscal year 2017? If so, include them in the 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 note of the Notes to the Financial Statements.
51. YES    \_\_\_    \_\_\_     Are Personal Bonds fees expended in accordance with applicable limitations? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
52. YES    \_\_\_    \_\_\_     Did the CSCD collect Pre-Trial Bonds fees in fiscal year 2017? If so, include them in the 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 note of the Notes to the Financial Statements.
53. YES    \_\_\_    \_\_\_     Are Pre-Trial Bonds fees expended in accordance with applicable limitations? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
54. YES    \_\_\_    \_\_\_     Did the CSCD collect Surety Bonds fees in fiscal year 2017? If so, include them in the 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 note of the Notes to the Financial Statements.
55. YES    \_\_\_    \_\_\_     Are Surety Bonds fees expended in accordance with applicable limitations? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
56. YES    \_\_\_    \_\_\_     Did the CSCD collect Bail fees Fiscal year 2017? If so, include them in the 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 note of the Notes to the Financial Statements.
57. YES    \_\_\_    \_\_\_     Are Bail fees expended in accordance with applicable limitations? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
58. YES    \_\_\_    \_\_\_     Did the CSCD collect fees for occupational licenses issued by Drug Courts in fiscal year 2017? If so, include them in the 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 note of the Notes to the Financial Statements.
59. YES    \_\_\_    \_\_\_     Were fees for occupational licenses issued by Drug Courts expended in accordance with applicable limitations? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
60. YES    \_\_\_    \_\_\_

61. YES   [REDACTED] Did the CSCD collect fees for ignition interlock installation upon conviction in fiscal year 2017? If so, include them in the 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 note of the Notes to the Financial Statements.

62. YES   Were fees for ignition interlock installation upon conviction expended in accordance with applicable limitations? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

63.  NO [REDACTED] Attorney General (AG) Opinion No. LO-98-008 indicates that state aid provided to a CSCD under the authority of Chapter 509, Texas Government Code, may only be used to provide services to criminal defendants. Therefore, when hiring a person who is responsible for supervising offenders charged with a noncriminal offense, the person's salary, benefits, and related expenses must be paid with funds from sources other than funds provided by TDCJ-CJAD or from criminal supervision fees or other locally collected funds. Expenses for the supervision of noncriminal respondents must be paid from civil supervision fees or outside grants. Did the CSCD collect Civil fees from respondents on child support civil caseloads (or other noncriminal offenders)? If so, include them in the 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 note of the Notes to the Financial Statements.

64.   N/A If Civil fees were collected, were they accounted for as if they were a separate grant from an outside source (other than TDCJ-CJAD)? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

65.   N/A If Civil fees were collected, were they deposited in a special fund of the county treasury, provided for by the Code of Criminal Procedure, to be used for Community Supervision? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

66.   N/A If Civil fees were collected, did the CSCD send a check from the civil fees fund (or from other outside grant funds) to the TDCJ-CJAD Cashier's office to reimburse the Basic Supervision Insurance reserve for these employee's insurance premiums (the employer portion)? Although these employees are eligible for state health insurance, the employer portion of the insurance premiums for these employees cannot be paid from the Basic Supervision reserve that is deducted from Basic Supervision funds each fiscal year, or from any other state funds. If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

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

**CASH, COLLECTIONS, CHANGE FUND, PETTY CASH**

68. YES  [REDACTED] Are all of the CSCD's funds and collections deposited in the county treasury (county's bank account)? (FMM State Payments; 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 Cash, Collections, Change Fund, Petty Cash & Investments note of the Notes to the Financial Statements and include in the Schedule of Findings and Questioned Costs.

69. YES   Are all of the CSCD's funds and collections disbursed by the county treasurer on behalf of the CSCD? (FMM State Payments; 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 Cash, Collections, Change Fund, Petty Cash & Investments note of the Notes to the Financial Statements and include in the Schedule of Findings and Questioned Costs.
70. YES   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? (FMM State Payments) If not, explain in the Cash, Collections, Change Fund, Petty Cash & Investments note of the Notes to the Financial Statements and include in the Schedule of Findings and Questioned Costs.
71.   NO Did the CSCD maintain a Change Fund authorized by the fiscal officer in fiscal year 2017? Change Funds are not to be confused with petty cash funds. (FMM Fiscal Officer) If so, indicate the Cash Change Fund amount in the Cash, Collections, Change Fund, Petty Cash & Investments note of the Notes to the Financial Statements.
72.   N/A Was the Change Fund only used to make change in connection with collections that are due and payable to the CSCD? If not, explain in the Cash, Collections, Change Fund, Petty Cash & Investments note of the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
73.   N/A Did the Employee Surety Bond coverage include the CSCD employee who maintains and administers such Change Fund and covered that employee's responsibility for the correct accounting and disposition of the change fund? If not, explain in the Cash, Collections, Change Fund, Petty Cash & Investments note of the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
74.   NO Did the CSCD maintain petty cash utilizing CSCD's funds authorized by the county auditor in the fiscal year 2017? If so, indicate the petty cash dollar amount in the Cash, Collections, Change Fund, Petty Cash & Investments note of the Notes to the Financial Statements.
75.   N/A Are petty cash funds utilizing CSCD's funds used only for specific purposes for allowable items as listed in the Financial Management Manual for TDCJ-CJAD Funding? (FMM, State Payments, Financial Reports, Community Corrections Facility and Fiscal Officer) If not, explain in the Cash, Collections, Change Fund, Petty Cash & Investments note of the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
76.   N/A Are petty cash funds utilizing CSCD's funds used expended only for emergency situations authorized by a written policy and approved by the CSCD director? If not, explain in the Cash, Collections, Change Fund, Petty Cash & Investments note of the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
77.   NO Did the CSCD maintain petty cash utilizing NON CSCD's revenues (i.e. vending machine revenues) in the fiscal year 2017? If so, indicate the petty cash as "other petty cash" and include the dollar amount in the Cash, Collections, Change Fund, Petty Cash & Investments note of the Notes to the Financial Statements.
78.   N/A Are petty cash funds utilizing NON CSCD's funds used only for specific purposes for allowable items as listed in the Financial Management Manual for TDCJ-CJAD Funding? If not, explain in the Cash, Collections, Change Fund, Petty Cash & Investments note of the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

**SCHEDULE OF DIFFERENCES**

79. YES \_\_\_ 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.
80. \_\_\_ NO Were there any differences identified in the Schedule of Differences?
81. \_\_\_ \_\_\_ N/A Was an explanation given in the Schedule of Differences for any changes or adjustments that were made to Revenues and Expenditures (by either the CSCD or the Independent Auditor) that adjusted the previous amounts reported to TDCJ-CJAD? If not, explain in the Schedule of Differences, Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

**COMPLIANCE AND OTHER MATTERS**

82. \_\_\_ NO Were there any instances of fraud noted by the auditor (Chapter 4, Item 4.25 Government Auditing Standards)? If yes, explain in the Notes to the Financial Statements, Report on Compliance and Internal Control or in the Schedule of Findings and Questioned Costs.
83. \_\_\_ NO Were there any instances of deficiencies in internal control noted by the auditor (Chapter 4, Item 4.25 Government Auditing Standards)? If yes, explain in the Notes to the Financial Statements, Report on Compliance and Internal Control or in the Schedule of Findings and Questioned Costs.
84. \_\_\_ NO Were there any instances of non-compliance noted by the auditor (Chapter 4, Item 4.25 Government Auditing Standards)? If yes, explain in the Notes to the Financial Statements, Report on Compliance and Internal Control or in the Schedule of Findings and Questioned Costs.
85. \_\_\_ NO Were there any instances of waste noted by the auditor (Chapter 4, Item 4.25 Government Auditing Standards)? If yes, explain in the Notes to the Financial Statements, Report on Compliance and Internal Control or in the Schedule of Findings and Questioned Costs.
86. \_\_\_ NO Were there any instances of abuse noted by the auditor (Chapter 4, Item 4.25 Government Auditing Standards)? If yes, explain in the Notes to the Financial Statements, Report on Compliance and Internal Control or in the Schedule of Findings and Questioned Costs.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

87. \_\_\_ \_\_\_ N/A Do any action plans exist for significant findings from prior audits (Chapter 4, Item 4.05, Government Auditing Standards)? If not, explain in the Notes to the Financial Statements and in the Schedule of Findings and Questioned Costs.
88. \_\_\_ \_\_\_ N/A If action plans exist from prior audit findings, are they current (Chapter 4, Item 4.05, Government Auditing Standards)? If not, explain in the Notes to the Financial Statements and in the Schedule of Findings and Questioned Costs.

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