WISE COUNTY
COMMUNITY SUPERVISION
AND CORRECTIONS DEPARTMENT

ANNUAL FINANCIAL REPORT
AUGUST 31, 2023

Wise County
Community Supervision and Corrections Department
August 31, 2023

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August 31, 2023

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SNOWGARRETT WILLIAMS
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Wise County Community Supervision and
Corrections Department
Decatur, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the Wise County Community Supervision and Corrections Department (Department), which comprise the combined statement of financial position as of and for the year ended August 31, 2023, and the combined statement of revenues, expenditures, and changes in fund balance for the year then ended, and the related notes to the financial statements, which collectively comprise the Department's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the governmental activities of the Department, as of August 31, 2023, and the respective changes in financial position for the year then ended, in accordance with the financial reporting provisions of the Texas Department of Criminal Justice – Community Justice Assistance Division (TDCJ-CJAD) as described in Note 1.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Department and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared based on 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. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified with respect to that matter.

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Emphasis of Matter – Presentation

As discussed in Note 1, the financial statements of the Department are intended to present the financial position, revenue earned, expenditures incurred, and changes in fund balance of only that portion of the governmental activities of Wise County, Texas that is attributable to the transactions of the Department. They do not purport to, and do not, present fairly the financial position of Wise County, Texas as of August 31, 2023, or the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the TDCJ-CJAD, and for 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Department's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Department's basic financial statements. The accompanying supplementary information, representing the combining statement, the individual grant fund budget comparison statements, and the schedules of individual grant fund differences between the audit report and CSCD reports as submitted to TDCJ-CJAD, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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 supplementary 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 22, 2024, on our consideration of the Department's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 the effectiveness of the Department's 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 the 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 Wise 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.

Snow Garrett Williams

Snow Garrett Williams
February 22, 2024

FINANCIAL STATEMENTS

Wise County Community Supervision and Corrections Department
Combined Statement of Financial Position
August 31, 2023

	Basic Supervision	Community Corrections	TAIP	Diversion Programs	Total
Assets					
Cash and Investments	$ 567,346	$ 5,290	$ 34,780	$ 4,859	$ 612,275
Accounts Receivable					
Due From -					
Jack County	5,096	-	-	-	5,096
Wise County	72,364	-	-	-	72,364
Other	450	-	-	-	450
Total Accounts Receivable	77,910	-	-	-	77,910
Total Assets	$ 645,256	$ 5,290	$ 34,780	$ 4,859	$ 690,185
Liabilities and Fund Balance					
Liabilities					
Accounts Payable	$ 915	$ -	$ 12,720	$ -	$ 13,635
Accrued Salaries and Benefits	36,644	5,290	3,131	4,859	49,924
Due to TDCJ-CJAD	-	-	18,929	-	18,929
Total Liabilities	37,559	5,290	34,780	4,859	82,488
Fund Balance	607,697	-	-	-	607,697
Total Liabilities and Fund Balance	$ 645,256	$ 5,290	$ 34,780	$ 4,859	$ 690,185

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

Wise County Community Supervision and Corrections Department
Combined Statement of Revenue, Expenditures,
And Changes in Fund Balance
For the Year Ended August 31, 2023

	Basic Supervision	Community Corrections	TAIP	Diversion Programs	Total
Revenue					
State Aid	$ 87,903	$ 124,061	$ 233,910	$ 88,732	$ 534,606
One-Time Payment	10,070	-	25,000	-	35,070
Deobligation	-	-	(29,606)	-	(29,606)
Total State Aid Not Including SAFPF	97,973	124,061	229,304	88,732	540,070
State Aid: SAFPF	10,206	-	-	-	10,206
Community Supervision Fees	826,520	-	-	-	826,520
Payment by Program Participants	20,482	-	-	-	20,482
Interest Income	31,974	-	-	-	31,974
Other Revenue	16,883	-	-	-	16,883
Total Revenue	1,004,038	124,061	229,304	88,732	1,446,135
Expenditures					
Salaries and Fringe Benefits	1,003,307	145,517	86,367	148,021	1,383,212
Travel and Furnished Transportation	10,677	-	-	-	10,677
Contract Services for Offenders	228	-	140,015	-	140,243
Professional Fees	34,388	930	1,720	666	37,704
Supplies and Operating Expenses	18,175	-	-	-	18,175
Utilities	2,181	-	-	-	2,181
Equipment	8,705	-	-	-	8,705
Total Expenditures	1,077,661	146,447	228,102	148,687	1,600,897
Excess of Revenue over (under) Expenditures	(73,623)	(22,386)	1,202	(59,955)	(154,762)
Other Financing Sources (Uses)					
Basic Supervision Interfund Transfer	(82,341)	22,386	-	59,955	-
Total Other Financing Sources (Uses)	(82,341)	22,386	-	59,955	-
Prior Year Ending Fund Balance	763,661	-	17,727	-	781,388
Refund Due to TDCJ-CJAD	-	-	(18,929)	-	(18,929)
Audited Year Ending Fund Balance	$ 607,697	$ -	$ -	$ -	$ 607,697

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

NOTES TO THE FINANCIAL STATEMENTS

Wise County Community Supervision and Corrections Department
Notes to the Financial Statements
August 31, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The accompanying financial statements include the revenue of the Wise County Community Supervision and Corrections Department (Department) related to the receipt of funds administered by the Texas Department of Criminal Justice – Community Justice Assistance Division (TDCJ-CJAD) from state appropriations for the Basic Supervision Fund, Community Corrections Funds, Diversion Program Grant Funds, Treatment Alternative to Incarceration Program (TAIP) Grant Funds, local fees collected for the use of the Department, and the expenditure of those funds.

The Wise County Community Supervision and Corrections Department, a special purpose district of state government, was organized to provide certain adult probation services to judicial districts. The Department is not a department of the administrative county, nor is it an agency of the State of Texas.

The purpose of the funding is to serve Wise and Jack Counties, Texas, in the supervision of adult probationers to assure compliance with guidelines promulgated by the Texas Department of Criminal Justice. Generally, Community Justice Assistance Division funds, combined with the probation fees, cover the cost of salaries, fringe benefits, travel, furnished transportation, contract services for probationers, professional fees, supplies and other operating expenses. The Counties, from general revenue funds, must pay for utilities and equipment for all programs except residential programs.

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 the 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 the Department 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 of the current period. Revenues received by October 31st for financial activity performed by August 31st are considered available. Also, purchases for which the commitment has been established by August 31st, are considered liabilities regardless of whether possession of these goods has been received by August 31st, provided that the liability purchase is received and is paid by October 31st. Exception to this method of accounting is the recording of refunds to the State as reductions of Fund Balance.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Budgets (Accounting and Legal Compliance)

Budgets are prepared and approved on a basis consistent with the basis of accounting described above. 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 TDCJ-CJAD. Only budget adjustment requests, at year-end, received by September 30th will be reviewed and approved/disapproved by TDCJ-CJAD. TDCJ-CJAD will not accept budget adjustments after September 30th for the previous fiscal year. Only budget adjustments approved by TDCJ-CJAD are reported in the accompanying supplementary information section.

NOTE 2 – ONE-TIME/SUPPLEMENTAL PAYMENTS

The Department received a One-Time Additional Payment of $10,070 for Basic Supervision and a One-Time Additional Payment of $25,000 for TAIP in the fiscal year ended August 31, 2023.

NOTE 3 – DEOBLIGATIONS

The Department had a deobligation of funds for TAIP in the amount of $29,606 for the fiscal year ended August 31, 2023.

NOTE 4 – INTERFUND TRANSFERS

The Department reported interfund transfers out of the Basic Supervision Program in the amount of $82,341 for the fiscal year ended August 31, 2023. The transfer is comprised of $22,386 transferred to the Community Corrections Program, $32,478 to the Diversion Program - Mentally Impaired Caseload, and $27,477 to the Diversion Program - Specialized Substance Abuse Caseload. The interfund transfers were a result of the need to cover negative fund balances during the fiscal year ended August 31, 2023.

NOTE 5 – PRIOR PERIOD ADJUSTMENTS

The Department did not have any prior period adjustments for the fiscal year ended August 31, 2023.

NOTE 6 - REFUNDS

For the fiscal year ended August 31, 2023, the Department reported a biennium refund for the Treatment Alternatives to Incarceration Program (TAIP) of $18,929.

NOTE 7 – CASH, COLLECTIONS, CHANGE FUND, PETTY CASH, AND INVESTMENTS

The collection clearing account is a trust fund of the Department and is covered by pledged collateral to cover the estimated highest daily balance of funds operated in conjunction with or through the Wise County depository by the Department. The Department's cash is required to be deposited under the terms of the depository contract of Wise County, Texas. The pledging of securities is maintained at the Wise County level.

The Department's state aid and net funds (revenues) received were deposited and held, and collection accounts' remaining net funds (revenues) were transferred into a special fund of the County Treasury, on or before the next regular business day, or on or before the fifth business day after the day on which the money was received. All the Department's state aid and net funds (revenues) received were held, deposited, disbursed, invested, and otherwise cared for by the County on behalf of the Department as the Department directed (Government Code 509.011(c) and Local Government Code 113.022 and 140.003(f)).

The Department employees who have access to, maintain, and administer public funds are covered by a surety bond.

The Department does not carry any change funds or petty cash funds.

Idle funds, if any, are invested in interest-bearing accounts.

NOTE 8 – EXCESS OF EXPENDITURES OVER BUDGETS IN INDIVIDUAL PROGRAMS

The TDCJ-CJAD defines unauthorized/unfavorable expenditures as those line items in the Statements of Revenues, Expenditures, and Changes in Fund Balance – Budget, Actual, and Variance in which actual amounts exceed budgeted amounts by a percentage greater than 15%.

The Department's unfavorable expenditures in any individual program in which actual amounts exceed budgeted amounts were due to rounding for the report. None of the variances exceeded a percentage greater than 15% for the fiscal year ended August 31, 2023.

Wise County Community Supervision and Corrections Department
Notes to the Financial Statements
August 31, 2023

NOTE 9 – FUNDS COLLECTED BY THE DEPARTMENT FROM SOURCES OTHER THAN TDCJ-CJAD WHICH ARE REQUIRED TO BE REPORTED ON THE TDCJ-CJAD QUARTERLY FINANCIAL REPORTS

Source	Amount Received	Restrictions for Use	Expended in Accordance with Restriction
Community Supervision Fees Collected			
Probation Fees	$ 586,918	*Financial Management Manual for TDCJ-CJAD Funding* restrictions.	Yes
Pretrial Intervention Fees	$ 239,602	*Financial Management Manual for TDCJ-CJAD Funding* restrictions; Texas Code of Criminal Procedure Chapter 102.012.	Yes
Total Community Supervision Fees Collected	$ 826,520	Texas Code of Criminal Procedure Art. 42A.652 (a); *Financial Management Manual for TDCJ-CJAD Funding* restrictions.	Yes
Payments by Program Participants			
Transfer Fees	$ 9,121	*Financial Management Manual for TDCJ-CJAD Funding* restrictions.	Yes
UA Fees	$ 11,361	*Financial Management Manual for TDCJ-CJAD Funding* restrictions.	Yes
Total Payments by Program Participants	$ 20,482	Government Code, Sec. 76.015; Sec.19, Art. 42.12 Code of Criminal Procedures; Financial Management Manual for TDCJ-CJAD Funding restrictions.	
Interest Income	$ 31,974	*Financial Management Manual for TDCJ-CJAD Funding* restrictions.	Yes
Other Revenue			
Transaction Administrative $2 Fees	$ 16,596	*Financial Management Manual for TDCJ-CJAD Funding* restrictions; Code of Criminal Procedure *Article 102.072.*	Yes
Welfare Fraud Refund	$ 22	*Financial Management Manual for TDCJ-CJAD Funding* restrictions.	Yes
Sale of Capital Assets	$ 265	*Financial Management Manual for TDCJ-CJAD Funding* restrictions.	Yes
Total Other Revenue	$ 16,883		

NOTE 10 – COMMITMENTS AND CONTINGENCIES

The Department did not have any commitments and/or contingencies at August 31, 2023.

NOTE 11 – SUBSEQUENT EVENTS

The Department has evaluated subsequent events through February 22, 2024, the date the financial statements were available to be issued, and nothing significant requiring disclosure was noted.
Notes

SUPPLEMENTARY INFORMATION

Wise County Community Supervision and Corrections Department
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
All Diversion Program Funds
For the Year Ended August 31, 2023

	Mentally Impaired Caseload	Specialized Substance Abuse Caseload	Total All DP Funds
Revenue			
State Aid	$ 39,727	$ 49,005	$ 88,732
Total Revenue	39,727	49,005	88,732
Expenditures			
Salaries and Fringe Benefits	71,907	76,114	148,021
Professional Fees	298	368	666
Total Expenditures	72,205	76,482	148,687
Excess of Revenue over (under) Expenditures	(32,478)	(27,477)	(59,955)
Other Financing Sources (Uses)			
Basic Supervision Interfund Transfer	32,478	27,477	59,955
Total Other Financing Sources (Uses)	32,478	27,477	59,955
Prior Year Ending Fund Balance	-	-	-
Audited Year Ending Fund Balance	$ -	$ -	$ -

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

Wise County Community Supervision and Corrections Department
Individual Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget, Actual, and Variance
For the Year Ended August 31, 2023
Basic Supervision

	Budget	Actual	Variance Favorable (Unfavorable)
Type of Revenue			
Requested TDCJ-CJAD Funding (State Aid)	$ 97,973	$ 87,903	$ (10,070)
One-Time Payment	-	10,070	10,070
State Aid: SAFPF	10,206	10,206	-
Community Supervision Fees Collected	826,518	826,520	2
Payment by Program Participants	20,482	20,482	-
Interest Income	31,972	31,974	2
Carry Over from Previous FY (Prior Year Ending Fund Balance)	763,662	763,661	(1)
Other Revenue	16,886	16,883	(3)
Basic Supervision Interfund Transfer	(82,351)	(82,341)	10
Total Revenue	1,685,348	1,685,358	10
Type of Expenditures			
Salaries and Fringe Benefits	1,003,317	1,003,307	10
Travel and Furnished Transportation	10,678	10,677	1
Contract Services for Offenders	229	228	1
Professional Fees	34,389	34,388	1
Supplies and Operating Expenses	625,848	18,175	607,673
Utilities	2,181	2,181	-
Equipment	8,706	8,705	1
Total Expenditures	1,685,348	1,077,661	607,687
Excess of Revenue over (under) Expenditures	$ -	607,697	$ 607,697
Audited Year Ending Fund Balance - Actuals		$ 607,697	

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

Wise County Community Supervision and Corrections Department
Individual Statement of Revenues, Expenditures,
And Changes in Fund Balance - Budget, Actual, and Variance
For the Year Ended August 31, 2023
Community Corrections Program

	Budget	Actual	Variance Favorable (Unfavorable)
Type of Revenue			
Requested TDCJ-CJAD Funding (State Aid)	$ 124,061	$ 124,061	$ -
Carry Over from Previous FY (Prior Year Ending Fund Balance)	-	-	-
Basic Supervision Interfund Transfer	22,390	22,386	(4)
Total Revenue	146,451	146,447	(4)
Type of Expenditures			
Salaries and Fringe Benefits	145,520	145,517	3
Professional Fees	931	930	1
Total Expenditures	146,451	146,447	4
Excess of Revenue over (under) Expenditures	$ -	-	$ -
Audited Year Ending Fund Balance - Actuals		$ -	

Wise County Community Supervision and Corrections Department
Individual Statement of Revenues, Expenditures,
and Changes in Fund Balance - Budget, Actual, and Variance
For the Year Ended August 31, 2023
Treatment Alternatives to Incarceration Program (TAIP)

	Budget	Actual	Variance Favorable (Unfavorable)
Type of Revenue			
Requested TDCJ-CJAD Funding (State Aid)	$ 229,304	$ 233,910	$ 4,606
One Time Payment	-	25,000	25,000
Carry Over from Previous FY (Prior Year Ending Fund Balance)	17,727	17,727	-
Total Revenue	247,031	276,637	29,606
Type of Expenditures			
Salaries and Fringe Benefits	86,372	86,367	5
Contract Services for Offenders	158,939	140,015	18,924
Professional Fees	1,720	1,720	-
Total Expenditures	247,031	228,102	18,929
Excess of Revenue over (under) Expenditures	$ -	48,535	$ 48,535
Other Financing Sources (Uses) Actuals			
Deobligation		(29,606)	
Total Other Financing Sources (Uses)		(29,606)	
Refund to CJAD Actuals		(18,929)	
Audited Year Ending Fund Balance - Actuals		$ -	

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

Wise County Community Supervision and Corrections Department
Individual Statement of Revenues, Expenditures,
and Changes in Fund Balance - Budget, Actual, and Variance
For the Year Ended August 31, 2023
Diversion Program - Mentally Impaired Caseload

	Budget	Actual	Variance Favorable (Unfavorable)
Type of Revenue			
Requested TDCJ-CJAD Funding (State Aid)	$ 39,727	$ 39,727	$ -
Carry Over from Previous FY (Prior Year Ending Fund Balance)	-	-	-
Basic Supervision Interfund Transfer	32,482	32,478	(4)
Total Revenue	72,209	72,205	(4)
Type of Expenditures			
Salaries and Fringe Benefits	71,911	71,907	4
Professional Fees	298	298	-
Total Expenditures	72,209	72,205	4
Excess of Revenue over (under) Expenditures	$ -	-	$ -
Audited Year Ending Fund Balance - Actuals		$ -	

Wise County Community Supervision and Corrections Department
Individual Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget, Actual, and Variance
For the Year Ended August 31, 2023
Diversion Program - Specialized Substance Abuse Caseload

	Budget	Actual	Variance Favorable (Unfavorable)
Type of Revenue			
Requested TDCJ-CJAD Funding (State Aid)	$ 49,005	$ 49,005	$ -
Carry Over from Previous FY (Prior Year Ending Fund Balance)	-	-	-
Basic Supervision Interfund Transfer	27,479	27,477	(2)
Total Revenue	76,484	76,482	(2)
Type of Expenditures			
Salaries and Fringe Benefits	76,116	76,114	2
Professional Fees	368	368	-
Total Expenditures	76,484	76,482	2
Excess of Revenue over (under) Expenditures	$ -	-	$ -
Audited Year Ending Fund Balance - Actuals		$ -	

Wise County Community Supervision and Corrections Department
Schedule of Differences Between
Audit Report and CSCD Reports as Submitted to TDCJ-CJAD
Basic Supervision
For the Year Ended August 31, 2023

	Actual	Per CSCD Quarterly Report	Difference *	
Revenue				
State Aid	$ 87,903	$ 97,973	$ (10,070)	B
One Time Payment	10,070	-	10,070	B
Total State Aid Not Including SAFPF	97,973	97,973	-	
State Aid: SAFPF	10,206	10,206	-	
Community Supervision Fees	826,520	826,519	1	A
Payment by Program Participants	20,482	20,482	-	
Interest Income	31,974	31,974	-	
Other Revenue	16,883	16,886	(3)	A
Total Revenue	1,004,038	1,004,040	(2)	
Expenditures				
Salaries and Fringe Benefits	1,003,307	1,003,308	(1)	A
Travel and Furnished Transportation	10,677	10,677	-	
Contract Services for Offenders	228	228	-	
Professional Fees	34,388	34,388	-	
Supplies and Operating Expenses	18,175	18,175	-	
Utilities	2,181	2,181	-	
Equipment	8,705	8,705	-	
Total Expenditures	1,077,661	1,077,662	(1)	
Excess of Revenue over (under) Expenditures	(73,623)	(73,622)	(1)	A
Other Financing Sources (Uses)				
Basic Supervision Interfund Transfer	(82,341)	(82,342)	1	A
Total Other Financing Sources (Uses)	(82,341)	(82,342)	1	
Prior Year Ending Fund Balance	763,661	763,663	(2)	A
Audited Year Ending Fund Balance	$ 607,697	$ 607,699	$ (2)	

* **Note**: Difference due to the following:

A: Rounding of cents to dollars on current year audit report.

B: One time payment in addition to State Aid required to be shown on a separate line.

Wise County Community Supervision and Corrections Department
Schedule of Differences Between
Audit Report and CSCD Reports as Submitted to TDCJ-CJAD
Community Corrections Program
For the Year Ended August 31, 2023

	Actual	Per CSCD Quarterly Report	Difference*	
Revenue				
State Aid	$ 124,061	$ 124,060	$ 1	A
Total Revenue	124,061	124,060	1	
Expenditures				
Salaries and Fringe Benefits	145,517	145,517	-	
Professional Fees	930	930	-	
Total Expenditures	146,447	146,447	-	
Excess of Revenue over (under) Expenditures	(22,386)	(22,387)	1	A
Other Financing Sources (Uses)				
Basic Supervision Interfund Transfer	22,386	22,387	(1)	A
Total Other Financing Sources (Uses)	22,386	22,387	(1)	
Prior Year Ending Fund Balance	-	-	-	
Audited Year Ending Fund Balance	$ -	$ -	$ -	

* **Note**: Difference due to the following:
A: Rounding of cents to dollars on current year audit report.

Wise County Community Supervision and Corrections Department
Schedule of Differences Between
Audit Report and CSCD Reports as Submitted to TDCJ-CJAD
Treatment Alternatives to Incarceration Program (TAIP)
For the Year Ended August 31, 2023

	Actual	Per CSCD Quarterly Report	Difference*	
Revenue				
State Aid	$ 233,910	$ 229,304	$ 4,606	A
One Time Payment	25,000	-	25,000	B
Deobligation	(29,606)	-	(29,606)	C
Total Revenue	229,304	229,304	-	
Expenditures				
Salaries and Fringe Benefits	86,367	86,368	(1)	D
Contract Services for Offenders	140,015	140,015	-	
Professional Fees	1,720	1,720	-	
Total Expenditures	228,102	228,103	(1)	
Excess of Revenue over (under) Expenditures	1,202	1,201	1	D
Prior Year Ending Fund Balance	17,727	17,728	(1)	D
Refund Due to TDCJ-CJAD	(18,929)	(18,929)	-	
Adjusted Beginning Fund Balance	-	-	-	
Audited Year Ending Fund Balance	$ -	$ -	$ -	

* **Note**: Difference due to the following:
A: Net difference in One Time Payment and Deobligation.
B: One time payment in addition to State Aid required to be shown on a separate line.
C: Difference is due to Deobligation for the fiscal year
D: Rounding of cents to dollars on current year audit report.

Wise County Community Supervision and Corrections Department
Schedule of Differences Between
Audit Report and CSCD Reports as Submitted to TDCJ-CJAD
Diversion Program - Mentally Impaired Caseload
For the Year Ended August 31, 2023

	Actual	Per CSCD Quarterly Report	Difference*	
Revenue				
State Aid	$ 39,727	$ 39,728	$ (1)	A
Total Revenue	39,727	39,728	(1)	
Expenditures				
Salaries and Fringe Benefits	71,907	71,908	(1)	A
Professional Fees	298	298	-	
Total Expenditures	72,205	72,206	(1)	
Excess of Revenue over (under) Expenditures	(32,478)	(32,478)	-	
Other Financing Sources (Uses)				
Basic Supervision Interfund Transfer	32,478	32,478	-	
Total Other Financing Sources (Uses)	32,478	32,478	-	
Prior Year Ending Fund Balance	-	-	-	
Audited Year Ending Fund Balance	$ -	$ -	$ -	

* **Note**: Difference due to the following:
A: Rounding of cents to dollars on current year audit report.

Wise County Community Supervision and Corrections Department
Schedule of Differences Between
Audit Report and CSCD Reports as Submitted to TDCJ-CJAD
Diversion Program - Specialized Substance Abuse Caseload
For the Year Ended August 31, 2023

	Actual	Per CSCD Quarterly Report	Difference	
Revenue				
State Aid	$ 49,005	$ 49,004	1	A
Total Revenue	49,005	49,004	1	
Expenditures				
Salaries and Fringe Benefits	76,114	76,114	-	
Professional Fees	368	368	-	
Total Expenditures	76,482	76,482	-	
Excess of Revenue over (under) Expenditures	(27,477)	(27,478)	1	
Other Financing Sources (Uses)				
Basic Supervision Interfund Transfer	27,477	27,478	(1)	A
Total Other Financing Sources (Uses)	27,477	27,478	(1)	
Prior Year Ending Fund Balance	-	-	-	
Audited Year Ending Fund Balance	$ -	$ -	$ -	

* **Note**: Difference due to the following:
A: Rounding of cents to dollars on current year audit report.

OVERALL COMPLIANCE AND INTERNAL CONTROL SECTION

SNOWGARRETT WILLIAMS
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Wise County Community Supervision and
Corrections Department
Decatur, Texas

We have audited, in accordance with the 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, the financial statements of the Wise County Community Supervision and Corrections Department (Department) as of and for the year ended August 31, 2023, and the related notes to the financial statements, which collectively comprise the Department's basic financial statements, and have issued our report thereon dated February 22, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Department's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 or significant deficiencies may exist that were not identified.

1207 Santa Fe Drive • Weatherford, Texas 76086 • 817-596-9301 • Fax 817-596-9304

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the Wise 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.

Snow Garrett Williams

Snow Garrett Williams
February 22, 2024

Wise County Community Supervision and Corrections Department
Schedule of Findings and Questioned Costs
For the Year Ended August 31, 2023

There were no current year findings, non-compliance, or questioned costs.

Wise County Community Supervision and Corrections Department
Corrective Action Plan
For the Year Ended August 31, 2023

No corrective action plan necessary.

Wise County Community Supervision and Corrections Department
Follow Up on Prior Year Findings
For the Year Ended August 31, 2023

No prior year findings.

XIII. TDCJ-CJAD INDEPENDENT AUDIT COMPLIANCE CHECKLIST

***The Compliance Checklist* FORMAT AND CONTENT *are NOT TO BE ATLTERED*.**
Indicate whether these compliance requirements have been met by answering "YES," "NO," or "N/A" (Not Applicable). If "N/A" is blocked out, then answers must be either "YES" or "NO". *Contact your Fiscal Auditor if you have any questions.*

	YES	NO	N/A	
FINANCIAL POLICIES AND PROCEDURES *(Questions 1-4)* ***An explanation is required*** *to be reported in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs if questions 1- 4 are answered* ***NO****.*				
Duties of the Fiscal Officer, FMM Fiscal Officer, Texas Government Code, Section 76.004 *(Question 1)*				
Texas Government Code, Section 76.004, effective September 1, 2001 allows the judge(s) as described by Government Code section 76.002 the option to appoint a fiscal officer, other than the county auditor, to be responsible for the following: Managing and protecting funds, fees, state aid, and receipts to the same extent that a county auditor manages county funds and funds of other local entities; Ensuring that financial transactions of the department are lawful and allowable; and Prescribing accounting procedures for the department.				
1.	X	___		Did the fiscal officer follow the applicable laws, guidelines, and duties as specified on Fiscal Officer section of the Financial Management Manual for TDCJ-CJAD Funding?
Credit (Procurement) Cards, FMM Internal Controls, Separation of Duties, Credit Cards, *(Question 2)*				
CSCDs may obtain a credit card in the CSCD's name for official use only. Charges to the CSCD credit card for personal items shall not be allowed, even if promptly reimbursed. If a credit card is maintained by the CSCD for official expenditures, the CSCD shall maintain a written policy regarding credit card use by employees.				
2.	X	___	___	If the CSCD has a credit (procurement) card for official CSCD use, does the CSCD have a written policy regarding credit card use by employees and is the CSCD following the policy?
Equipment, FMM Disposal of Surplus Property / Allowable and Unallowable Expenditures, Equipment, *(Question 3)*				
Equipment items purchased valued at $1,000 or more and has a useful life of more than three years must be tagged and included on an inventory list. Inventory tags indicating CSCD ownership must be placed on all equipment purchased with CSCD funds. Periodic inventory testing must be performed by the CSCD, and an updated annual inventory kept on file for auditing purposes.				
3.	X	___		Was equipment physically inventoried and adequately supported with an inventory form?
Cash Matching for Grants; FMM Grants, Donations, Fees *(Question 4)*				
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 (CC, DP, or TAIP cash matching) or for funding an accepted Strategic Plan program (Basic Supervision or CC cash matching). All expenditures from the CSCD's matching funds shall be in accordance with the Financial Management Manual for TDCJ-CJAD Funding (see the Allowable and Unallowable Expenditures section of this manual).				
4.	X	___	___	Was cash matching properly authorized, budgeted, and expended?

	YES	NO	N/A	
FINANCIAL STATEMENTS *(Questions 5-11)*				
***An explanation is required** in the corresponding note of the Notes to the Financial Statements and in the Schedule of Findings and Questioned Costs if questions 5, 7, 9, and 11 are answered **NO**. All sources identified in questions 6, 8, & 10-11 are required to be reported on their designated line item of the audited financial statements and in their corresponding note. See note for further instructions.*				
5.	X	___		Were expenditures and revenues supported by adequate documentation?
Interfund Transfers; FMM Financial Reports, Additional Reporting Requirements *(Questions 6-7)*				
CSCDs cannot end a fiscal year with a negative fund balance in any program. Any negative fund balances in CC, DP, or TAIP must be covered by an interfund transfer from Basic Supervision. Basic Supervision can transfer funds to CC, DP, and TAIP. CC can transfer funds to DP and TAIP. Basic Supervision cannot receive funds from any programs unless those programs are returning funds they received from Basic earlier in the fiscal year. Transfers from DP and TAIP can only go to CC if returning funds received from CC earlier in the fiscal year. Transfers between CCs are not allowed; they should be done by increasing/decreasing state aid. Apart from returning unused funds, transfers cannot come from DP (even to/from another DP program) unless approved by the TDCJ-CJAD Division Director.				
6.	X	___		Did the CSCD have any interfund transfers and/or DP fund transfers in the fiscal year audited?
7.	X	___	___	If any, were all interfund transfers and/or DP fund transfers noted during the audit allowable?
Deobligations, Government Code, Chapter 509, Section 509.011 (h), FMM Deobligations *(Questions 8-9)*				
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). Deobligations are a reduction to state aid for funds that are in excess of the amount needed to operate the programs for the remainder of the year and are not to be reported as a refund.				
8.	X	___		In the fiscal year audited, did any deobligation of funds occur because of an excess of funds allocated to programs?
9.	X	___	___	Were the appropriate budget adjustments made for any reallocated funds?
Budget Variances, FMM Budgets *(Question 10)*				
All budget variances identified in the budget variance statements are to be reported in the Budget Variances note of the notes to the financial statements, see note for further instructions. ***If any budget variances in excess of the 15% rule, they are required to be reported in the Schedule of Findings and Questioned Costs.***				
Expenditure line-item differences over 15% of the last TDCJ-CJAD approved budget within each individual program for the fiscal year audited.				
10.	___	X		Were any unfavorable budget variances in excess of the 15% rule identified in the Individual Statement of Revenues, Actual, and Variance for the fiscal year audited?

Prior Period Adjustments, FMM Financial Reports, Additional Reporting Requirements *(Question 11)*

Adjustment to beginning fund balance because of corrections and/or reporting adjustments to the general ledger of prior fiscal years, **not prior quarters of the current fiscal year**. This amount does not include prior-year refunds.

	YES	NO	N/A	
11.	___	___	X	If the CSCD had any **prior period adjustments** resulting from accounting corrections or reporting adjustments to the general ledger for the prior fiscal year(s), were they properly reported as prior period adjustments on the quarterly financial report in the corresponding quarter during which they were identified?

BASIS OF ACCOUNTING *(Questions 12-14)*

***An explanation is required** in the Basis of Accounting portion of the Notes to the Financial Statements and in the Schedule of Findings and Questioned Costs if questions 12-14 are answered **NO**.*

Basis of Accounting Requirements, FMM Fiscal Officer, Duties of the Fiscal Officer and Financial Reports *(Questions 12-14)*

FMM, Fiscal Officer, Duties of the Fiscal Officers: Managing and protecting funds, fees, state aid, and other receipts of money. Each program is to be maintained utilizing a separate self-balancing set of financial books and accounting records in accordance with proper fund accounting.

FMM Financial Reports, Basis of Accounting**:** Although CSCDs are encouraged to use the modified accrual basis of accounting for each quarter, the first, second, and third quarter reports may be prepared on the cash basis method of accounting. The fourth quarter report, which closes out the fiscal year, must be prepared on the modified accrual basis of accounting.

For the CSCD to report an accrual, as of August 31st on the fourth quarter report, TDCJ-CJAD requires that the expenditures be paid, and the item received by October 31st.

12.	X	___	Was separate accountability maintained for TDCJ-CJAD funds, i.e., fund accounting of self-balancing funds?
13.	X	___	Was the modified accrual basis of accounting used in preparing the fourth quarter reports for submission to TDCJ-CJAD?
14.	X	___	Were proper cutoff procedures observed at the end of each fiscal period? *The cutoff date for revenues recognition and expenditures payments of the fiscal year audited is **October 31st, of the fiscal year audited.***

FUNDS COLLECTED FROM NON TDCJ-CJAD SOURCES WHICH ARE REQUIRED TO BE REPORTED ON THE TDCJ-CJAD QUARTERLY FINANCIAL REPORTS *(Questions 15-24)*

***An explanation is required** in the Funds Collected from Non TDCJ-CJAD Sources Which are Required to be Reported on the TDCJ-CJAD Quarterly Financial Reports note of the Notes to Financial Statements and in the Schedule of Findings and Questioned Costs, if questions 15-16, or 24, are answered **NO** or 18-19, or 22-23 answered **YES**.*

*If any of the fees identified in questions 17, 20, and 21 were collected, they **are required** to be reported in the Funds Collected from Sources Other Than TDCJ-CJAD Which are Required to be Reported on the TDCJ-CJAD Quarterly Financial Reports note of the Notes to Financial Statements.*

15.	X	___	Were TDCJ-CJAD funds and locally generated revenues expended in accordance with the Financial Management Manual for TDCJ-CJAD funding (FMM), TDCJ-CJAD Standards, Special Grant Conditions, and applicable laws?

16.	X	___		Were locally generated funds, and other collections, documented with a proper receipt system, and can they be traced to probationers' accounts, bank deposits, and statements?

Administrative Fees, Texas Government Code Section 76.015c, FMM Statutory Requirements *(Questions 17-19)*

Government Code Chapter 76 Community Supervision and Corrections Departments Section 76.015c states: A department may assess a reasonable administrative fee of not less than $25 and not more than $60 per month on an individual who participates in a program operated by the department or receives services from the department and who is not paying a monthly fee under Article 42A.652, Code of Criminal Procedure (i.e. Community Supervision Fees).

	YES	NO	N/A	
17.	___	X		Did the CSCD collect any **administrative fees of $25-$60** from **offender and/or non-offender individuals** who either participate in a TDCJ-CJAD funded program or receive services from the department and who are not paying a monthly fee under Articles 42A Code of Criminal Procedure (i.e., Community Supervision Fees)?
18.	___	___	X	If collected, when the CSCD assessed the administrative fee, did the CSCD assess less than $25 or more than $60 for the fee?
19.	___	___	X	If collected, did the CSCD assess administrative fees of $25-$60 for those individuals who also pay a monthly supervision fee under Articles 42A.652 Code of Criminal Procedure?

Fees for Pretrial Intervention Programs; Texas Code of Criminal Procedure Chapter 102.012, FMM Statutory Requirements *(Question 20)*

Code of Criminal Procedure Chapter 102 Subchapter A General Costs Article 102.012, Fees for Pretrial Intervention Program states: (a) A court that authorizes a defendant to participate in a pretrial intervention program established under Section 76.011, Government Code, may order the defendant to pay to the court a supervision fee in an amount not more than $60 per month as a condition of participating in the program. (b) In addition to or in lieu of the supervision fee authorized by Subsection (a), the court may order the defendant to pay or reimburse a community supervision and corrections department for any other expense that is: (1) incurred as a result of the defendant's participation in the pretrial intervention program, other than an expense described by Article 102.0121; or (2) necessary to the defendant's successful completion of the program.

20.	X	___		Did the CSCD collect fees for **pretrial intervention programs** in the fiscal year audited?

Administrative Fees (i.e., Transaction Administrative Fees); Texas Code of Criminal Procedure, Article 102.072, FMM Statutory Requirements *(Questions 21-24)*

Texas Code of Criminal Procedure, Article 102.072; Administrative Fee states: An officer listed in Article 103.003 or a community supervision and corrections department may assess an administrative fee for each transaction made by the officer or department relating to the collection of fines, fees, restitution, or other costs imposed by a court. The fee may not exceed $2 for each transaction. This article does not apply to a transaction relating to the collection of child support. A "transaction" is defined as an event that involves the collection of money for one or more purposes that results in a preparation of a single receipt. CSCDs shall not prepare separate receipts for money received during a single event for multiple purposes (i.e. to collect multiple $2 administrative fees).

The "transaction" administrative $2 fee is required to be budgeted and reported as Other Revenue in Basic Supervision.

21.	X	___		Did the CSCD collect **administrative fees** (i.e. **transaction administrative** fees) for each transaction made by the department relating to the collection of fines, fees, restitutions, or other costs imposed by a court during the fiscal year audited?
22.	___	X	___	If collected, did any single **transaction administrative** fee exceed the allowable $2?
23.	___	X	___	If collected, during each transaction, does the CSCD issue separate receipts for each fine, fee, restitution, or other cost paid while charging the $2 **transaction administrative fee** for each receipt?
24.	X	___	___	If collected, was the **transaction administrative fee** budgeted and recorded as Other Revenue in Basic Supervision and accounted for on a consistent basis (FMM Statutory Requirements)?

YES NO N/A

CASH, COLLECTIONS, CHANGE FUND, PETTY CASH *(Questions 25-28)*

An explanation is required *to be reported in the Cash, Collections, Change Fund, Petty Cash & Investments note of the Notes to the Financial Statements and included in the Schedule of Findings and Questioned* Costs *if questions 25-28, 30, 34-35, and 36 are answered* ***NO****. All change fund and petty cash funds are required to be reported in the Cash, Collections, Change Fund, and Petty Cash & Investments note of the Notes to the Financial Statements.*

Deposits and Disbursement Requirements, *(Questions 25-28)*

Government Code, Section 509.011 (c) Each department, county, or municipality shall deposit all state aid received from the division in a special fund of the county treasury or municipal treasury, as appropriate, to be used solely for the provision of services, programs, and facilities under this chapter or Subchapter H, Chapter 351, Local Government Code.

Local Government Code, Section 140.003 (f) Each specialized local entity (CSCD) shall deposit in the county treasury of the county in which the entity has jurisdiction the funds the entity receives. The county shall hold, deposit, disburse, invest, and otherwise care for the funds on behalf of the specialized local entity (CSCD) as the entity (CSCD) directs. If a specialized local entity has jurisdiction in more than one county, the district judges having jurisdiction in those counties, by a majority vote, shall designate from among those counties the county responsible for managing the entity's funds.

Local Government Code, Section 113.022 (a) A county officer or other person who receives money shall deposit the money with the county treasurer on or before the next regular business day after the date on which the money is received. If this deadline cannot be met, the officer or person must deposit the money, without exception, on or before the fifth business day after the day on which the money is received. However, in a county with fewer than 50,000 inhabitants, the commissioner's court may extend the period during which funds must be deposited with the county treasurer, but the period may not exceed 15 days after the date the funds are received. (b) A county treasurer shall deposit the money received under Subsection (a) in the county depository in accordance with Section 116.113(a). In all cases, the treasurer shall deposit the money on or before the seventh business day after the date the treasurer receives the money.

Local Government Code, Section 113.001. COUNTY TREASURER AS CHIEF CUSTODIAN OF MONEY. The county treasurer, as chief custodian of county funds, shall keep in a designated depository and shall account for all money belonging to the county.

Local Government Code, Section 116.113. DEPOSIT OF FUNDS. (a) Immediately after the commissioner's court designates a county depository, the county treasurer shall transfer to the depository all of the county's funds and the funds of any district or municipal subdivision of the county that does not select its own depository. The treasurer shall also immediately deposit with the depository to the credit of the county, district, or municipality any money received after the depository is designated.

Local Government Code, Section 116.115. CLEARINGHOUSE FOR MULTIPLE DEPOSITORIES. If the funds of a county are deposited with more than one depository, the commissioner's court shall by order name one of the depositories to act as a clearinghouse for the others. All county orders for payment are finally payable at the depository named as the clearinghouse.

	YES	NO	N/A	
25.	X			Were all the CSCD's state aid and net funds (revenues) received, deposited, and held in a special fund of the county treasury (county's bank account) during the fiscal year audited?
26.	X			Were all the CSCD's state aid and net funds (revenues) received: held, deposited, disbursed, invested, and otherwise cared for by the county on behalf of the CSCD, as the CSCD directed during the fiscal year audited?
27.	X			Were all the CSCD's state aid and net funds (revenues) received deposited in the county treasury (county's bank account) within the time period required by Local Government Code 113.022 during the fiscal year audited?
28.	X			Were all the CSCD's collection accounts' remaining net funds (revenues) transferred to the county treasury (county's bank account) within the time period required by Local Government Code 113.022 during the fiscal year audited?

Change Fund, Local Government Code, Chapter 130, Section 130.902 (a), FMM Fiscal Change Fund *(Questions 29-30)*

Local Government Code, Chapter 130, Section 130.902 (a) The commissioner's court of a county may set aside from the general fund of the county an amount approved by the county auditor for use as a change fund by any county or district official who collects public funds. The fund may be used only to make change in connection with collections that are due and payable to the county, the state, or another political subdivision of the state that are often made by the official. (b) The bond of that official who receives such a change fund must cover the official's responsibility for the correct accounting and disposition of the change fund.

	YES	NO	N/A	
29.		X		Did the CSCD maintain a **change fund** authorized by the fiscal officer in the fiscal year audited? Change Funds are not to be confused with petty cash funds *(FMM Fiscal Officer).*
30.			X	Was the **change fund *only*** used to make change in connection with collections that are due and payable to the CSCD?

Petty Cash Utilizing CSCD Funds, Local Government Code, Section 130.909, FMM Petty Cash *(Questions 31-35)*

Local Government Code, Section 130.909. (a) The commissioner's court of a county may set aside from the general fund of the county, for the establishment of a petty cash fund for any county or district official or department head approved by the commissioner's court, an amount approved by: (1) the county auditor, for a county with a population of 3.3 million or more; or (2) the commissioner's court, for a county with a population of less than 3.3 million (FMM, State Payments, Financial Reports, Community Corrections Facility, and Fiscal Officer).

	YES	NO	N/A	
31.		X		Did the CSCD maintain **petty cash** in the fiscal year audited?
32.			X	Was the petty cash fund maintained by **utilizing the CSCD's funds** authorized by the county auditor?

33.	___	___	X	Was the petty cash fund maintained by **utilizing NON-CSCD revenues** (i.e. vending machine revenues)?
34.	___	___	X	Were **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?
35.	___	___	X	Were **petty cash funds utilizing CSCD's funds** expended only for emergency situations authorized by a written policy and approved by the CSCD director?

Employee Surety Bond Coverage, FMM Employee Surety Bond Coverage *(Question 36)*

CSCD directors shall ensure that all public funds are protected by requiring that all employees with access to funds are covered by Employee Surety Bond coverage and that all funds maintained on CSCD premises are protected by appropriate insurance or bonding. Funds on CSCD premises shall not exceed insurance/bond limits of coverage. CSCDs that have been authorized to have a change fund shall have Employee Surety Bond coverage on the employee who maintains and administers the change fund or petty cash fund, and the coverage shall include the employee's responsibility for the correct accounting and disposition of the change fund or petty cash fund.

36.	X	___		Were all employees who had access to public funds and/or maintained and administered public funds, change funds and petty cash, which cover the employees' responsibility for the correct accounting and disposition of the change fund and petty cash, covered by an employee surety bond?
	YES	**NO**	**N/A**	

SCHEDULE OF DIFFERENCES *(Question 37)*

***An explanation is required** to be reported in the Schedule of Differences, Notes to the Financial Statements and in the Schedule of Findings and Questioned Costs if question 37 is answered **NO**.*

37.	X	___		Were revenues and expenditures as reported to TDCJ-CJAD on the quarterly financial reports in agreement with the CSCD's accounting records (CSCD's actuals), the last approved budget, and with audited financial statements?

COMPLIANCE Standards for Financial Audits; Chapter 4, Item 4.25 Government Auditing Standards *(Questions 38-42)*

***An explanation is required** to be reported in the Report on Compliance and Internal Control and in the Schedule of Findings and Questioned Costs If questions 38-42 are answered **YES**.*

38.	___	X		Were there any instances of deficiencies in internal control noted by the auditor?
39.	___	X		Were there any instances of non-compliance noted by the auditor?
40.	___	X		Were there any instances of fraud noted by the auditor?
41.	___	X		Were there any instances of waste noted by the auditor?
42.	___	X		Were there any instances of abuse noted by the auditor?

SCHEDULE OF FINDINGS AND QUESTIONED COSTS Standards for Financial Audits; Chapter 4, Item 4.05, Government Auditing Standards *(Questions 43-44)*

***An explanation is required** to be reported in Schedule of Findings and Questioned Costs for Prior Year if questions 43-44 are answered **NO**.*

43.	___	___	X	Do any action plans exist for significant findings from prior year audits?
44.	___	___	X	If action plans exist from prior year audit findings, are they compliant?

OTHER MATTERS

45.	___	X	Was an on-site visit to the CSCD headquarters conducted by the CPA or CPA firm staff during the duration of the audit?
46.	___	X	Was a management letter noting certain immaterial instances of noncompliance issued to the CSCD?