271st JUDICIAL DISTRICT
WISE/JACK COUNTIES
COMMUNITY SUPERVISION AND
CORRECTIONS DEPARTMENT

February 24, 2025

Snow Garrett Williams
1207 Santa Fe Drive
Weatherford, Texas 76086

This representation letter is provided in connection with your audit of the financial statements of the Wise County Community Supervision and Corrections Department (CSCD), which comprise the respective financial position as of August 31, 2024, and the respective changes in financial position for the year then ended, and the disclosures (collectively, the "financial statements"), for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with the basis of accounting presented by the Texas Department of Criminal Justice – Community Justice Assistance Division (TDCJ-CJAD), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Certain representations in this letter are described as being limited to matters that are material. Items are considered to be material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of February 24, 2025, the following representations made to you during your audit.

Financial Statements

1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated May 30, 2024, including our responsibility for the preparation and fair presentation of the financial statements in accordance with the other comprehensive basis of accounting described above and for preparation of the supplementary information in accordance with the applicable criteria.

2) The financial statements referred to above are fairly presented in conformity with the other comprehensive basis of accounting described above and include financial information of the CSCD required to be included in the financial reporting entity.

3) We acknowledge our responsibility 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.

4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

5) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the other comprehensive basis of accounting described above.

6) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.

7) We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the CSCD accounts.

8) Guarantees, whether written or oral, under which the CSCD is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

9) We have provided you with:

   a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.

   b) Additional information that you have requested from us for the purpose of the audit.

   c) Unrestricted access to persons within the CSCD from whom you determined it necessary to obtain audit evidence.

   d) Minutes of the meetings of the CSCD or summaries of actions of recent meetings for which minutes have not yet been prepared.

10) All material transactions have been recorded in the accounting records and are reflected in the financial statements.

11) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

12) We have no knowledge of any fraud or suspected fraud that affects the CSCD and involves—

- Management,
- Employees who have significant roles in internal control, or
- Others where the fraud could have a material effect on the financial statements.

13) We have no knowledge of any allegations of fraud or suspected fraud affecting the CSCD's financial statements communicated by employees, former employees, regulators, or others.

14) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse, whose effects should be considered when preparing the financial statements.

15) We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements, and we have not consulted a lawyer concerning litigation, claims, or assessments.

16) We have disclosed to you the names of the CSCD's related parties and all the related party relationships and transactions, including any side agreements.

Government-specific

17) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

18) We have identified to you any previous audits, attestation engagements, and other studies related to the objectives of the audit and whether related recommendations have been implemented.

19) We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.

20) The CSCD has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, and fund balance.

21) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.

22) We have identified and disclosed to you all instances of identified and suspected fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we believe have a material effect on the financial statements.

23) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.

24) As part of your audit, you assisted with preparation of the financial statements and related notes. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and disclosures.

25) The CSCD has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

26) The CSCD has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

27) The financial statements properly classify all funds and activities.

28) Expenses have been appropriately classified in or allocated to the grant programs in the statement of revenues, expenditures, and changes in fund balance, and allocations have been made on a reasonable basis.

29) Revenues are appropriately classified in the statement of revenue, expenditures, and changes in fund balance.

30) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.

31) Deposits and investment securities and derivative instrument transactions are properly classified as to risk and are properly disclosed.

32) With respect to the accompanying financial information listed as supplementary information in the table of contents:

    a) We acknowledge our responsibility for presenting the supplementary information in accordance with the other comprehensive basis of accounting described in the first paragraph, and we believe the information, including its form and content, is

fairly presented in accordance the other comprehensive basis of accounting described in the first paragraph. The methods of measurement and presentation of the information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.

b) If the supplementary information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.

33) In regard to the CSCD's collection bank account, the CSCD is responsible for maintaining, reconciling, and reviewing the transactions that occur in this account and the related recording of these transactions into the CSCD's Correction Software system. The CSCD has complied with all aspects of assurances listed below:

a) The fiscal officer followed the applicable laws, guidelines, and duties as specified on the Fiscal Officer section of the Financial Management Manual for TDCJ-CJAD Funding.

b) CSCD follows a written policy regarding credit card use by employees including authorization and documentation procedures.

c) Equipment valued at $1,000 or more to be physically inventoried and adequately supported with an inventory form.

d) Cash matching for grants was properly authorized, budgeted, and expended.

e) Expenditures and revenues are supported by adequate documentation.

f) Interfund transfers were correctly identified in the financial statements and were considered allowable.

g) Interfund transfers resulted from the need to cover negative fund balances at the end of the fiscal year.

h) There were no unfavorable budget variances in excess of the 15% rule for the fiscal year audited.

i) There were no prior period adjustments related to unauthorized expenditures during the fiscal year audited.

j) Separate accountability is maintained for TDCJ-CJAD funds; i.e. fund accounting or self-balancing funds.

k) The modified accrual basis of accounting was used in preparing the fourth quarter reports for submission to TDCJ-CJAD.

l) Proper cutoff procedures were observed at the end of the fiscal period.

m) TDCJ-CJAD funds and locally generated revenues expended are in accordance with the Financial Management Manual for TDCJ-CJAD funding (FMM), Special Grant Conditions, and applicable laws.

n) Locally generated funds, and other collections, are documented with a proper receipt system, and they can be traced to probationers' accounts, bank deposits, and statements.

o) The CSCD did not collect any administrative fees of $25-$60 from offender and/or non-offender individuals who either participate in a TDCJ-CJAD funded program or receives services from the department and who are not paying a monthly fee under Articles 42A Code of Criminal Procedure (i.e. Community Supervision Fees).

p) The CSCD collected fees for pretrial intervention programs in the audited fiscal year.

q) The CSCD collected 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.

   a) No single transaction administrative fee exceeded the allowable $2.

   b) During each transaction, the CSCD does not issue a separate receipt for each fine, fee, restitution, or other cost paid, while charging the $2 transaction administrative fee.

   c) The transaction administrative fee is budgeted and recorded as Other Revenue in Basic Supervision and is accounted for on a consistent basis (FMM Statutory Requirements).

   d) Transaction administrative fees are included as a separate line item with the dollar amount 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.

s) All of the CSCD's state aid and net funds (revenues) received, deposited, and held are in a special fund of the county treasury (county's back account) in the audited fiscal year.

t) All of the CSCD's state aid and net funds (revenues) received were held, deposited, disbursed, invested, and otherwise cared for by the county on behalf of the CSCD, as the CSCD directed during the audited fiscal year.

u) All of the CSCD's state aid and net funds' (revenues) received are deposited in the county treasury (county's bank account) within the time period required by Local Government Code 113.022.

v) All of the CSCD's collection accounts' remaining net funds (revenues) were transferred to the county treasury (county's bank account) within the time period required by Local Government Code 113.022.

w) The CSCD did not maintain a change fund authorized by the fiscal officer in the fiscal year audited.

x) The CSCD did not maintain petty cash fund in the fiscal year audited.

y) All employees who have access to funds are covered by an employee surety bond.

z) Revenues and expenditures reported to TDCJ-CJAD on the quarterly financial reports are in agreement with the CSCD's accounting records (CSCD's actuals), the last approved budget, and with audited financial statements.