

**WISE COUNTY, TEXAS
271ST JUDICIAL DISTRICT
COMMUNITY SUPERVISION
AND CORRECTIONS DEPARTMENT
(AN AGENCY FUND OF WISE COUNTY, TEXAS)**

**ANNUAL FINANCIAL REPORT
AUGUST 31, 2014**

Wise County, Texas
271st Judicial District
Community Supervision and Corrections Department
(An Agency Fund of Wise County, Texas)
Annual Financial Report
August 31, 2014

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SNOW GARRETT WILLIAMS
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Wise County Community Supervision and
Corrections Department
Wise County, Texas

We have audited the accompanying combined financial statements of the Wise County Community Supervision and Corrections Department (an Agency Fund of Wise County, Texas), which comprise the combined statement of financial position as of August 31, 2014, and the related combined statement of revenues, expenditures and changes in fund balance for the year then ended, and the related notes to the financial statements.

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 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 Responsibility

Our responsibility is to express an opinion 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 from 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 the 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 sufficient and appropriate to provide a basis for our audit opinion.

Wise County Community Supervision and
Corrections Department

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the Wise County Community Supervision and Corrections Department (an Agency Fund of Wise County, Texas), as of August 31, 2014, and the respective changes in financial position for the year ended, 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 Wise County Community Supervision and Corrections Department only, and are not intended to present fairly the financial position of Wise County, Texas and the results of its operations in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Wise County Community Supervision and Corrections Department's (an Agency Fund of Wise County, Texas) financial statements. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. The supplementary 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

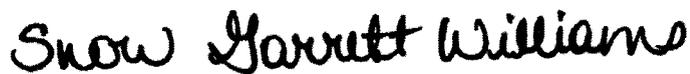
Wise County Community Supervision and
Corrections Department

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 10, 2015, on our consideration of the Wise County Community Supervision and Corrections Department's (an Agency Fund of Wise County, Texas) 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 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 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 Wise County Community Supervision and Corrections Department's (an Agency Fund of Wise County, Texas) internal control over financial reporting and compliance.

Restriction of Use

This report is intended solely for the information and use of management 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
March 10, 2015

FINANCIAL STATEMENTS

Wise County, Texas
271st Judicial District
Community Supervision and Corrections Department
(An Agency Fund of Wise County, Texas)
Combined Statement of Financial Position
August 31, 2014

TDCJ - CJAD					
<u>Assets</u>	<u>Basic Supervision Program</u>	<u>Community Corrections Program</u>	<u>Treatment Alternatives to Incarceration Program</u>	<u>Mental Health Caseload</u>	<u>2014 Combined Total</u>
Cash	\$ 584,427	\$ 4,409	\$ 20,093	\$ 2,067	\$ 610,996
Accounts Receivable					
Due From -					
Jack County - Fees	8,090	-	-	-	8,090
Wise County - Fees	59,200	-	-	-	59,200
Wise County - Interest	86	-	-	-	86
State	156	-	-	-	156
Other	286	-	-	-	286
Total Accounts Receivable	<u>67,818</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>67,818</u>
Total Assets	<u>\$ 652,245</u>	<u>\$ 4,409</u>	<u>\$ 20,093</u>	<u>\$ 2,067</u>	<u>\$ 678,814</u>
<u>Liabilities and Fund Balance</u>					
Liabilities:					
Accounts Payable	\$ 1,714	\$ 16	\$ 9,361	\$ 8	\$ 11,099
Accrued Salaries and Benefits	30,824	4,393	2,223	2,059	39,499
Total Liabilities	32,538	4,409	11,584	2,067	50,598
Fund Balance	<u>619,707</u>	<u>-</u>	<u>8,509</u>	<u>-</u>	<u>628,216</u>
Total Liabilities and Fund Balance	<u>\$ 652,245</u>	<u>\$ 4,409</u>	<u>\$ 20,093</u>	<u>\$ 2,067</u>	<u>\$ 678,814</u>

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

Wise County, Texas
271st Judicial District
Community Supervision and Corrections Department
(An Agency Fund of Wise County, Texas)
Combined Statement of Revenues, Expenditures, and
Changes in Fund Balance
For Fiscal Year Ended August 31, 2014

	Basic Supervision Program	Community Corrections Program	Treatment Alternatives to Incarceration Program	Mental Health Caseload	2014 Combined Total
Revenues:					
State Aid	\$ 297,724	\$ 114,959	\$ 217,455	\$ 36,950	\$ 667,088
State Aid: SAFPF	4,392	-	-	-	4,392
Community Supervision Fees	839,502	-	-	-	839,502
Payment by Program Participants	12,147	-	-	-	12,147
Interest Income	988	-	-	-	988
Other Revenue	21,441	-	-	-	21,441
Total Revenues	1,176,194	114,959	217,455	36,950	1,545,558
Expenditures:					
Salaries and Fringe Benefits	953,865	105,427	60,915	56,174	1,176,381
Travel and Furnished Transportation	13,240	815	420	-	14,475
Contract Services for Offenders	-	-	145,862	-	145,862
Professional Fees	5,412	1,112	1,631	277	8,432
Supplies and Operating Expenses	18,983	6,009	-	-	24,992
Utilities	19,628	246	118	-	19,992
Equipment	19,873	1,350	-	-	21,223
Total Expenditures	1,031,001	114,959	208,946	56,451	1,411,357
Excess of Revenues over (under) Expenditures	145,193	-	8,509	(19,501)	134,201
Fund Balance, September 1	513,066	-	-	-	513,066
Interfund Transfer In (Out)	(19,501)	-	-	19,501	-
Fund Balance Before Refund to TDCJ-CJAD	638,758	-	8,509	-	647,267
Refund to TDCJ-CJAD	(19,051)	-	-	-	(19,051)
Fund Balance, August 31	\$ 619,707	\$ -	\$ 8,509	\$ -	\$ 628,216

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

NOTES TO FINANCIAL STATEMENTS

Wise County, Texas
271st Judicial District
Community Supervision and Corrections Department
(An Agency Fund of Wise County, Texas)
Notes to Financial Statements
August 31, 2014

Note 1 – Summary of Significant Accounting Policies

A. Reporting Entity

The accompanying financial statements include the revenue of the Wise 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 (TDCJ-CJAD) from State Appropriations for the Basic Supervision Fund, Community Corrections Program Fund, Treatment Alternative to Incarceration Program Grant Fund, Mental Health Caseload Fund, local fees collected for the use of the CSCD, and the expenditure of those funds.

The Wise County Supervision and Corrections Department (an Agency Fund of Wise County, Texas), a special purpose district of state government, was organized to provide certain adult probation services to judicial districts.

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 most facilities, utilities, and equipment for all programs except residential programs.

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

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

**Wise County, Texas
271st Judicial District
Community Supervision and Corrections Department
(An Agency Fund of Wise County, Texas)
Notes to Financial Statements
August 31, 2014**

Note 1 – Summary of Significant Accounting Policies (continued)

C. Budgets (Accounting and Legal Compliance)

Budgets are prepared and approved on a basis consistent with the basis of accounting described above. The budgeted amounts presented in these statements are as originally approved, or as amended, by one district judge and both Counties' criminal court at law judges for each biennium period in an open meeting. All budgets and budget adjustment requests are submitted to TDCJ-CJAD for approval. Only budget adjustment requests, at year-end, received by September 30, 2014 will be reviewed and approved/disapproved by TDCJ-CJAD. TDCJ-CJAD will not accept budget adjustments after September 30, 2014 for the previous fiscal year. Only budget adjustments approved by TDCJ-CJAD are reported in the accompanying supplementary information section.

D. Encumbrance Accounting

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

E. Compensated Absences

Sick leave is recorded when paid because employees are not compensated for unused sick leave. Vacation is earned in varying amounts. Unused vacation leave is carried forward from one year to the next up to certain limits. Due to the basis of accounting used by the CSCD prescribed by TDCJ-CJAD, the estimated liability for compensated absences is not reported on these financial statements, however, the estimated liability for compensated absences at August 31, 2014 was \$38,459.

Note 2 – Funding Sources – State Aid

Basic Supervision Funds

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

Community Corrections (CC) 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 CC funds.

Mental Health Caseload Funds

This program provides for case management, psychiatric support, medication, residential substance abuse treatment, and the necessary support for offenders with special needs to re-enter the community.

Wise County, Texas
271st Judicial District
Community Supervision and Corrections Department
(An Agency Fund of Wise County, Texas)
Notes to Financial Statements
August 31, 2014

Note 2 – Funding Sources – State Aid (continued)

Treatment Alternatives to Incarceration Program (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.

Note 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

Source	Amount Received	Restrictions for Use	Expended in Accordance with Restriction
Probation Fees (Community Supervision Fees)	\$ 815,066	These are fees collected from probationers; these fees combined with funds from the state are used to fund CJAD expenses such as salaries, operating expenses, supplies, etc.	Yes
Pre-Trial Diversion Fees (Community Supervision Fees)	\$ 24,436	These are fees collected from probationers; these fees combined with funds from the state are used to fund CJAD expenses such as salaries, operating expenses, supplies, etc.	Yes
Transfer Fee (Program Participant Fees)	\$ 9,266	These are fees collected from probationers; these fees combined with funds from the state are used to fund CJAD expenses such as salaries, operating expenses, supplies, etc.	Yes
UA Fee (Program Participant Fees)	\$ 2,881	These are fees collected from probationers; these fees combined with funds from the state are used to fund CJAD expenses such as salaries, operating expenses, supplies, etc.	Yes
Transactions' Administration Fee (Other Revenue)	\$ 19,173	These are fees collected from probationers; these fees combined with funds from the state are used to fund CJAD expenses such as salaries, operating expenses, supplies, etc.	Yes
Welfare Fraud Refund (Other Revenue)	\$ 2,212	These are fees collected from probationers; these fees combined with funds from the state are used to fund CJAD expenses such as salaries, operating expenses, supplies, etc.	Yes
Sale of Asset (Other Revenue)	\$ 56	This revenue represents proceeds on the sale of items at county auction (i.e. old computers, monitors, etc.)	Yes
Interest Income	\$ 988	This revenue represents interest earned on deposits in interest-bearing accounts.	Yes

Wise County, Texas
271st Judicial District
Community Supervision and Corrections Department
(An Agency Fund of Wise County, Texas)
Notes to Financial Statements
August 31, 2014

Note 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

The following items were obtained from the CSCD and are not required to be included in the TDCJ-CJAD quarterly financial reports or the audited financial statements. These funds are deposited into collection/clearing accounts as agency funds and are operated only to distribute collections from offenders to the appropriate recipient or the applicable County Treasurer for deposit.

Source	Amount Received	Restrictions for Use	Expended in Accordance with Restriction
DA Check Fee	\$ 1,535	Article 102.007 of the Code of Criminal Procedure	Yes
Crime Stoppers	\$ 24,471	Local Government Code, Chapter 103, Section 103.021 (6)	Yes
Merchant Fee	\$ 429	Fee received from probationers to allow credit card payments for probation fees and court costs over the internet.	Yes
Supervision Fee for Sex Offenders	\$ 2,107	Article 42.12, Section 19 (f) of the Code of Criminal Procedure	Yes
Refund	\$ 2,740	Overpayments received from probationers in the mail. Refunds are mailed back to the probationers for the amount that was overpaid.	Yes
Victim Restitution	\$ 147,332	Government Code 76.013, paid directly to victim within certain timelines.	Yes
Court Costs (includes court fines and attorney fees)	\$ 452,840	Local Government Code, Chapter 113, Section 113.022	Yes
Bond Supervision Fees	\$ 20,454	Article 17.40 of the Code of Criminal Procedure\Senate Bill (SB) 880 in the 82nd Legislature.	Yes

Fund Balances for the above sources at August 31, 2014 are all \$0.

Note 5 – Cash, Petty Cash and Investments

The CSCD's deposits were held by the First Financial Bank at August 31, 2014. The Community Supervision and Corrections 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 collection clearing account is a trust fund of the CSCD 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 CSCD. The collection account is transferred to the county treasury within the time frames listed in Local Government Code 113.022. All CSCD deposits are in the county treasury and are disbursed by the County Treasurer in accordance with Government Code 509.011(c) and Local Government Code 140.003(f).

**Wise County, Texas
271st Judicial District
Community Supervision and Corrections Department
(An Agency Fund of Wise County, Texas)
Notes to Financial Statements
August 31, 2014**

Note 5 – Cash, Petty Cash and Investments (continued)

The CSCD does not carry any petty cash funds.

Idle funds, if any, are invested in an interest bearing checking account until spent.

Note 6 – Excess of Expenditures over Budgets in Individual Programs

The CSCD exceeded budget in the following line items:

	Basic Supervision Program	Community Corrections Program	Treatment Alternatives to Incarceration Program	Mental Health Caseload
Salaries and Fringe Benefits	\$ -	\$ -	\$ 1	\$ -
Professional Fees	2,089	-	-	277
Supplies and Operating Expenses	-	642	-	-
Utilities	1,159	-	-	-
Total Negative Variances	<u>\$ 3,248</u>	<u>\$ 642</u>	<u>\$ 1</u>	<u>\$ 277</u>

Explanations of over expended budget items that exceed \$15,000 or 15% (whichever is greater) are as follows:

Basic Supervision Program

None over \$15,000 or 15% rule.

Community Corrections Program

None over \$15,000 or 15% rule.

Treatment Alternatives to Incarceration Program

None over \$15,000 or 15% rule.

Mental Health Caseload

None over \$15,000 or 15% rule.

Note 7 – Accounts and Interfund Transfer Receivable and Payable at August 31, 2014

The CSCD reported accounts and interfund transfer receivable at August 31, 2014 of \$67,818, of which \$59,200 was receivable from Wise County for local fees and \$86 was receivable from Wise County for interest. The CSCD reported accounts payable at August 31, 2014 of \$11,099, of which none was payable to Wise County.

Note 8 – Vendor Contracts for Offender Services

The CSCD did not have any contracts and/or payments over \$100,000 per vendor or per same-type service for the fiscal year ended August 31, 2014.

Note 9 – Commitments and Contingencies

The CSCD did not have any commitments and/or contingencies at August 31, 2014.

Wise County, Texas
271st Judicial District
Community Supervision and Corrections Department
(An Agency Fund of Wise County, Texas)
Notes to Financial Statements
August 31, 2014

Note 10 – Prior Period Adjustments and Refunds

The CSCD did not have any prior period adjustments for the fiscal year ended August 31, 2014. The CSCD refunded \$19,051 in State funds for the Basic Supervision Program in fiscal year 2014.

Note 11 – Subsequent Events

The CSCD did not have any subsequent events at August 31, 2014.

Note 12 – Retirement Plan

Plan Description

The CSCD through Wise County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of 656 participating employers. TCDRS in the aggregate issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034. The report is also available at www.tcdrs.org.

The plan provisions are adopted by the Wise County Commissioners' Court within the options available in the Texas state statutes governing TCDRS (TCDRS Act).

Benefit amounts are determined by the sum of the employee's deposits to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the Commissioners' Court within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the County's commitment to contribute. At retirement, death, or disability, the benefit is calculated by converting the sum of the employee's accumulated deposits and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

Funding Policy

The County has elected the annually determined contribution rate (variable-rate) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. The County contributed using the actuarially determined rate of 10.40% for the months in the 2013 calendar year and 10.69% for the months in the 2014 calendar year.

The deposit rate payable by the employee members for calendar years 2013 and 2014 is the rate of 7% as adopted by the Commissioners' Court. The employee deposit rate and the employer contribution rate may be changed by the Commissioners' Court within the options available in the TCDRS Act.

Wise County, Texas
271st Judicial District
Community Supervision and Corrections Department
(An Agency Fund of Wise County, Texas)
Notes to Financial Statements
August 31, 2014

Note 12 – Retirement Plan (continued)

Annual Pension Cost

For the CSCD's accounting years ending August 31, 2014, 2013, and 2012 the annual pension cost for the TCDRS plan for its employees was \$104,896, \$101,358, and \$93,557, respectively, which were 100% of the annual pension cost, and total contributions to the plan for fiscal year 2014 were \$173,013.

The required contribution was determined as part of the December 31, 2013 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions at December 31, 2013 included (a) 8.0 percent investment rate of return (net of administrative expenses), and (b) projected salary increases of 4.9 percent. Both (a) and (b) included an inflation component of 3.0 percent. The actuarial value of assets was determined using techniques that spread the effects of short-term volatility to the market value of investments over a ten-year period. The unfunded actuarial accrued liability is being amortized as a level of percentage of payroll on a closed basis. The remaining amortization period at December 31, 2013 was 20 years.

Additional retirement plan information and details are available in Wise County's annual audit report.

Note 13 – Postemployment Benefits Other Than Pensions

Plan Description

The CSCD, through Wise County, participates in a cost-sharing multiple-employer defined-benefit group-term life insurance plan operated by the Texas County and District Retirement System (TCDRS). This plan is referred to as the Group Term Life Fund (GTLF). This optional plan provides group term life insurance coverage to current eligible employees and, if elected by employers, to retired employees. The coverage provided to retired employees is a postemployment benefit other than pension benefits (OPEB). Retired employees are insured for \$5,000.

The GTLF is a separate trust administered by TCDRS board of trustees. TCDRS issues a publicly available comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for the GTLF. This report may also be obtained by writing to the Texas County and District Retirement System, P.O. Box 2034, Austin, TX 78768-2034, or by calling 800-823-7782. TCDR's CAFR is also available at www.tcdrs.org.

Funding Policy

Each participating employer contributes to the GTLF at a contractually required rate. An annual actuarial valuation is performed and the contractual rate is determined using the unit credit method for providing one-year term life insurance.

Additional OPEB plan disclosures for Wise County, as a whole, are available in Wise County's annual audit report. The CSCD's contribution to the GTLF for the years ended August 31, 2014 and August 31, 2013 was \$2,900 and \$2,866, respectively, which equaled the contractually required contribution.

SUPPLEMENTARY INFORMATION

Wise County, Texas
271st Judicial District
Community Supervision and Corrections Department
(An Agency Fund of Wise County, Texas)
Statement of Revenues, Expenditures, and Changes in Fund
Balance - Budget and Actual - Basic Supervision Program
For Fiscal Year Ended August 31, 2014

	2014		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues:			
State Aid	\$ 284,348	\$ 297,724	\$ 13,376
State Aid: SAFFP	2,000	4,392	2,392
Community Supervision Fees	864,000	839,502	(24,498)
Payment by Program Participants	13,364	12,147	(1,217)
Interest Income	1,100	988	(112)
Other Revenue	23,084	21,441	(1,643)
Total Revenues	<u>1,187,896</u>	<u>1,176,194</u>	<u>(11,702)</u>
Expenditures:			
Salaries and Fringe Benefits	966,258	953,865	12,393
Travel and Furnished Transportation	15,415	13,240	2,175
Contract Services for Offenders	3,000	-	3,000
Professional Fees	3,323	5,412	(2,089)
Supplies and Operating Expenses	625,511	18,983	606,528
Utilities	18,469	19,628	(1,159)
Equipment	23,550	19,873	3,677
Total Expenditures	<u>1,655,526</u>	<u>1,031,001</u>	<u>624,525</u>
Excess of Revenues over (under) Expenditures	(467,630)	145,193	612,823
Fund Balance, September 1	513,066	513,066	-
Interfund Transfer Out	<u>(26,384)</u>	<u>(19,501)</u>	<u>6,883</u>
Fund Balance before Refund to CJAD	19,052	638,758	619,706
Refund to CJAD	<u>(19,052)</u>	<u>(19,051)</u>	<u>(1)</u>
Fund Balance, August 31	<u>\$ -</u>	<u>\$ 619,707</u>	<u>\$ 619,706</u>

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

Wise County, Texas
271st Judicial District
Community Supervision and Corrections Department
(An Agency Fund of Wise County, Texas)
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual -
Community Corrections Program
For Fiscal Year Ended August 31, 2014

	2014		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues:			
State Aid	\$ 114,959	\$ 114,959	\$ -
Total Revenues	114,959	114,959	-
Expenditures:			
Salaries and Fringe Benefits	105,934	105,427	507
Travel and Furnished Transportation	949	815	134
Professional Fees	1,112	1,112	-
Supplies and Operating Expenses	5,367	6,009	(642)
Utilities	247	246	1
Equipment	1,350	1,350	-
Total Expenditures	114,959	114,959	-
Excess of Revenues over Expenditures	-	-	-
Fund Balance, September 1	-	-	-
Fund Balance, August 31	\$ -	\$ -	\$ -

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

Wise County, Texas
271st Judicial District
Community Supervision and Corrections Department
(An Agency Fund of Wise County, Texas)
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual -
Treatment Alternatives to Incarceration Program
For Fiscal Year Ended August 31, 2014

	2014		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues:			
State Aid	\$ 217,455	\$ 217,455	\$ -
Total Revenues	217,455	217,455	-
Expenditures:			
Salaries and Fringe Benefits	60,914	60,915	(1)
Travel and Furnished Transportation	426	420	6
Contract Services for Offenders	160,712	145,862	14,850
Professional Fees	1,631	1,631	-
Supplies and Operating Expenses	532	-	532
Utilities	119	118	1
Total Expenditures	224,334	208,946	15,388
Excess of Revenues over (under) Expenditures	(6,879)	8,509	15,388
Fund Balance, September 1	-	-	-
Interfund Transfer In	6,879	-	6,879
Fund Balance, August 31	\$ -	\$ 8,509	\$ 22,267

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

Wise County, Texas
271st Judicial District
Community Supervision and Corrections Department
(An Agency Fund of Wise County, Texas)
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual -
Mental Health Caseload
For Fiscal Year Ended August 31, 2014

	2014		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues:			
State Aid	\$ 36,950	\$ 36,950	\$ -
Total Revenues	36,950	36,950	-
Expenditures:			
Salaries and Fringe Benefits	56,455	56,174	281
Professional Fees	-	277	(277)
Total Expenditures	56,455	56,451	4
Excess of Revenues over (under) Expenditures	(19,505)	(19,501)	4
Fund Balance, September 1	-	-	-
Interfund Transfer In	19,505	19,501	(4)
Fund Balance, August 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

Wise County, Texas
271st Judicial District
Community Supervision and Corrections Department
(An Agency Fund of Wise County, Texas)
Schedule of Differences Between Audit Report and
CSCD Report - Basic Supervision Program
For Fiscal Year Ended August 31, 2014

	Audit	CSCD Report	Difference
Revenues:			
State Aid	\$ 297,724	\$ 297,724	\$ -
State Aid : SAFFP	4,392	4,392	-
Community Supervision Fees	839,502	839,502	-
Payment by Program Participants	12,147	12,147	-
Interest Income	988	988	-
Other Revenue	21,441	21,441	-
Total Revenues	1,176,194	1,176,194	-
Expenditures:			
Salaries and Fringe Benefits	953,865	953,865	-
Travel and Furnished Transportation	13,240	13,240	-
Professional Fees	5,412	5,412	-
Supplies and Operating Expenses	18,983	18,983	-
Utilities	19,628	19,628	-
Equipment	19,873	19,873	-
Total Expenditures	1,031,001	1,031,001	-
Excess of Revenues over Expenditures	145,193	145,193	-
Fund Balance, September 1	513,066	513,066	-
Interfund Transfer Out	(19,501)	(19,501)	-
Fund Balance before Refund to CJAD	638,758	638,758	-
Refund to CJAD	(19,051)	(19,051)	-
Fund Balance, August 31	\$ 619,707	\$ 619,707	\$ -

Wise County, Texas
271st Judicial District
Community Supervision and Corrections Department
(An Agency Fund of Wise County, Texas)
Schedule of Differences Between Audit Report and
CSCD Reports - Community Corrections Program
For Fiscal Year Ended August 31, 2014

	<u>Audit</u>	<u>CSCD Report</u>	<u>Difference</u>
Revenues:			
State Aid	\$ 114,959	\$ 114,959	\$ -
Total Revenues	<u>114,959</u>	<u>114,959</u>	<u>-</u>
Expenditures:			
Salaries and Fringe Benefits	105,427	105,427	-
Travel and Furnished Transportation	815	815	-
Professional Fees	1,112	1,112	-
Supplies and Operating Expenses	6,009	6,009	-
Utilities	246	246	-
Equipment	1,350	1,350	-
Total Expenditures	<u>114,959</u>	<u>114,959</u>	<u>-</u>
Excess of Revenues over Expenditures	-	-	-
Fund Balance, September 1	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, August 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Wise County, Texas
271st Judicial District
Community Supervision and Corrections Department
(An Agency Fund of Wise County, Texas)
Schedule of Differences Between Audit Report and
CSCD Reports - Treatment Alternatives to Incarceration Program
For Fiscal Year Ended August 31, 2014

	<u>Audit</u>	<u>CSCD Report</u>	<u>Difference</u>
Revenues:			
State Aid	\$ 217,455	\$ 217,455	\$ -
Total Revenues	<u>217,455</u>	<u>217,455</u>	<u>-</u>
Expenditures:			
Salaries and Fringe Benefits	60,915	60,915	-
Travel and Furnished Transportation	420	420	-
Contract Services for Offenders	145,862	145,862	-
Professional Fees	1,631	1,631	-
Utilities	118	118	-
Total Expenditures	<u>208,946</u>	<u>208,946</u>	<u>-</u>
Excess of Revenues over Expenditures	8,509	8,509	-
Fund Balance, September 1	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, August 31	<u>\$ 8,509</u>	<u>\$ 8,509</u>	<u>\$ -</u>

Wise County, Texas
271st Judicial District
Community Supervision and Corrections Department
(An Agency Fund of Wise County, Texas)
Schedule of Differences Between Audit Report and
CSCD Reports - Mental Health Caseload
For Fiscal Year Ended August 31, 2014

	<u>Audit</u>	<u>CSCD Report</u>	<u>Difference</u>
Revenues:			
State Aid	\$ 36,950	\$ 36,950	\$ -
Total Revenues	<u>36,950</u>	<u>36,950</u>	<u>-</u>
Expenditures:			
Salaries and Fringe Benefits	56,174	56,174	-
Professional Fees	277	277	-
Total Expenditures	<u>56,451</u>	<u>56,451</u>	<u>-</u>
Excess of Revenues over (under) Expenditures	(19,501)	(19,501)	-
Fund Balance, September 1	-	-	-
Interfund Transfer In	<u>19,501</u>	<u>19,501</u>	<u>-</u>
Fund Balance, August 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**OVERALL COMPLIANCE AND INTERNAL
CONTROL SECTION**



SNOW GARRETT 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
Wise County, 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 combined financial statements of the Wise County Community Supervision and Corrections Department (an Agency Fund of Wise County, Texas) as of and for the year ended August 31, 2014, and the related notes to the financial statements, which collectively comprise the Wise County Community Supervision and Corrections Department's financial statements, and have issued our report thereon dated March 10, 2015.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Wise County Community Supervision and Corrections Department's internal control over financial reporting (internal control) to determine the 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 Wise County Community Supervision and Corrections Department's internal control. Accordingly, we do not express an opinion on the effectiveness of the Wise 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 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 the Wise County Community Supervision and Corrections Department's (an Agency Fund of Wise County, Texas) 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 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 Wise County Community Supervision and Corrections Department (an Agency Fund of Wise County, Texas), 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
March 10, 2015

**Wise County, Texas
271st Judicial District
Community Supervision and Corrections Department
(An Agency Fund of Wise County, Texas)
Schedule of Findings and Questioned Costs
For the Year Ended August 31, 2014**

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

**Wise County, Texas
271st Judicial District
Community Supervision and Corrections Department
(An Agency Fund of Wise County, Texas)
Corrective Action Plan
For the Year Ended August 31, 2014**

Not applicable.

**Wise County, Texas
271st Judicial District
Community Supervision and Corrections Department
(An Agency Fund of Wise County, Texas)
Follow Up on Prior Year Findings
For the Year Ended August 31, 2014**

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

Wise County, Texas
271st Judicial District
Community Supervision and Corrections Department
(An Agency Fund of Wise County, Texas)

ASSURANCES OF COMPLIANCE REQUIREMENTS

FOR THE FISCAL YEAR ENDED AUGUST 31, 2014

Yes No N/A

- Is separate accountability maintained for TDCJ-CJAD funds; i.e. fund accounting? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
- 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.
- 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 Specific Grant Conditions, and applicable laws? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
- Are proper cutoff procedures observed at the end of each fiscal period? The cutoff date for revenues recognition and expenditures payments of FY 2014 is October 31, 2014.
- Is the modified accrual basis of accounting used in preparing the fourth quarter reports for submission to TDCJ-CJAD? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
- 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.
- Are expenditures and revenues supported by adequate documentation? If not, explain in the Notes to the Financial Statements or Schedule of Finding and Questioned Costs.
- 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.
- Does the CSCD have an existing policy on budget approval, operate by the policy, and the policy has been approved in an open meeting by the judges charged with oversight of the CSCD (Government Code, Section 76.002, and the *Financial Management Manual for TDCJ-CJAD (FMM Pages 8-10)*). If not, explain in the Notes to the Financial statements or in the Schedule of Findings and Questioned Costs.
- Are all of the CSCD's funds and collections deposited in the county treasury (county's bank account)? (*FMM Pages 7-8; Government Code, Section 509.011; Local Government Code, Section 140.003 (f); and Attorney General's Opinion DM-257, dated September 15, 1993*) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
- Are all of the CSCD's funds and collections disbursed by the county treasurer on behalf of the CSCD? (*FMM Pages 7-8; Government Code, Section 509.011; Local Government Code, Section 140.003 (f); and Attorney General's Opinion DM-257, dated September 15, 1993*) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs

Wise County, Texas
271st Judicial District
Community Supervision and Corrections Department
(An Agency Fund of Wise County, Texas)

ASSURANCES OF COMPLIANCE REQUIREMENTS

FOR THE FISCAL YEAR ENDED AUGUST 31, 2014

Yes No N/A

- 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* Pages 7-8) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs
- Did the Fiscal Officer follow the applicable laws, guidelines, and duties as specified on Pages 31-35 of the *Financial Management Manual for TDCJ-CJAD Funding*? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
- Were purchasing laws, including required competitive bidding, followed as directed in accordance with the same procedures applicable to a county? (Texas Local Government Code 140.003 and Chapter 262, *FMM* Pages 35-36) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
- Were there any instances of fraud, non-compliance, waste, or abuse noted by the auditor (Chapter 4, Item 4.25, *Government Auditing Standards*)? If yes, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
- 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.
- Is equipment physically inventoried and adequately supported with an inventory form? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
- Is surplus equipment disposed of in accordance with TDCJ-CJAD guidelines? (*FMM* Page 24) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
- Was an explanation given in the Schedule of Differences for any changes that were made to Revenues and Expenditures that adjusted the previous amounts reported to TDCJ-CJAD? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
- Are expenditures that benefit both juveniles and adults prorated on an equitable basis? Is determination of the method of prorating such expenditures supported by adequate documentation including an annual time study? (*FMM* Page 26) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
- If the CSCD determines that an increase or decrease in revenue or expenditures is required, were budget adjustments submitted to TDCJ-CJAD, by **September 30, 2014**, and in accordance with the *Financial Management Manual for TDCJ-CJAD Funding*? (*FMM* Pages 8-10) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
- Are idle funds, if any, invested? (*FMM* Page 7) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
- Are all non-TDCJ-CJAD funded program fees expended in accordance with applicable limitations; i.e., civil fees, Federal grants, bond fees, etc.? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

Wise County, Texas
271st Judicial District
Community Supervision and Corrections Department
(An Agency Fund of Wise County, Texas)

ASSURANCES OF COMPLIANCE REQUIREMENTS

FOR THE FISCAL YEAR ENDED AUGUST 31, 2014

Yes No N/A

- X ___ ___ Are Victim Restitution Funds accounted for in accordance with Texas Government Code, Section 76.013, and are unclaimed funds tracked for the required five-year period prior to sending to the State Comptroller? (*FMM* Page 28) If not, explain in the Notes to the Financial Statements or in the Schedule of Finding and Questioned Costs.
- X ___ ___ Have TDCJ-CJAD policies regarding contracts with vendors been followed, which includes maintaining a Contract Monitoring Plan (policy) to monitor vendor payments and compliance with contracts? (*CMM* and Pages 10-11 of these Guidelines) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
- X ___ ___ Does the CSCD have a policy regarding eligibility for employee salary merit increases, if merit or one-time increases are given? (*FMM* Page 46) If such increases are given without a written policy, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
- X ___ ___ If the CSCD allows offenders to pay a fee or donate goods to a local food bank in lieu of performing community service restitution (CSR) work hours, does the CSCD have a written **CSR Policy** stating this fact? (TDCJ-CJAD Policy Statement No. CJAD-PS-08) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
- ___ ___ X Are petty cash funds (not change funds) authorized by the county auditor or fiscal officer? (*FMM*, Pages 7-8, 20 and 34) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
- ___ ___ X Are petty cash funds used only for specific purposes for allowable items as listed in the *Financial Management Manual for TDCJ-CJAD Funding* and expended only for emergency situations authorized by a written policy and approved by the CSCD director? (*FMM*, Pages 7-8, 20 and 34) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
- X ___ ___ Are Personal Bond, Surety Bond, Bail and Certain Other Supervision expenses relating to CSCD employees supervising these cases paid from the administrative fees (and not from state-funded budgets) set in Article 76.015(c) of the Texas Government Code, as amended; i.e., salaries, fringe benefits, travel, supplies, equipment, etc., paid from these fees? If a CSCD employee (or more than one employee whose cumulative time is not over 10% of one full-time equivalent position) spends no more than 10% of his/her time on the Bond/Other Supervision Program activities, separation of expenses is considered immaterial and is not required. However, all revenue generated from these fees must be accounted for separately in a local budget. Is this being properly captured? (*FMM* Pages 20-21 and TDCJ-CJAD Policy Statement No. CJAD-PS-09) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
- ___ ___ X With prior TDCJ-CJAD approval, CSCDs may use Basic Supervision, CC, DP, or TAIP funds as required cash matching for grants from other governmental agencies, non-profit organizations, or private foundations, etc., for the purpose of expanding an existing program. Was cash matching properly authorized, budgeted, and expended? (*FMM* Pages 21-22) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

Wise County, Texas
271st Judicial District
Community Supervision and Corrections Department
(An Agency Fund of Wise County, Texas)

ASSURANCES OF COMPLIANCE REQUIREMENTS

FOR THE FISCAL YEAR ENDED AUGUST 31, 2014

Yes No N/A

- X The Texas Code of Criminal Procedure, Article 42.12, Section 19 (e) requires as a condition of probation that certain sex offenders pay \$5.00 per month during the period of supervision. These fees are in addition to court costs or any other fee imposed on the offender as court ordered. Are these fees collected and accounted for by the CSCD and remitted to the State Comptroller? (FMM Page 27) If fees are collected, include them in the Note to the Financial Statements for funds not required to be budgeted. If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
- X Article 42.12 Section 11(a) (18), Code of Criminal Procedure authorizes the court to order a defendant, as a condition of community supervision, to reimburse the Crime Victims' Compensation Fund for any amounts paid from that fund to a victim of the defendant's offense or, if no reimbursement is required, make one payment to the fund in an amount not to exceed \$50 if the offense is a misdemeanor or not to exceed \$100 if the offense is a felony. If these fees were collected, were they remitted to the State Comptroller in compliance with the timelines outlined by the State Comptroller's Office? (FMM Pages 28-29) If these fees are collected, include in the Note to the Financial Statements for funds not required to be budgeted. If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
- X Were pretrial intervention fees properly collected and accounted for as payments by program participants? (FMM Pages 28-29, Government Code, Section 76.015 (c), Texas Code of Criminal Procedure, Article 102.012) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
- X Is there proper identification on motor vehicles that are issued exempt license plates? (FMM Pages 29-30, Transportation Code, Chapter 721) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
- X Is the transactions' administrative fee, if collected, accounted for on a consistent basis? (FMM Page 30) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
- X If there were negative fund balances in programs, were they covered by interfund transfers as described in the *Financial Management Manual*? (FMM Pages 33-34) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
- X Do action plans exist for all significant findings from previous audits, and are action plans current? (Chapter 4, Item 4.05, *Government Auditing Standards*) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

