

***GUADALUPE COUNTY  
COMMUNITY SUPERVISION AND  
CORRECTIONS DEPARTMENT***

***FINANCIAL STATEMENTS***

***FOR THE YEAR ENDED  
AUGUST 31, 2022***



GUADALUPE COUNTY COMMUNITY  
SUPERVISION AND CORRECTIONS DEPARTMENT  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2022

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GUADALUPE COUNTY COMMUNITY  
 SUPERVISION AND CORRECTIONS DEPARTMENT  
 FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED AUGUST 31, 2021

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Armstrong, Vaughan & Associates, P. C.

Certified Public Accountants

## INDEPENDENT AUDITOR'S REPORT

Guadalupe County Community  
Supervision and Corrections Department  
Seguin, Texas

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the accompanying financial statements of Guadalupe County Community Supervision and Corrections Department (CSCD), which comprise the combined statements of financial position as of August 31, 2022, and the related financial statements of activities for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 14, 2023.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial statements of Guadalupe County Community Supervision and Corrections Department for the year ended August 31, 2022 in accordance with the financial reporting provisions of accounting practices prescribed or permitted by the Texas Department of Criminal Justice – Community Justice Assistance Division (TDCJ-CJAD); to demonstrate compliance with the TDCJ-CJAD's regulatory basis of accounting and budget laws as described in Note 1.

#### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 Guadalupe County Community Supervision and Corrections 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 opinion.

#### ***Emphasis of Matter — Basis of Accounting***

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. As discussed in Note 1, the Guadalupe County Community Supervision and Corrections Department prepares its financial statements using accounting practices prescribed or permitted by the TDCJ-CJAD to demonstrate compliance with the TDCJ-CJAD's regulatory basis of accounting and budget laws, which practices differ from accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material. 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 accounting practices prescribed or permitted by the TDCJ-CJAD to demonstrate compliance with the TDCJ-CJAD's regulatory basis of accounting and budget laws. Management is also responsible 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 opinion. 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 GAAS 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 GAAS, 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 Guadalupe County Community Supervision and Corrections 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.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Guadalupe County Community Supervision and Corrections Department's ability to continue as a going concern for a reasonable period of time.

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.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a report dated February 14, 2023 on our consideration of Guadalupe County Community Supervision and Corrections Department's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 Guadalupe County Community Supervision and Corrections Department's internal control over financial reporting and compliance.

### **Restriction of Use**

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

A handwritten signature in cursive script that reads "Armstrong, Vaughan & Associates, P.C.".

Armstrong, Vaughan & Associates, P.C.

February 14, 2023

GUADALUPE COUNTY  
COMMUNITY SUPERVISION AND CORRECTIONS DEPARTMENT  
COMBINED STATEMENT OF FINANCIAL POSITION  
AUGUST 31, 2022

	Basic Supervision	Community Corrections	Diversion Programs	Total
<b>ASSETS</b>				
<i>Cash and Investments:</i>				
Bank Balances	\$ 989,399	\$ 39,229	\$ 7,301	\$ 1,035,929
<i>Total Cash and Investments</i>	989,399	39,229	7,301	1,035,929
<i>Accounts Receivable:</i>				
Accounts Receivable	711	-	-	711
<i>Total Accounts Receivable</i>	711	-	-	711
<b>TOTAL ASSETS</b>	<b>\$ 990,110</b>	<b>\$ 39,229</b>	<b>\$ 7,301</b>	<b>\$ 1,036,640</b>
<b>LIABILITIES AND FUND BALANCE</b>				
<i>Liabilities:</i>				
Accounts Payable	\$ 85,810	\$ 6,747	\$ 7,301	\$ 99,858
<i>Total Liabilities</i>	85,810	6,747	7,301	99,858
<i>Fund Balance</i>	904,300	32,482	-	936,782
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 990,110</b>	<b>\$ 39,229</b>	<b>\$ 7,301</b>	<b>\$ 1,036,640</b>

The accompanying notes are an integral part of these statements.

GUADALUPE COUNTY  
COMMUNITY SUPERVISION AND CORRECTIONS DEPARTMENT  
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE  
FOR THE YEAR ENDED AUGUST 31, 2022

	Basic Supervision	Community Corrections	Diversion Programs	Total
<b>REVENUE</b>				
State Aid	\$ 389,719	\$ 234,032	\$ 135,511	\$ 759,262
One-Time/Supplemental Payment	30,788	-	-	30,788
<b>Total State Aid</b>	<u>420,507</u>	<u>234,032</u>	<u>135,511</u>	<u>790,050</u>
Community Supervision Fees	785,916	-	-	785,916
Payments by Program Participants	116,970	-	-	116,970
Interest Income	4,302	-	-	4,302
Other Revenue	28	-	-	28
<b>TOTAL REVENUE</b>	<u>1,327,723</u>	<u>234,032</u>	<u>135,511</u>	<u>1,697,266</u>
<b>EXPENDITURES</b>				
Salaries & Fringe Benefits	1,115,602	173,093	137,594	1,426,289
Travel & Furnished Transportation	5,814	3,128	-	8,942
Contract Services for Offenders	8,706	1,250	24,880	34,836
Professional Fees	11,444	6,831	1,016	19,291
Supplies & Operating Expenses	32,340	873	-	33,213
Utilities	723	-	-	723
Equipment	4,308	-	-	4,308
<b>TOTAL EXPENDITURES</b>	<u>1,178,937</u>	<u>185,175</u>	<u>163,490</u>	<u>1,527,602</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	148,786	48,857	(27,979)	169,664
<b>OTHER FINANCING SOURCES (USES)</b>				
Basic Supervision Interfund Transfer In	8,759	8,513	11,850	29,122
Basic Supervision Interfund Transfer Out	(20,363)	-	(8,759)	(29,122)
CC Interfund Transfer	-	(24,888)	24,888	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(11,604)</u>	<u>(16,375)</u>	<u>27,979</u>	<u>-</u>
<b>PRIOR YEAR ENDING FUND BALANCE</b>	870,335	-	-	870,335
Prior Year Refund (BS Only)	(103,217)	-	-	870,335
Adjusted Beginning Fund Balance	<u>767,118</u>	<u>-</u>	<u>-</u>	<u>767,118</u>
<b>AUDITED YEAR ENDING FUND BALANCE</b>	<u>\$ 904,300</u>	<u>\$ 32,482</u>	<u>\$ -</u>	<u>\$ 936,782</u>

GUADALUPE COUNTY  
COMMUNITY SUPERVISION AND CORRECTIONS DEPARTMENT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
ALL COMMUNITY CORRECTIONS FUNDS  
FOR THE YEAR ENDED AUGUST 31, 2022

	CC			Total
	Community Services Restitution	Field Intensive/ High Risk Specialized Caseload	Sex Offender Specialized Caseload	
<b>REVENUES</b>				
State Aid	\$ 96,164	\$ 75,493	\$ 62,375	\$ 234,032
<b>TOTAL REVENUE</b>	<u>96,164</u>	<u>75,493</u>	<u>62,375</u>	<u>234,032</u>
<b>EXPENDITURES</b>				
Salaries & Fringe Benefits	54,272	69,762	49,059	173,093
Travel & Furnished Transportation	3,128	-	-	3,128
Contract Services for Offenders	-	-	1,250	1,250
Professional Fees	5,422	567	842	6,831
Supplies & Operating Expenditures	873	-	-	873
<b>TOTAL EXPENDITURES</b>	<u>63,695</u>	<u>70,329</u>	<u>51,151</u>	<u>185,175</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	32,469	5,164	11,224	48,857
<b>OTHER FINANCING SOURCES (USES)</b>				
Basic Supervision Interfund Transfer In	2,511	2,911	3,091	8,513
CC Interfund Transfer Out	(13,914)	(5,030)	(5,944)	(24,888)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(11,403)</u>	<u>(2,119)</u>	<u>(2,853)</u>	<u>(16,375)</u>
<b>PRIOR YEAR ENDING FUND BALANCE</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>AUDITED YEAR ENDING FUND BALANCE</b>	<u>\$ 21,066</u>	<u>\$ 3,045</u>	<u>\$ 8,371</u>	<u>\$ 32,482</u>

GUADALUPE COUNTY  
 COMMUNITY SUPERVISION AND CORRECTIONS DEPARTMENT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES  
 ALL DIVERSION FUNDS  
 FOR THE YEAR ENDED AUGUST 31, 2022

	DP			Total
	Assessment Unit	High Risk Substance Abuse Specialized Caseload	Mental Health Initiative	
<b>REVENUE</b>				
State Aid	\$ 20,000	\$ 45,511	\$ 70,000	\$ 135,511
<b>TOTAL REVENUE</b>	<u>20,000</u>	<u>45,511</u>	<u>70,000</u>	<u>135,511</u>
<b>EXPENDITURES</b>				
Salaries & Fringe Benefits	-	62,175	75,419	137,594
Contract Services for Offenders	24,880	-	-	24,880
Professional Fees	150	341	525	1,016
<b>TOTAL EXPENDITURES</b>	<u>25,030</u>	<u>62,516</u>	<u>75,944</u>	<u>163,490</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(5,030)	(17,005)	(5,944)	(27,979)
<b>OTHER FINANCING SOURCES (USES)</b>				
Basic Supervision Interfund Transfer In	920	9,732	1,198	11,850
Basic Supervision Interfund Transfer Out	(920)	(6,641)	(1,198)	(8,759)
CC Interfund Transfer In	5,030	13,914	5,944	24,888
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>5,030</u>	<u>17,005</u>	<u>5,944</u>	<u>27,979</u>
<b>PRIOR YEAR ENDING FUND BALANCE</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>AUDITED YEAR ENDING FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these statements.

GUADALUPE COUNTY  
COMMUNITY SUPERVISION AND CORRECTIONS DEPARTMENT  
INDIVIDUAL STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE – BUDGET, ACTUAL AND VARIANCE  
BASIC SUPERVISION  
FOR THE YEAR ENDED AUGUST 31, 2022

	Budget	2022 Actual	Variance Favorable (Unfavorable)
<b>TYPE OF REVENUE</b>			
Requested TDCJ-CJAD Funding (State Aid)	\$ 420,507	\$ 389,719	\$ (30,788)
Community Supervision Fees Collected	800,000	785,916	(14,084)
Payments by Program Participants	118,000	116,970	(1,030)
Interest Income	3,000	4,302	1,302
<b>Carry Over from Previous FY (Prior Year Ending Fund Balance)</b>	767,118	870,335	103,217
Other Revenue	4,000	28	(3,972)
Basic Supervision Interfund Transfer In	-	8,759	8,759
Basic Supervision Interfund Transfer Out	(11,604)	(20,363)	(8,759)
<b>TOTAL REVENUES</b>	2,101,021	2,155,666	54,645
<b>TYPE OF EXPENDITURES</b>			
Salaries & Fringe Benefits	1,148,135	1,115,602	32,533
Travel & Furnished Transportation	21,600	5,814	15,786
Contract Services for Offenders	21,960	8,706	13,254
Professional Fees	15,903	11,444	4,459
Supplies & Operating Expenses	882,119	32,340	849,779
Utilities	1,000	723	277
Equipment	10,304	4,308	5,996
<b>TOTAL EXPENDITURES</b>	2,101,021	1,178,937	922,084
<b>Excess (Deficiency) of Revenue Over (Under) Expenditures</b>	\$ -	976,729	\$ 976,729
<b>OTHER FINANCING SOURCES (USES) ACTUALS</b>			
One-Time/ Supplemental Payment - Actuals		30,788	
<b>TOTAL OTHER FINANCING SOURCES (USES) ACTUALS</b>		30,788	
<b>PRIOR YEAR ENDING FUND BALANCE</b>			
Prior Year Refund (BS Only) - Actuals		(103,217)	
<b>TOTAL PRIOR PERIOD ADJUSTMENTS &amp; REFUNDS - ACTUALS</b>		(103,217)	
<b>AUDITED YEAR ENDING FUND BALANCE - ACTUALS</b>		\$ 904,300	

The accompanying notes are an integral part of these statements.

GUADALUPE COUNTY  
 COMMUNITY SUPERVISION AND CORRECTIONS DEPARTMENT  
 INDIVIDUAL STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE – BUDGET, ACTUAL AND VARIANCE  
 COMMUNITY CORRECTIONS  
 COMMUNITY SERVICES RESTITUTION  
 FOR THE YEAR ENDED AUGUST 31, 2022

	Budget	2022 Actual	Variance Favorable (Unfavorable)
<b>TYPE OF REVENUE</b>			
Requested TDCJ-CJAD Funding (State Aid)	\$ 96,164	\$ 96,164	\$ -
Basic Supervision Interfund Transfer In	2,511	2,511	-
CC Interfund Transfer Out	(13,928)	(13,914)	14
<b>TOTAL REVENUE</b>	84,747	84,761	14
<b>TYPE OF EXPENDITURES</b>			
Salaries & Fringe Benefits	71,335	54,272	17,063
Travel & Furnished Transportation	5,000	3,128	1,872
Professional Fees	5,221	5,422	(201)
Supplies & Operating Expenses	1,691	873	818
Equipment	1,500	-	1,500
<b>TOTAL EXPENDITURES</b>	84,747	63,695	21,052
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	\$ -	<b>21,066</b>	\$ 21,066
<b>PRIOR YEAR ENDING FUND BALANCE</b>		-	
<b>AUDITED YEAR ENDING FUND BALANCE - ACTUALS</b>		<b>\$ 21,066</b>	

The accompanying notes are an integral part of these statements.

GUADALUPE COUNTY  
 COMMUNITY SUPERVISION AND CORRECTIONS DEPARTMENT  
 INDIVIDUAL STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE – BUDGET, ACTUAL AND VARIANCE  
 COMMUNITY CORRECTIONS  
 FIELD INTENSIVE/HIGH RISK SPECIALIZED CASELOAD  
 FOR THE YEAR ENDED AUGUST 31, 2022

	Budget	2022 Actual	Variance Favorable (Unfavorable)
<b>TYPE OF REVENUE</b>			
Requested TDCJ-CJAD Funding (State Aid)	\$ 75,493	\$ 75,493	\$ -
Basic Supervision Interfund Transfer In	2,911	2,911	-
CC Interfund Transfer Out	(5,030)	(5,030)	-
<b>TOTAL REVENUE</b>	<u>73,374</u>	<u>73,374</u>	<u>-</u>
<b>TYPE OF EXPENDITURES</b>			
Salaries & Fringe Benefits	70,404	69,762	642
Travel & Furnished Transportation	841	-	841
Contract Services for Offenders	862	-	862
Professional Fees	1,267	567	700
Supplies & Operating Expenses	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>73,374</u>	<u>70,329</u>	<u>3,045</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	\$ -	3,045	\$ 3,045
<b>PRIOR YEAR ENDING FUND BALANCE</b>		<u>-</u>	
<b>AUDITED YEAR ENDING FUND BALANCE - ACTUALS</b>		<u>\$ 3,045</u>	

GUADALUPE COUNTY  
 COMMUNITY SUPERVISION AND CORRECTIONS DEPARTMENT  
 INDIVIDUAL STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE – BUDGET, ACTUAL AND VARIANCE  
 COMMUNITY CORRECTIONS  
 SEX OFFENDER SPECIALIZED CASELOAD  
 FOR THE YEAR ENDED AUGUST 31, 2022

	Budget	2022 Actual	Variance Favorable (Unfavorable)
<b>TYPE OF REVENUE</b>			
Requested TDCJ-CJAD Funding (State Aid)	\$ 62,375	\$ 62,375	\$ -
Basic Supervision Interfund Transfer In	3,091	3,091	-
CC Interfund Transfer Out	(5,944)	(5,944)	-
<b>TOTAL REVENUE</b>	59,522	59,522	-
 <b>TYPE OF EXPENDITURES</b>			
Salaries & Fringe Benefits	52,771	49,059	3,712
Travel & Furnished Transportation	256	-	256
Contract Services for Offenders	2,200	1,250	950
Professional Fees	1,667	-	1,667
Supplies & Operating Expenses	1,428	-	1,428
Utilities	200	-	200
Equipment	1,000	842	158
<b>TOTAL EXPENDITURES</b>	59,522	51,151	8,371
<b>Excess (Deficiency) of Revenues</b>			
<b>Over (Under) Expenditures</b>	\$ -	8,371	\$ 8,371
<b>PRIOR YEAR ENDING FUND BALANCE</b>		-	
<b>AUDITED YEAR ENDING FUND BALANCE - ACTUALS</b>		\$ 8,371	

GUADALUPE COUNTY  
 COMMUNITY SUPERVISION AND CORRECTIONS DEPARTMENT  
 INDIVIDUAL STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE – BUDGET, ACTUAL AND VARIANCE  
 DIVERSION PROGRAM  
 ASSESSMENT UNIT  
 FOR THE YEAR ENDED AUGUST 31, 2022

	Budget	2022 Actual	Variance Favorable (Unfavorable)
<b>TYPE OF REVENUE</b>			
Requested TDCJ-CJAD Funding (State Aid)	\$ 20,000	\$ 20,000	\$ -
Basic Supervision Interfund Transfer In	-	920	920
Basic Supervision Interfund Transfer Out	-	(920)	(920)
CC Interfund Transfer In	5,030	5,030	-
<b>TOTAL REVENUE</b>	25,030	25,030	-
 <b>TYPE OF EXPENDITURES</b>			
Contract Services for Offenders	24,880	24,880	-
Professional Fees	150	150	-
<b>TOTAL EXPENDITURES</b>	25,030	25,030	-
 <b>Excess (Deficiency) of Revenues</b>			
<b>Over (Under) Expenditures</b>	\$ -	-	\$ -
 <b>PRIOR YEAR ENDING FUND BALANCE</b>			
		-	
 <b>AUDITED YEAR ENDING FUND BALANCE - ACTUALS</b>			
		\$ -	

GUADALUPE COUNTY  
 COMMUNITY SUPERVISION AND CORRECTIONS DEPARTMENT  
 INDIVIDUAL STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE – BUDGET, ACTUAL AND VARIANCE  
 DIVERSION PROGRAM  
 HIGH RISK SUBSTANCE ABUSE SPECIALIZED CASELOAD  
 FOR THE YEAR ENDED AUGUST 31, 2022

	Budget	2022 Actual	Variance Favorable (Unfavorable)
<b>TYPE OF REVENUE</b>			
Requested TDCJ-CJAD Funding (State Aid)	\$ 45,511	\$ 45,511	\$ -
Basic Supervision Interfund Transfer In	3,091	9,732	6,641
Basic Supervision Interfund Transfer Out	-	(6,641)	(6,641)
CCP Interfund Transfer In	13,928	13,914	(14)
<b>TOTAL REVENUE</b>	<b>62,530</b>	<b>62,516</b>	<b>(14)</b>
 <b>TYPE OF EXPENDITURES</b>			
Salaries & Fringe Benefits	62,189	62,175	14
Professional Fees	341	341	-
<b>TOTAL EXPENDITURES</b>	<b>62,530</b>	<b>62,516</b>	<b>14</b>
 <b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	\$ -	-	\$ -
 <b>PRIOR YEAR ENDING FUND BALANCE</b>		-	
 <b>AUDITED YEAR ENDING FUND BALANCE- ACTUALS</b>		<b>\$ -</b>	

The accompanying notes are an integral part of these statements.

GUADALUPE COUNTY  
 COMMUNITY SUPERVISION AND CORRECTIONS DEPARTMENT  
 INDIVIDUAL STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE – BUDGET, ACTUAL AND VARIANCE  
 DIVERSION PROGRAM  
 MENTAL HEALTH INITIATIVE  
 FOR THE YEAR ENDED AUGUST 31, 2022

	Budget	2022 Actual	Variance Favorable (Unfavorable)
<b>TYPE OF REVENUE</b>			
Requested TDCJ-CJAD Funding (State Aid)	\$ 70,000	\$ 70,000	\$ -
Basic Supervision Interfund Transfer In	-	1,198	1,198
Basic Supervision Interfund Transfer Out	-	(1,198)	(1,198)
CCP Interfund Transfer In	5,944	5,944	-
<b>TOTAL REVENUE</b>	75,944	75,944	-
<b>TYPE OF EXPENDITURES</b>			
Salaries & Fringe Benefits	75,419	75,419	-
Professional Fees	525	525	-
<b>TOTAL EXPENDITURES</b>	75,944	75,944	-
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	\$ -	-	\$ -
<b>PRIOR YEAR ENDING FUND BALANCE</b>		-	
<b>AUDITED YEAR ENDING FUND BALANCE - ACTUALS</b>		\$ -	

GUADALUPE COUNTY  
COMMUNITY SUPERVISION AND CORRECTIONS DEPARTMENT  
NOTES TO FINANCIAL STATEMENTS  
AUGUST 31, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

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

The accompanying financial statements include the revenue of the Guadalupe 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 Basic Supervision Fund, Community Corrections Program Funds, Diversion Program Funds, local fees collected for the use of the CSCD, and the expenditures of those funds.

The Guadalupe County Community Supervision and Corrections Department accounting and financial statements are processed by the Guadalupe County Auditor's Office. The Guadalupe County Community Supervision and Corrections Department is a specialized local entity and not a part of Guadalupe County or their financial statements.

B. BASIS OF ACCOUNTING

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

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

GUADALUPE COUNTY  
COMMUNITY SUPERVISION AND CORRECTIONS DEPARTMENT  
NOTES TO FINANCIAL STATEMENTS (CONT.)  
AUGUST 31, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

B. BASIS OF ACCOUNTING (CONT.)

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 after to be used to pay liabilities of the current period. Revenues received by October 31, 2022 for financial activity performed by August 31, 2022 are considered available. Also, purchases for which the commitment has been established by August 31, 2022 are considered liabilities regardless of whether possession of these goods has been received by August 31, provided that the liability purchase is received and paid by October 31, 2022. Exception of this method of accounting is recording of refunds to the State as reductions of Fund balance.

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

C. BUDGET AND BUDGETARY ACCOUNTING

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 by the TDCJ-CJAD. Any budget adjustments over \$15,000 or fifteen percent (15%), whichever is greater, must also be approved by the TDCJ-CJAD. Only budget adjustment requests, at year end, received by September 30, 2022 will be reviewed and approved or disapproved by TDCJ-CJAD. TDCJ-CJAD will not accept budget adjustments after September 30, 2022 for the previous fiscal year. Only budget adjustments approved by TDCJ-CJAD should be referred to in performing the financial audit. The annual budget is adopted on a basis consistent with TDCJ-CJAD financial reporting requirements which is a comprehensive basis other than generally accepted accounting principles. Funds not required to be budgeted include Sex Offender Fees collections, when applicable. Budget amounts presented in this report are the final adjusted amounts.

D. CASH

All cash was held in interest bearing accounts and fully insured and collateralized under the depository contract of Guadalupe County. Collateral was held by agents of the depository in the County's name. State laws authorize the CSCD to invest in insured securities, or securities backed by the U.S. government (See Note 8).

GUADALUPE COUNTY  
COMMUNITY SUPERVISION AND CORRECTIONS DEPARTMENT  
NOTES TO FINANCIAL STATEMENTS (CONT.)  
AUGUST 31, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

E. INVESTMENTS

State statutes authorize the CSCD to invest in (a) obligations of the United States or its agencies and instrumentalities; (b) direct obligations of the State of Texas or its agencies; (c) other obligations, the principal and interest of which are unconditionally guaranteed or insured by the State of Texas or the United States; (d) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent; (e) certificates of deposit by state and national banks domiciled in this state that are (i) guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor; or, (ii) secured by obligations that are described by (a) - (d). Statutes also allow investing in local government investment pools organized and rated in accordance with the Interlocal Cooperation Act, whose assets consist exclusively of the obligations of the United States or its agencies and instrumentalities and repurchase assessments involving those same obligations.

The CSCD reports investments at fair value based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

F. CAPITAL ASSETS

Capital assets purchased by funds provided by the TDCJ-CJAD in the amount of \$129,276 are not reflected in these combined financial statements per TDCJ-CJAD reporting requirements.

G. FISCAL YEAR

The Guadalupe County Community Supervision and Corrections Department has a fiscal year beginning on September 1 of each year and ending on August 31.

H. USE OF ESTIMATES IN THE PREPARATION OF FINANCIAL STATEMENTS

The preparation of financial statements in conformity with TDCJ-CJAD financial reporting requirements, which is a comprehensive basis of accounting other than generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from estimates.

GUADALUPE COUNTY  
COMMUNITY SUPERVISION AND CORRECTIONS DEPARTMENT  
NOTES TO FINANCIAL STATEMENTS (CONT.)  
AUGUST 31, 2022

NOTE 2 – ONE TIME/SUPPLEMENTAL PAYMENTS

During the year ended August 31, 2022, the Guadalupe County CSCD received a one-time additional allocation in the Basic Supervision Program in the amount of \$30,788.

NOTE 3 – DEOBLIGATIONS

The CSCD did not have any deobligated funds during the year ended August 31, 2022.

NOTE 4 – INTERFUND AND FUND TRANSFERS

Interfund transfers during the year ended August 31, 2022 were as follows:

Transferring Fund	Transfer Out	Transfer In	Description/Purpose
Basic Supervision	\$ (20,363)	\$ -	
CC - Community Service Restitution	-	2,511	Transfer Dedicated Salary Funds
CC - Field Intensive	-	2,911	Transfer Dedicated Salary Funds
CC - Sex Offender Specialized	-	3,091	Transfer Dedicated Salary Funds
DP - Assessment Unit	-	920	Insufficient state funding
DP - High Risk Substance Abuse	-	9,732	Insufficient state funding
DP - Mental Health Initiative	-	1,198	Insufficient state funding
Total:	<u>\$ (20,363)</u>	<u>\$ 20,363</u>	
DP - Assessment Unit	\$ (920)	\$ -	Return unused funds
DP - High Risk Substance Abuse	(6,641)	-	Return unused funds
DP - Mental Health Initiative	(1,198)	-	Return unused funds
Basic Supervision	-	8,759	
Total:	<u>\$ (8,759)</u>	<u>\$ 8,759</u>	
CC - Community Service Restitution	\$ (13,914)	\$ -	Cover state funding deficit in DP and expend excess CC funds
CC - Field Intensive	(5,030)	-	Cover state funding deficit in DP and expend excess CC funds
CC - Sex Offender Specialized	(5,944)	-	Cover state funding deficit in DP and expend excess CC funds
DP - Assessment Unit	-	5,030	
DP - High Risk Substance Abuse	-	13,914	
DP - Mental Health Initiative	-	5,944	
Total:	<u>\$ (24,888)</u>	<u>\$ 24,888</u>	

NOTE 5 – PRIOR PERIOD ADJUSTMENTS

There are no prior period adjustments for the year ended August 31, 2022.

GUADALUPE COUNTY  
COMMUNITY SUPERVISION AND CORRECTIONS DEPARTMENT  
NOTES TO FINANCIAL STATEMENTS (CONT.)  
AUGUST 31, 2022

NOTE 6 – REFUNDS

During the year ended August 31, 2022, the Guadalupe County CSCD issued a \$103,217 prior year refund for the Basic Supervision Program for the 2020/2021 biennium refund/carryover determination as calculated by TDCJ-CJAD. The amount is reported as a Prior Year Refund to CJAD which reduces the beginning fund balance in the Basic Supervision Program.

NOTE 7 – BUDGET VARIANCES

There were no expenditures in excess of budgeted appropriations in individual programs.

NOTE 8 - CASH, COLLECTIONS, CHANGE FUND, PETTY CASH AND INVESTMENTS

A. CASH, COLLECTIONS, CHANGE FUND AND PETTY CASH

Collection or clearing accounts are trust funds and must be covered by pledged collateral to cover the estimated highest daily balance of funds operated in conjunction with or through the county depository by the CSCD.

During August 31, 2022, the CSCD's state aid and net funds (revenues) received were deposited and held, and collection account's 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 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 (Government Code 509.011 (c) and Local Government Code 113.022 and 140.003(f)).

Those CSCD employees who have access to public funds are covered by a surety bond. The surety bond also covers those employees who maintain and administer public funds.

The CSCD does not maintain a change fund.

The CSCD does not maintain petty cash.

B. INVESTMENTS

The CSCD is required by Government Code Chapter 2256, The Public Funds Investment Act, to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit.

GUADALUPE COUNTY  
COMMUNITY SUPERVISION AND CORRECTIONS DEPARTMENT  
NOTES TO FINANCIAL STATEMENTS (CONT.)  
AUGUST 31, 2022

NOTE 8 - CASH, COLLECTIONS, CHANGE FUND, PETTY CASH AND INVESTMENTS (CONT.)

B. INVESTMENTS (CONT.)

The Public Funds Investment Act (“Act”) requires an annual audit of investment practices. Audit procedures in this area conducted as a part of the audit of the basic financial statements disclosed that in the areas of investment practices, management reports and establishment of appropriate policies, the CSCD adhered to the requirements of the Act. Additionally, investment practices of the CSCD were in accordance with local policies.

The Act determines the types of investments which are allowable for the CSCD. These include, with certain restrictions, 1) obligations of the U.S. Treasury, U.S. agencies, and the State of Texas, 2) certificates of deposit, 3) certain municipal securities, 4) securities lending program, 5) repurchase agreements, 6) bankers acceptances, 7) mutual funds, 8) investment pools, 9) guaranteed investment contracts, and 10) commercial paper.

The CSCD did not hold any investments during the year ended August 31, 2022.

GUADALUPE COUNTY  
COMMUNITY SUPERVISION AND CORRECTIONS DEPARTMENT  
NOTES TO FINANCIAL STATEMENTS (CONT.)  
AUGUST 31, 2022

NOTE 9 – 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
<b>Community Supervision Fees</b>	\$ 785,916	Texas Code of Criminal Procedure Art. 42A.652 (a); FMM for TDCJ-CJAD Funding restrictions.	Yes
<b>Payments by Program Participants:</b>			
<b>Pretrial Intervention Supervision Fees</b>	\$ 44,449	Texas Code of Criminal Procedure Chapter 102.012; FMM for TDCJ-CJAD Funding restrictions.	Yes
<b>Pre-Sentence Investigation Fee</b>	15,695	FMM for TDCJ-CJAD Funding restrictions; Texas Code of Criminal Procedure Article 42A.651(a)	Yes
<b>Class Fees</b>	13,280	FMM for TDCJ-CJAD Funding restrictions; Texas Code of Criminal Procedure Article 42A.651(a)	Yes
<b>DWI Program Fees</b>	16,448	FMM for TDCJ-CJAD Funding restrictions; Texas Code of Criminal Procedure Article 42A.651(a)	Yes
<b>Drug Patch and Hair Analysis</b>	26,338	FMM for TDCJ-CJAD Funding restrictions; Texas Code of Criminal Procedure Article 42A.651(a)	Yes
<b>Victim Impact Panel Fee</b>	760	FMM for TDCJ-CJAD Funding restrictions; Texas Code of Criminal Procedure Article 42A.651(a)	Yes
<b>Total Payments by Program Participan</b>	\$ 116,970	Government Code, Sec 76.015; Sec. 19, Art. 42.12 Code of Criminal Procedures FMM for TDCJ-CAD Funding restrictions; Texas Code of Criminal Procedure Article 42A.651(a)	
<b>Interest Income</b>	\$ 4,302	FMM for TDCJ-CJAD Funding restrictions.	Yes
<b>Other Revenue:</b>			
<b>Badge Replacement</b>	\$ 28	Financial Management Manual for TDCJ-CJAD Funding restrictions.	Yes
<b>Total Other Revenue</b>	\$ 28		Yes

GUADALUPE COUNTY  
COMMUNITY SUPERVISION AND CORRECTIONS DEPARTMENT  
NOTES TO FINANCIAL STATEMENTS (CONT.)  
AUGUST 31, 2022

NOTE 10 – COMMITMENTS AND CONTINGENCIES

The management of the Guadalupe County Community Supervision and Corrections Department is not aware of any pending or threatened litigation that would result in any significant financial impact nor is management aware of any other commitments or contingencies which might significantly affect these financial statements.

NOTE 11 – SUSBEQUENT EVENTS

No events occurred subsequent to year end and through the date of this report that would require disclosure in this financial report.

NOTE 12 – OTHER

Management is not aware of any other items that require disclosure in this financial report.

GUADALUPE 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, 2022

	Per CSCD		
	Audit	Quarterly Report	Differences*
<b>REVENUES</b>			
State Aid	\$ 389,719	\$ 420,507	\$ 30,788
One-Time/Supplemental Payment	30,788	-	(30,788)
Community Supervision Fees	785,916	785,916	-
Payments by Program Participants	116,970	116,970	-
Interest Income	4,302	4,302	-
Other Revenues	28	28	-
<b>TOTAL REVENUES</b>	<u>1,327,723</u>	<u>1,327,723</u>	<u>-</u>
<b>EXPENDITURES</b>			
Salaries & Fringe Benefits	1,115,602	1,115,602	-
Travel & Furnished Transportation	5,814	5,814	-
Contract Services for Offenders	8,706	8,706	-
Professional Fees	11,444	11,444	-
Supplies & Operating Expenses	32,340	32,340	-
Utilities	723	723	-
Equipment	4,308	4,308	-
<b>TOTAL EXPENDITURES</b>	<u>1,178,937</u>	<u>1,178,937</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues</b>			
<b>Over (Under) Expenditures</b>	148,786	148,786	-
<b>OTHER FINANCING SOURCES (USES)</b>			
Basic Supervision Interfund Transfer In	8,759	8,759	-
Basic Supervision Interfund Transfer Out	(20,363)	(20,363)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(11,604)</u>	<u>(11,604)</u>	<u>-</u>
<b>Prior Year Ending Fund Balance</b>	870,335	870,335	-
Prior Year Refund (BS Only)	(103,217)	(103,217)	-
Adjusted Beginning Fund Balance	<u>767,118</u>	<u>767,118</u>	<u>-</u>
<b>Audited Year Ending Fund Balance</b>	<u>\$ 904,300</u>	<u>\$ 904,300</u>	<u>\$ -</u>

\*One-Time/Supplemental Payments are not listed separately on the quarterly reports.

GUADALUPE COUNTY  
 COMMUNITY SUPERVISION AND CORRECTIONS DEPARTMENT  
 SCHEDULE OF DIFFERENCES BETWEEN  
 AUDIT REPORT AND CSCD REPORTS AS SUBMITTED TO TDCJ-CJAD  
 COMMUNITY CORRECTIONS  
 COMMUNITY SERVICES RESTITUTION  
 FOR THE YEAR ENDED AUGUST 31, 2022

	Audit	Per CSCD Quarterly Report	Differences
<b>REVENUES</b>			
State Aid	\$ 96,164	\$ 96,164	\$ -
<b>TOTAL REVENUES</b>	<u>96,164</u>	<u>96,164</u>	<u>-</u>
<b>EXPENDITURES</b>			
Salaries & Fringe Benefits	54,272	54,272	-
Travel & Furnished Transportation	3,128	3,128	-
Professional Fees	5,422	5,422	-
Supplies & Operating Expenditures	873	873	-
Equipment	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>63,695</u>	<u>63,695</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	32,469	32,469	-
<b>OTHER FINANCING SOURCES (USES)</b>			
Basic Supervision Interfund Transfer	2,511	2,511	-
CC Interfund Transfer Out	(13,914)	(13,914)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(11,403)</u>	<u>(11,403)</u>	<u>-</u>
<b>PRIOR YEAR ENDING FUND BALANCE</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>AUDITED YEAR ENDING FUND BALANCE</b>	<u>\$ 21,066</u>	<u>\$ 21,066</u>	<u>\$ -</u>

GUADALUPE COUNTY  
 COMMUNITY SUPERVISION AND CORRECTIONS DEPARTMENT  
 SCHEDULE OF DIFFERENCES BETWEEN  
 AUDIT REPORT AND CSCD REPORTS AS SUBMITTED TO TDCJ-CJAD  
 COMMUNITY CORRECTIONS  
 FIELD INTENSIVE/HIGH RISK SPECIALIZED CASELOAD  
 FOR THE YEAR ENDED AUGUST 31, 2022

	Audit	Per CSCD Quarterly Report	Differences
<b>REVENUES</b>			
State Aid	\$ 75,493	\$ 75,493	\$ -
<b>TOTAL REVENUES</b>	<u>75,493</u>	<u>75,493</u>	<u>-</u>
<b>EXPENDITURES</b>			
Salaries & Fringe Benefits	69,762	69,762	-
Professional Fees	567	567	-
<b>TOTAL EXPENDITURES</b>	<u>70,329</u>	<u>70,329</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	5,164	5,164	-
<b>OTHER FINANCING SOURCES (USES)</b>			
Basic Supervision Interfund Transfer	2,911	2,911	-
CC Interfund Transfer Out	(5,030)	(5,030)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(2,119)</u>	<u>(2,119)</u>	<u>-</u>
<b>PRIOR YEAR ENDING FUND BALANCE</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>AUDITED YEAR ENDING FUND BALANCE</b>	<u>\$ 3,045</u>	<u>\$ 3,045</u>	<u>\$ -</u>

GUADALUPE COUNTY  
 COMMUNITY SUPERVISION AND CORRECTIONS DEPARTMENT  
 SCHEDULE OF DIFFERENCES BETWEEN  
 AUDIT REPORT AND CSCD REPORTS AS SUBMITTED TO TDCJ-CJAD  
 COMMUNITY CORRECTIONS  
 SEX OFFENDER SPECIALIZED CASELOAD  
 FOR THE YEAR ENDED AUGUST 31, 2022

	Audit	Per CSCD Quarterly Report	Differences
<b>REVENUES</b>			
State Aid	\$ 62,375	\$ 62,375	\$ -
<b>TOTAL REVENUES</b>	<u>62,375</u>	<u>62,375</u>	<u>-</u>
<b>EXPENDITURES</b>			
Salaries & Fringe Benefits	49,059	49,059	-
Contract Services for Offenders	1,250	1,250	-
Professional Fees	842	842	-
<b>TOTAL EXPENDITURES</b>	<u>51,151</u>	<u>51,151</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	11,224	11,224	-
<b>OTHER FINANCING SOURCES (USES)</b>			
Basic Supervision Interfund Transfer	3,091	3,091	-
CC Interfund Transfer Out	(5,944)	(5,944)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(2,853)</u>	<u>(2,853)</u>	<u>-</u>
<b>PRIOR YEAR ENDING FUND BALANCE</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>AUDITED YEAR ENDING FUND BALANCE</b>	<u>\$ 8,371</u>	<u>\$ 8,371</u>	<u>\$ -</u>

GUADALUPE COUNTY  
 COMMUNITY SUPERVISION AND CORRECTIONS DEPARTMENT  
 SCHEDULE OF DIFFERENCES BETWEEN  
 AUDIT REPORT AND CSCD REPORTS AS SUBMITTED TO TDCJ-CJAD  
 DIVERSION PROGRAM  
 ASSESSMENT UNIT  
 FOR THE YEAR ENDED AUGUST 31, 2022

	Audit	Per CSCD Quarterly Report	Differences
<b>REVENUES</b>			
State Aid	\$ 20,000	\$ 20,000	\$ -
<b>TOTAL REVENUES</b>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
<b>EXPENDITURES</b>			
Contract Services for Offenders	24,880	24,880	-
Professional Fees	150	150	-
<b>TOTAL EXPENDITURES</b>	<u>25,030</u>	<u>25,030</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues</b>			
<b>Over (Under) Expenditures</b>	(5,030)	(5,030)	-
<b>OTHER FINANCING SOURCES (USES)</b>			
Basic Supervision Interfund Transfer	920	920	-
Basic Supervision Interfund Transfer	(920)	(920)	-
CC Interfund Transfer In	5,030	5,030	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>5,030</u>	<u>5,030</u>	<u>-</u>
<b>PRIOR YEAR ENDING FUND BALANCE</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>AUDITED YEAR ENDING FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GUADALUPE COUNTY  
 COMMUNITY SUPERVISION AND CORRECTIONS DEPARTMENT  
 SCHEDULE OF DIFFERENCES BETWEEN  
 AUDIT REPORT AND CSCD REPORTS AS SUBMITTED TO TDCJ-CJAD  
 DIVERSION PROGRAM  
 HIGH RISK SUBSTANCE ABUSE SPECIALIZED CASELOAD  
 FOR THE YEAR ENDED AUGUST 31, 2022

	Audit	Per CSCD Quarterly Report	Differences
<b>REVENUES</b>			
State Aid	\$ 45,511	\$ 45,511	\$ -
<b>TOTAL REVENUES</b>	<u>45,511</u>	<u>45,511</u>	<u>-</u>
<b>EXPENDITURES</b>			
Salaries & Fringe Benefits	62,175	62,175	-
Professional Fees	341	341	-
<b>TOTAL EXPENDITURES</b>	<u>62,516</u>	<u>62,516</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(17,005)	(17,005)	-
<b>OTHER FINANCING SOURCES (USES)</b>			
Basic Supervision Interfund Transfer	9,732	9,732	-
Basic Supervision Interfund Transfer	(6,641)	(6,641)	-
CCP Interfund Transfer In	13,914	13,914	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>17,005</u>	<u>17,005</u>	<u>-</u>
<b>PRIOR YEAR ENDING FUND BALANCE</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>AUDITED YEAR ENDING FUND BALANCE</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

GUADALUPE COUNTY  
 COMMUNITY SUPERVISION AND CORRECTIONS DEPARTMENT  
 SCHEDULE OF DIFFERENCES BETWEEN  
 AUDIT REPORT AND CSCD REPORTS AS SUBMITTED TO TDCJ-CJAD  
 DIVERSION PROGRAM  
 MENTAL HEALTH INITIATIVE  
 FOR THE YEAR ENDED AUGUST 31, 2022

	Audit	Per CSCD Quarterly Report	Differences
<b>REVENUES</b>			
State Aid	\$ 70,000	\$ 70,000	\$ -
<b>TOTAL REVENUES</b>	<u>70,000</u>	<u>70,000</u>	<u>-</u>
<b>EXPENDITURES</b>			
Salaries & Fringe Benefits	75,419	75,419	-
Professional Fees	525	525	-
<b>TOTAL EXPENDITURES</b>	<u>75,944</u>	<u>75,944</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(5,944)	(5,944)	-
<b>OTHER FINANCING SOURCES (USES)</b>			
Basic Supervision Interfund Transfer	1,198	1,198	-
Basic Supervision Interfund Transfer	(1,198)	(1,198)	-
CCP Interfund Transfer In	5,944	5,944	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>5,944</u>	<u>5,944</u>	<u>-</u>
<b>PRIOR YEAR ENDING FUND BALANCE</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>AUDITED YEAR ENDING FUND BALANCE</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>



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*

Guadalupe County Community  
Supervision and Corrections Department  
Guadalupe County, Texas

We have audited 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, the financial statements of the Guadalupe County Community Supervision and Corrections Department as of and for the year ended August 31, 2022, and the related notes to the financial statements, which collectively comprise Guadalupe County Community Supervision and Corrections Department's basic financial statements, and have issued our report thereon dated February 14, 2023.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Guadalupe County Community Supervision and Corrections Department's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Guadalupe County Community Supervision and Corrections Department's internal control. Accordingly, we do not express an opinion on the effectiveness of the Guadalupe County Community Supervision and Corrections Department's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting 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 Guadalupe County Community Supervision and Corrections Department's financial statements are free of 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*. However, we noted certain immaterial instances of noncompliance that we have reported to management of Guadalupe County Community Supervision and Corrections Department in a separate letter dated February 14, 2023.

## **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 Guadalupe 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.

Respectfully submitted,



Armstrong, Vaughan & Associates, P.C.

February 14, 2023

GUADALUPE COUNTY  
COMMUNITY SUPERVISION AND CORRECTIONS DEPARTMENT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED AUGUST 31, 2022

REPORTABLE CONDITION: None.

GUADALUPE COUNTY  
COMMUNITY SUPERVISION AND CORRECTIONS DEPARTMENT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED AUGUST 31, 2021

REPORTABLE CONDITION: None.

GUADALUPE COUNTY  
 COMMUNITY SUPERVISION AND CORRECTIONS DEPARTMENT  
 TDCJ – CJAD COMPLIANCE CHECKLIST  
 AUGUST 31, 2022

YES NO N/A

**FINANCIAL POLICIES AND PROCEDURES** (Questions 1-2)

*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 and 2 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?

**Cash Matching for Grants; FMM Grants, Donations, Fees** (Question 2)

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).

2.                      X      Was cash matching properly: authorized, budgeted, and expended?

**FINANCIAL STATEMENTS** (Questions 3-9)

*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 3, 5, 7, and 9 are answered NO. All sources identified in questions 4, 6, & 8-9 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.*

3.      X              Were expenditures and revenues supported by adequate documentation?

**Interfund Transfers; FMM Financial Reports, Additional Reporting Requirements** (Questions 4-5)

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.

4.      X              Did the CSCD have any interfund transfers and/or DP fund transfers in the fiscal year audited?

5. X \_\_\_ \_\_\_ If any, were all interfund transfers and/or DP fund transfers noted during the audit allowable?

**Deobligation, Government Code, Chapter 509, Section 509.011 (h), FMM Deobligations (Questions 6-7)**

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.

6. \_\_\_ X \_\_\_ In the fiscal year audited, did any deobligation of funds occur because of an excess of funds allocated to programs?
7. \_\_\_ \_\_\_ X Were the appropriate budget adjustments made for any reallocated funds?

**Budget Variances, FMM Budgets (Question 8)**

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.

8. \_\_\_ X \_\_\_ Were any unfavorable budget variances in excess of the 15% rule identified in the Individual Statement of Revenues, Budget, Actual, and Variance for the fiscal year audited?

**Prior Period Adjustments, FMM Financial Reports, Additional Reporting Requirements (Question 9)**

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.

9. \_\_\_ \_\_\_ 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 10-12)**

**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 10-12 are answered NO.**

**Basis of Accounting Requirements, FMM Fiscal Officer, Duties of the Fiscal Officer and Financial Reports (Questions 10-12)**

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

10.  \_\_\_ Was separate accountability maintained for TDCJ-CJAD funds, i.e., fund accounting of self-balancing funds?
11.  \_\_\_ Was the modified accrual basis of accounting used in preparing the fourth quarter reports for submission to TDCJ-CJAD?
12.  \_\_\_ 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 31, of the fiscal year audited.***

**FUNDS COLLECTED FROM SOURCES OTHER THAN TDCJ-CJAD REQUIRED TO BE REPORTED ON THE TDCJ-CJAD QUARTERLY FINANCIAL REPORTS** (Questions 13-22)

*An explanation is required 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 and in the Schedule of Findings and Questioned Costs, if questions 13-14, or 22, are answered **NO** or 16-17, or 20-21 answered **YES**.*

*If any of the fees identified in questions 15, 18, and 19 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.*

13.  \_\_\_ Were 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, Special Grant Conditions, and applicable laws?
14.  \_\_\_ 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 15-17)

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).

15. \_\_\_  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)?
16. \_\_\_ \_\_\_  If collected, when the CSCD assessed the administrative fee, did the CSCD assess less than \$25 or more than \$60 for the fee?
17. \_\_\_ \_\_\_  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 18*)

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.

18.     \_\_\_    \_X\_     Did the CSCD collect fees for **pretrial intervention programs** in the fiscal year audited?

**Administrative Fee (i.e., Transaction Administrative Fee);** Texas Code of Criminal Procedure, Article 102.072, FMM Statutory Requirements (*Questions 19-22*)

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.

19.     \_\_\_    \_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?

20.     \_\_\_    \_\_\_    X\_    If collected, did any single **transaction administrative fee** exceed the allowable \$2?

21.     \_\_\_    \_\_\_    \_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?

22.     \_\_\_    \_\_\_    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)?

**CASH, COLLECTIONS, CHANGE FUND, PETTY CASH** (*Questions 23-26*)

*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 23-26, 28, 32-33, and 34 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 23-26*)

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.

23.   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?

24.   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?

25.   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?

26.   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 27-28*)

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.

27.   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*).

28.    \_\_\_    \_\_\_    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 29-33)**

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)

29.    \_\_\_    X    Did the CSCD maintain **petty cash** in the fiscal year audited?
30.    \_\_\_    \_\_\_    X    Was the petty cash fund maintained by **utilizing the CSCD’s funds** authorized by the county auditor?
31.    \_\_\_    \_\_\_    X    Was the petty cash fund maintained by **utilizing NON-CSCD revenues** (i.e. vending machine revenues)?
32.    \_\_\_    \_\_\_    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?
33.    \_\_\_    \_\_\_    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 34)**

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.

34.    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?

**SCHEDULE OF DIFFERENCES (Question 35)**

*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 questions 35 is answered **NO**.*

35.    X    \_\_\_    Were revenues and expenditures as reported to TDCJ-CJAD on the quarterly financial reports in agreement with the funding recipient’s accounting records (CSCD’s actuals), the last approved budget, and with audited financial statements?

**COMPLIANCE AND OTHER MATTERS; Standards for Financial Audits; Chapter 4, Item 4.25 Government Auditing Standards (Questions 36-40)**

**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 36-40 are answered **YES**.

36.   \_\_\_  \_X\_   Were there any instances of deficiencies in internal control noted by the auditor?
37.   \_\_\_  \_X\_   Were there any instances of non-compliance noted by the auditor?
38.   \_\_\_  \_X\_   Were there any instances of fraud noted by the auditor?
39.   \_\_\_  \_X\_   Were there any instances of waste noted by the auditor?
40.   \_\_\_  \_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 41-42*)

**An explanation is required** to be reported in Schedule of Findings and Questioned Costs for Prior Year if questions 41-42 are answered **NO**.

41.   \_\_\_  \_\_\_  X   Do any action plans exist for significant findings from prior year audits?
42.   \_\_\_  \_\_\_  X   If action plans exist from prior year audit findings, are they current?

