

**TEXAS JUVENILE PROBATION COMMISSION GRANT FUNDS
OF TARRANT COUNTY, TEXAS**

FINANCIAL REPORT

AUGUST 31, 2007

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L.L.P.

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INDEPENDENT AUDITOR'S REPORT

The Tarrant County Juvenile Board
Tarrant County, Texas

We have audited the combined statement of revenues, expenditures and changes in fund balances by contract - budget and actual (regulatory basis) for the year ended August 31, 2007 of the Tarrant County Juvenile Probation Department, Texas Juvenile Probation Commission Grant Funds (TJPC). This statement is the responsibility of the Department's management. Our responsibility is to express an opinion on the financial statement 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 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 statement is free of material misstatement. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the financial statement was prepared on the same basis of accounting used for reporting to the Texas Juvenile Probation Commission, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As discussed in Note 1, the financial statement presents the results of operations of the Department's TJPC Grant Funds only and is not intended to present fairly the results of operations of the County in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the results of operations of the Department's TJPC Grant Funds for the year ended August 31, 2007 in conformity with the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued our report dated February 26, 2008, on our consideration of the Department's internal control over financial reporting and on our tests of its compliance with certain laws, regulations, contracts, grant agreements and other matters. The

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The Tarrant County Juvenile Board

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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 and should be read in conjunction with this report in considering the results of our audit.

This report is intended solely for the information and use of management of Tarrant County Juvenile Board and for filing with the Texas Juvenile Probation Commission (TJPC) and is not intended to be and should not be used by anyone other than these specified parties.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Fort Worth, Texas
February 26, 2008

**JUVENILE BOARD OF TARRANT COUNTY, TEXAS
TEXAS JUVENILE PROBATION COMMISSION GRANT FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BY CONTRACT
BUDGET AND ACTUAL (REGULATORY BASIS)
FOR THE YEAR ENDED AUGUST 31, 2007**

	State Aid TJPC-A-2007-220			Progressive Sanctions JPO TJPC-F-2007-220			Progressive Sanctions 1-2-3 TJPC-G-2007-220		
	<u>Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>	<u>Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>	<u>Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>
	GRANT REVENUES:								
TJPC	\$ 760,220	\$ 760,220	\$ -	\$ 619,758	\$ 619,758	\$ -	\$ 202,053	\$ 202,053	\$ -
Interest	-	-	-	-	-	-	-	-	-
Total Revenue	760,220	760,220	-	619,758	619,758	-	202,053	202,053	-
EXPENDITURES:									
Salaries and Fringe Benefits	429,400	450,917	(21,517)	619,758	619,758	-	202,053	202,053	-
Travel	39,000	42,664	(3,664)	-	-	-	-	-	-
Operating Expenses	25,000	22,365	2,635	-	-	-	-	-	-
Non-Residential Services	266,820	244,274	22,546	-	-	-	-	-	-
Residential Services	-	-	-	-	-	-	-	-	-
Total Expenditures	760,220	760,220	-	619,758	619,758	-	202,053	202,053	-
EXCESS REVENUES OVER EXPENDITURES	-	-	-	-	-	-	-	-	-
Fund Balance, Beginning of period	-	-	-	-	-	-	-	-	-
Fund Balance, End of period	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**JUVENILE BOARD OF TARRANT COUNTY, TEXAS
TEXAS JUVENILE PROBATION COMMISSION GRANT FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BY CONTRACT
BUDGET AND ACTUAL (REGULATORY BASIS)
FOR THE YEAR ENDED AUGUST 31, 2007**

	Special Needs Diversionary TJPC-M-2007-220			Progressive Sanctions ISP TJPC-O-2007-220			JJAEP Start Up Operations TJPC-P-2007-220		
	<u>Budget</u>	<u>Actual</u>	Favorable (Unfavorable) <u>Variance</u>	<u>Budget</u>	<u>Actual</u>	Favorable (Unfavorable) <u>Variance</u>	<u>Budget</u>	<u>Actual</u>	Favorable (Unfavorable) <u>Variance</u>
	GRANT REVENUES:								
TJPC	\$ 271,000	\$ 271,000	\$ -	\$ 187,728	\$ 187,728	\$ -	\$ 684,459	\$ 684,459	\$ -
Interest	-	-	-	-	-	-	-	-	-
Total Revenue	271,000	271,000	-	187,728	187,728	-	684,459	684,459	-
EXPENDITURES:									
Salaries and Fringe Benefits	271,000	271,000	-	187,728	187,728	-	-	-	-
Travel	-	-	-	-	-	-	-	-	-
Operating Expenses	-	-	-	-	-	-	-	-	-
Non-Residential Services	-	-	-	-	-	-	684,459	684,459	-
Residential Services	-	-	-	-	-	-	-	-	-
Total Expenditures	271,000	271,000	-	187,728	187,728	-	684,459	684,459	-
EXCESS REVENUES OVER EXPENDITURES	-	-	-	-	-	-	-	-	-
Fund Balance, Beginning of period	-	-	-	-	-	-	-	-	-
Fund Balance, End of period	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**JUVENILE BOARD OF TARRANT COUNTY, TEXAS
TEXAS JUVENILE PROBATION COMMISSION GRANT FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BY CONTRACT
BUDGET AND ACTUAL (REGULATORY BASIS)
FOR THE YEAR ENDED AUGUST 31, 2007**

	Community Corrections TJPC-Y-2007-220			Salary Adjustment TJPC-Z-2007-220		
	<u>Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>	<u>Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>
GRANT REVENUES:						
TJPC	\$ 1,533,397	\$ 1,533,397	\$ -	\$ 501,538	\$ 501,538	\$ -
Interest	-	-	-	-	-	-
Total Revenue	1,533,397	1,533,397	-	501,538	501,538	-
EXPENDITURES:						
Salaries and Fringe Benefits	224,500	193,024	31,476	501,538	501,538	-
Travel	3,500	4,057	(557)	-	-	-
Operating Expenses	-	-	-	-	-	-
Non-Residential Services	412,000	416,806	(4,806)	-	-	-
Residential Services	893,397	919,510	(26,113)	-	-	-
Total Expenditures	1,533,397	1,533,397	-	501,538	501,538	-
EXCESS REVENUES OVER EXPENDITURES	-	-	-	-	-	-
Fund Balance, Beginning of period	-	-	-	-	-	-
Fund Balance, End of period	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Additional Information:						
Refunds Paid to TJPC Subsequent to 8/31/07				\$	62	

**JUVENILE BOARD OF TARRANT COUNTY, TEXAS
TEXAS JUVENILE PROBATION COMMISSION GRANT FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BY CONTRACT
BUDGET AND ACTUAL (REGULATORY BASIS)
FOR THE YEAR ENDED AUGUST 31, 2007**

	IV-E Contracts TJPC-E-2005-220	IV-E Contracts TJPC-E-2006-220	IV-E Contracts TJPC-E-2007-220	Interest
GRANT REVENUES:				
TJPC	\$ 236	\$ 637,221	\$ 584,301	\$ -
Interest	-	15,516	225,542	19,216
Total Revenue	<u>236</u>	<u>652,737</u>	<u>809,843</u>	<u>19,216</u>
EXPENDITURES:				
Salaries and Fringe Benefits	503,811	-	-	-
Travel	20,257	-	-	454
Operating Expenses	67,881	-	-	10,720
Non-Residential Services	1,067,791	-	-	1,148
Residential Services	792,402	-	-	-
Total Expenditures	<u>2,452,142</u>	<u>-</u>	<u>-</u>	<u>12,322</u>
EXCESS REVENUES OVER EXPENDITURES	(2,451,906)	652,737	809,843	6,894
Fund Balance, Begining of period	<u>2,900,820</u>	<u>2,266,793</u>	<u>-</u>	<u>23,294</u>
Fund Balance, End of period	<u>\$ 448,914</u>	<u>\$ 2,919,530</u>	<u>\$ 809,843</u>	<u>\$ 30,188</u>

**JUVENILE BOARD OF TARRANT COUNTY, TEXAS
TEXAS JUVENILE PROBATION COMMISSION GRANT FUNDS
NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED AUGUST 31, 2007**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Entity

The Texas Juvenile Probation Commission Grant Funds of Tarrant County (the Funds) were established to account for juvenile probation services funded by the Texas Juvenile Probation Commission (the Commission) in Tarrant County.

The Funds provide separate accountability as required under the State Financial Assistance Contract, by the Commission. The Funds are used to account for each separate program, matching funds and all related expenditures incurred.

Basis of Accounting

The financial statements were prepared in conformity with the accounting practices prescribed by the Commission, which prescribes policies and procedures for county probation departments, which is a comprehensive basis of accounting other than generally accepted accounting principles. These accounting practices include the following:

- The financial statements are reported using the accrual basis of accounting. Revenues are recorded when all eligibility requirements have been met and expenditures are recorded when incurred.
- The accompanying financial statements do not represent financial statements prepared in accordance with provisions for governmental funds as prescribed by the Governmental Accounting Standards Board.
- The accompanying financial statements are prepared in a format to facilitate uniform financial reporting by county probation departments.

**JUVENILE BOARD OF TARRANT COUNTY, TEXAS
TEXAS JUVENILE PROBATION COMMISSION GRANT FUNDS
NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED AUGUST 31, 2007**

NOTE 2. RECONCILIATION OF ACCRUED INTEREST

Idle funds were maintained in an interest bearing account. The reconciliation of accrued interest earned on funds received from the Commission is as follows:

	<u>Interest Earned Commission Funds Fiscal Year 2007</u>	<u>Interest Earned Title IV-E Funds Fiscal Year 2007</u>	<u>Totals</u>
Beginning balance-September 1, 2006	\$ 23,294	\$ -	\$ 23,294
Interest accrued on funds received from TJPC in the period of September 1, 2006 to August 31, 2007	<u>19,216</u>	<u>241,058</u>	<u>260,274</u>
Total accrued interest at August 31, 2007	42,510	241,058	283,568
Minus expenditures in fiscal year 2007	<u>12,322</u>	<u>241,058</u>	<u>253,380</u>
Ending balance-August 31, 2007	<u>\$ 30,188</u>	<u>\$ -</u>	<u>\$ 30,188</u>

NOTE 3. OPERATING COST FOR A SECURE JUVENILE FACILITY

The Juvenile Board of Tarrant County does not operate a secure juvenile facility.

NOTE 4. FEDERAL FINANCIAL ASSISTANCE

The Texas Juvenile Probation Commission administers, along with the Texas Department of Family and Protective Services, the Title IV-E Program (CFDA 93.658). The Commission disburses funds to Tarrant County on a cost reimbursement basis. A confirmation of revenue receipted in the year ended August 31, 2007 is required and presented below. This includes receipts for direct and enhanced administrative foster care claims.

<u>Title IV-E Foster Care Contract Number</u>	<u>Amount Received (Cash Basis) August 31, 2007</u>
TJPC-E-2005-220	\$ 236
TJPC-E-2006-220	1,795,350
TJPC-E-2007-220	<u>584,301</u>
Total	<u>\$ 2,379,887</u>

**JUVENILE BOARD OF TARRANT COUNTY, TEXAS
TEXAS JUVENILE PROBATION COMMISSION GRANT FUNDS
NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED AUGUST 31, 2007**

NOTE 5. PROGRESSIVE SANCTIONS OFFICERS

The following shows the funding awarded to Tarrant County for the Progressive Sanctions Officers, in fiscal years 1996-1999, expenditures and any unexpended balance. Total positions by award are listed within the State Financial Assistance Contract under 4.1.1.4 for (Grant "F") - Progressive Sanctions JPO and 4.1.1.7 for (Grant "O") Progressive Sanctions ISJPO. Funds that become available during the term of the State Financial Assistance Contract due to vacant Progressive Sanctions positions shall be returned to the Commission at the end of the State Financial Assistance Contract term.

<u>Contract Section</u>	<u>Awarded Funding</u>	<u>Expenditures</u>	<u>Unexpended Balance</u>
Grant F – FY 2007			
Progressive Sanctions JPO			
B. Basic PSO fiscal year 96-97 \$22,179	\$ 399,222	\$ 399,222	\$ -
C. Basic PSO fiscal year 98-99 \$27,567	220,536	220,536	-
Grant O – FY 2007			
Progressive Sanctions ISJPO			
B. ISP PSO fiscal year 96-97 \$26,502	106,008	106,008	-
C. ISP PSO fiscal year 98-99 \$27,240	<u>81,720</u>	<u>81,720</u>	<u>-</u>
Total	<u>\$ 807,486</u>	<u>\$ 807,486</u>	<u>\$ -</u>

NOTE 6. SALARY ADJUSTMENT

The grant funds made available for salary adjustments under Article IV of this grant were used only to provide salary adjustments not exceeding \$3,000 for eligible full-time certified juvenile probation officers and \$1,500 for eligible full-time certified juvenile detention officers including fringe benefits. All funds not used for this purpose were returned to the Commission in accordance with the Unexpended Balances and Refunds Due provision of the General Grant requirements.

Total population: 187 Certified Juvenile Probation Officers

Sample size: 19 Certified Juvenile Probation Officers

All positions tested for compliance with contract assurance shown above were correctly certified and paid. Tarrant County awards the salary adjustment exclusively to Juvenile Probation Officers therefore the population was limited to these types of officers. There was no refundable balance left as the total amount awarded was expended during the year.

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF A
FINANCIAL STATEMENT PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Members of the Board
The Tarrant County Juvenile Board
Tarrant County, Texas

We have audited the combined financial statement of the Tarrant County Juvenile Probation Department Texas Juvenile Probation Commission Grant Funds for the year ended August 31, 2007, and have issued our report thereon dated February 26, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Tarrant County Juvenile Probation Department's (the Department) internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Department's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Department's ability to initiate, authorize, record, process or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Department's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

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Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As a part of obtaining reasonable assurance about whether Tarrant County Juvenile Probation Department's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements; and general financial, progressive sanctions, salary adjustment, JJAEP and IV-E assurances, 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. Compliance with laws, regulations, contracts, grants and requirements of the Texas Juvenile Probation Commission Audit Requirements is the responsibility of the management of the Department. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of management and the Texas Juvenile Probation Commission and is not intended to be and should not be used by anyone other than these specified parties.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Fort Worth, Texas
February 26, 2008

**JUVENILE BOARD OF TARRANT COUNTY, TEXAS
TEXAS JUVENILE PROBATION COMMISSION GRANT FUNDS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED AUGUST 31, 2007**

No Current Year Findings

No Prior Year Findings

FINANCIAL STATEMENT