

**RANDALL COUNTY
JUVENILE PROBATION
DEPARTMENT**

ANNUAL FINANCIAL REPORT

**For Year Ended
August 31, 2009**

**RANDALL COUNTY JUVENILE PROBATION DEPARTMENT
ANNUAL FINANCIAL REPORT
FOR YEAR ENDED AUGUST 31, 2009**

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PART I

INTRODUCTORY SECTION

RANDALL COUNTY JUVENILE PROBATION DEPARTMENT

**PRINCIPAL OFFICIALS OF THE
JUVENILE BOARD AND DEPARTMENT**

AUGUST 31, 2009

Hal Miner	District Judge, 47 th District Court
John Board	District Judge, 181 st District Court
Ana Estevez	District Judge, 251 st District Court
Ernie Houdashell	County Judge
James Anderson	Judge, County Court-at-Law 1
Ronnie Walker	Judge, County Court-at-Law 2
Jane King	Chief Probation Officer
Karon Kantor	Fiscal Officer

PART II
FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

To The Members of the Juvenile Board
of Randall County, Texas

We have audited the statement of revenues, expenditures and changes in fund balance by contract – budget and actual – regulatory basis for the year ended August 31, 2009 of the Randall County Juvenile Probation Department, Texas Juvenile Probation Commission Grant Funds. 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 financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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 Texas Juvenile Probation Commission 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 Texas Juvenile Probation Commission Grant Funds for the year ended August 31, 2009 in conformity with the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 5, 2009 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 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 the Juvenile Board of Randall County, Texas and for filing with the Texas Juvenile Probation Commission and it is not intended to be and should not be used by anyone other than those specified parties.

DOSHIER, PICKENS & FRANCIS, L.L.C.

DOSHIER, PICKENS & FRANCIS, LLC

November 5, 2009



**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***

To The Members of the Juvenile Board
of Randall County, Texas

We have audited the statement of revenues, expenditures and changes in fund balance by contract – budget and actual – regulatory basis of the Randall County Juvenile Probation Department Texas Juvenile Probation Commission Grant Funds for the year ended August 31, 2009, and have issued our report thereon dated November 5, 2009. 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 the Randall County Juvenile Probation Department's 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.

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 part of obtaining reasonable assurance about whether the Randall County Juvenile Probation 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; and general financial, progressive sanctions, salary adjustment, 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 of the Juvenile Board of Randall County, Texas and the Texas Juvenile Probation Commission and is not intended to be and should not be used by anyone other than these specified parties.

DOSHIER, PICKENS & FRANCIS, L.L.C.

DOSHIER, PICKENS & FRANCIS, LLC

November 5, 2009

**RANDALL COUNTY JUVENILE PROBATION DEPARTMENT
TEXAS JUVENILE PROBATION COMMISSION GRANT FUNDS**

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE BY CONTRACT
BUDGET AND ACTUAL (REGULATORY BASIS)**

FOR THE YEAR ENDED AUGUST 31, 2009

	GRANT A-09-191		Variance - Favorable (Unfavorable)
	Budget	Actual	
REVENUES			
Commission funds	\$ 102,337	\$ 102,337	\$ -
Interest	-	-	-
Total Revenues	<u>102,337</u>	<u>102,337</u>	<u>-</u>
EXPENDITURES			
Salaries and fringe benefits	27,569	27,569	-
Travel	12,500	12,188	312
Operating expenditures	5,000	5,298	(298)
Nonresidential services	14,740	14,754	(14)
Residential services	<u>42,528</u>	<u>42,528</u>	<u>-</u>
Total Expenditures	<u>102,337</u>	<u>102,337</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE - BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

GRANT F-09-191			GRANT G-09-191			GRANT H-09-191		
Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
\$ 94,104	\$ 94,104	\$ -	\$ 32,893	\$ 32,893	\$ -	\$ 156,450	\$ 156,450	\$ -
-	-	-	-	-	-	-	-	-
94,104	94,104	-	32,893	32,893	-	156,450	156,450	-
94,104	94,104	-	32,893	32,893	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	156,450	156,450	-
94,104	94,104	-	32,893	32,893	-	156,450	156,450	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Continued

The accompanying notes are an integral part of this financial statement.

**RANDALL COUNTY JUVENILE PROBATION DEPARTMENT
TEXAS JUVENILE PROBATION COMMISSION GRANT FUNDS**

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE BY CONTRACT
BUDGET AND ACTUAL (REGULATORY BASIS)**

FOR THE YEAR ENDED AUGUST 31, 2009

Continuation

	GRANT M-09-191		Variance - Favorable (Unfavorable)
	Budget	Actual	
REVENUES			
Commission funds	\$ 55,711	\$ 55,711	\$ -
Interest	-	-	-
Total Revenues	<u>55,711</u>	<u>55,711</u>	<u>-</u>
EXPENDITURES			
Salaries and fringe benefits	53,111	53,390	(279)
Travel	2,600	2,321	279
Operating expenditures	-	-	-
Nonresidential services	-	-	-
Residential services	-	-	-
Total Expenditures	<u>55,711</u>	<u>55,711</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE - BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

GRANT O-09-191			GRANT X-09-191			GRANT Y-09-191		
Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
\$ 26,502	\$ 26,502	\$ -	\$ 25,465	\$ 25,465	\$ -	\$ 196,175	\$ 196,175	\$ -
-	-	-	-	-	-	-	-	-
26,502	26,502	-	25,465	25,465	-	196,175	196,175	-
26,502	26,502	-	20,789	20,599	190	52,235	52,173	62
-	-	-	-	-	-	12,750	12,787	(37)
-	-	-	-	-	-	-	-	-
-	-	-	4,676	4,866	(190)	55,327	55,352	(25)
-	-	-	-	-	-	75,863	75,863	-
26,502	26,502	-	25,465	25,465	-	196,175	196,175	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Continued

The accompanying notes are an integral part of this financial statement.

**RANDALL COUNTY JUVENILE PROBATION DEPARTMENT
TEXAS JUVENILE PROBATION COMMISSION GRANT FUNDS**

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE BY CONTRACT
BUDGET AND ACTUAL (REGULATORY BASIS)**

FOR THE YEAR ENDED AUGUST 31, 2009

Continuation

	GRANT Z-09-191		Variance - Favorable (Unfavorable)
	Budget	Actual	
REVENUES			
Commission funds	\$ 109,725	\$ 109,725	\$ -
Interest	-	-	-
Total Revenues	<u>109,725</u>	<u>109,725</u>	<u>-</u>
EXPENDITURES			
Salaries and fringe benefits	109,725	109,725	-
Travel	-	-	-
Operating expenditures	-	-	-
Nonresidential services	-	-	-
Residential services	-	-	-
Total Expenditures	<u>109,725</u>	<u>109,725</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE - BEGINNING OF YEAR	-	-	-
FUND BALANCE - END OF YEAR	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

<u>E-08-191</u>	<u>E-09-191</u>	<u>V-09-191</u>	<u>Interest</u>
\$ 26,369	\$ 66,282	\$ 59,946	\$ -
<u>-</u>	<u>-</u>	<u>-</u>	<u>8,061</u>
<u>26,369</u>	<u>66,282</u>	<u>59,946</u>	<u>8,061</u>
121,697	-	-	-
815	-	-	-
-	-	59,946	-
1,806	-	-	-
<u>153,956</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>278,274</u>	<u>-</u>	<u>59,946</u>	<u>-</u>
(251,905)	66,282	-	8,061
<u>759,635</u>	<u>507,730</u>	<u>-</u>	<u>177,662</u>
<u>\$ 507,730</u>	<u>\$ 574,012</u>	<u>\$ -</u>	<u>\$ 185,723</u>

The accompanying notes are an integral part of this financial statement.

RANDALL COUNTY JUVENILE PROBATION DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Randall County Juvenile Probation Department (the Department) conform to accounting principles generally accepted in the United States of America as applicable to governments, except as noted as to basis of accounting. The following is a summary of these significant policies:

A. SCOPE OF THE REPORTING ENTITY

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

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.

These financial statements include only those Funds under the control and administration of the Randall County Juvenile Board, i.e. the Special Revenue funds. Such financial statements are not intended to present fairly the financial position of the Department, in its entirety, and the results of its operations in conformity with accounting principles generally accepted in the United States of America.

B. BASIS OF ACCOUNTING

The financial statements were prepared in conformity with the accounting practices prescribed by TJPC, 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 except for Grant E which is cash basis. 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.

**RANDALL COUNTY JUVENILE PROBATION DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009**

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>Accrued Interest:</u>	<u>Interest earned Commission Funds FY 2009</u>	<u>Interest earned Title IV-E Funds FY 2009</u>	<u>Total Interest</u>
Beginning balance, September 1, 2008	\$ -	\$ 177,662	\$ 177,662
Interest accrued on funds received from the period of 09/01/08 - 08/31/09	-	8,061	8,061
Total Accrued Interest at August 31, 2009	-	185,723	185,723
Minus interest expenditures FY 2009	-	-	-
Ending Balance, August 31, 2009	<u>\$ -</u>	<u>\$ 185,723</u>	<u>\$ 185,723</u>

**RANDALL COUNTY JUVENILE PROBATION DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009**

NOTE 3 – OPERATING COSTS FOR SECURED JUVENILE FACILITIES

The Department operates one secure juvenile facility: Youth Center of the High Plains, which is both a pre-adjudication and post-adjudication facility. The schedule of expenditures for the facility is as follows:

**Operating Costs
Youth Center of the High Plains
Pre-Adjudication
For the Year Ended August 31, 2009**

	Commission Funding	Local Funding	Total
Salary Related Expenditures	\$ -	\$ 1,561,595	\$ 1,561,595
Student Related Expenditures	-	111,465	111,465
Facility Expenditures	-	120,317	120,317
Total Operating Expenditures	\$ -	\$ 1,793,377	\$ 1,793,377

**Operating Costs
Youth Center of the High Plains
Post-Adjudication
For the Year Ended August 31, 2009**

	Commission Funding	Local Funding	Total
Salary Related Expenditures	\$ 66,058	\$ 1,430,154	\$ 1,496,212
Student Related Expenditures	4,715	102,083	106,798
Facility Expenditures	5,090	110,189	115,279
Total Operating Expenditures	\$ 75,863	\$ 1,642,426	\$ 1,718,289

The \$75,863 under Commission Funding in the post-adjudication operating costs of the Youth Center of the High Plains is included in the \$75,863 of residential services under Grant Y-09-191.

**RANDALL COUNTY JUVENILE PROBATION DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009**

NOTE 4 – OPERATING COSTS FOR NON-SECURED JUVENILE FACILITIES

The Department operates one non-secure juvenile facility: Next Step House, which is a post-adjudication facility. The schedule of expenditures for the facility is as follows:

**Operating Costs
Next Step
Post-Adjudication
For the Year Ended August 31, 2009**

	Commission Funding	Local Funding	Total
Salary Related Expenditures	\$ 45,333	\$ 195,385	\$ 240,718
Student Related Expenditures	5,931	25,562	31,493
Facility Expenditures	8,682	37,418	46,100
 Total Operating Expenditures	 \$ 59,946	 \$ 258,365	 \$ 318,311

The \$59,946 under Commission Funding in the post-adjudication operating costs of the Next Step is included in the \$59,946 of residential services under Grant V-09-191.

NOTE 5 – FEDERAL FINANCIAL ASSISTANCE

The TJPC administers along with the Texas Department of Family and Protective Services, the Title IV-E Program (CFDA 93.658). The Commission disburses funds to Randall County on a cost reimbursement basis. A confirmation of revenue received in the year ending August 31, 2009 is required and presented below. This includes receipts for direct and enhanced administrative foster care claims.

Title IV-E Federal Receipts Contract Number	(Cash Basis) FYE August 31, 2009
E-08-191	\$ 26,369
E-09-191	66,282
	\$ 92,651

**RANDALL COUNTY JUVENILE PROBATION DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009**

NOTE 6 – PROGRESSIVE SANCTIONS OFFICERS

The following shows funding awarded to Randall 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.

Contract	Awarded Funding	Expenditures	Unexpended Balance
Grant F-FY2009			
Progressive Sanctions JPO			
A Basic PSO FY 98-99 \$27,567	\$ 27,567	\$ 27,567	\$ -
B Basic PSO FY 96-97 \$22,179	66,537	66,537	-
Grant O-FY2009			
Progressive Sanctions ISJPO			
A ISP PSO FY 98-99 \$27,240	-	-	-
B ISP PSO FY 96-97 \$26,502	26,502	26,502	-
Total	\$ 120,606	\$ 120,606	\$ -

NOTE 7 – SALARY ADJUSTMENT

Funding for the Salary Adjustment, Z-FY2009 is clearly restricted. Assurance testing is based on the following grant assurance.

Financial Assurances

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:	16 Certified Juvenile Probation Officers 62 Detention and Correction Officers
Sample Size:	15 Certified Juvenile Probation Officers 15 Detention and Correction Officers

All positions tested for compliance were correctly certified and paid.

**RANDALL COUNTY JUVENILE PROBATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED AUGUST 31, 2009**

There were no findings or questioned costs in the current year.

**RANDALL COUNTY JUVENILE PROBATION DEPARTMENT
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED AUGUST 31, 2009**

There were no findings or questioned costs in the prior year.