

**ANDREWS COUNTY  
COMMUNITY SUPERVISION  
AND CORRECTIONS DEPARTMENT  
ANDREWS, TEXAS**

**Combined Financial Statements  
August 31, 2015**

**(With Report of Independent Certified Public Accountant Thereon)**

# WAYNE M. MANNING



CERTIFIED PUBLIC ACCOUNTANT

## Report of Independent Certified Public Accountant

Andrews County Community Supervision and Corrections Department  
Andrews, Texas

We have audited the accompanying combined financial statements of Andrews County Community Supervision and Corrections Department (CSCD), which comprise the combined statement of financial position as of August 31, 2015, and the related combined statements of activities for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 24, 2015.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Texas Department of Criminal Justice – Community Justice Assistance Division (TDCJ-CJAD); this includes 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 Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is significant and appropriate to provide a basis for our opinions.

### **Opinion**

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position of the governmental activities of the Andrews County Community Supervision and Corrections Department, as of August 31, 2015, and the respective changes in financial position thereof for the year ended, in accordance with the financial reporting provisions of the TDCJ-CJAD as described in Note 1.



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### **Basis of Accounting**

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the basis of the financial reporting provisions of the TDCJ-CJAD, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the requirements of the TDCJ-CJAD. Our opinion is not modified with respect to that matter.

### **Emphasis of Matter**

As discussed in Note 1, the financial statements present the operations of the Andrews County Community Supervision and Corrections Department only, and are not intended to present fairly the financial position of Andrews County, Texas and the results of its operations in conformity with accounting principles generally accepted in the United States of America.

### **Other Matters**

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Andrews County Community Supervision and Corrections Department's basic financial statements. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Schedules of Differences are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued a report dated November 24, 2015 on our consideration of Andrews County Community Supervision and Corrections Department's internal control over financial reporting and on our tests of its compliance with certain provisions of laws and regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Andrews 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 the management of the Andrews 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.



Wayne M. M... CPA

November 24, 2015

**Andrews County Community Supervision  
And Corrections Department  
Combined Statement of Financial Position – Regulatory Basis  
August 31, 2015**

**ASSETS**

	<u>Basic Supervision</u>		<u>Community Corrections</u>		<u>Total</u>
<b>Assets</b>					
Due from General Fund	\$ 54,510	\$	16,811	\$	71,321
Total Assets	<u>\$ 54,510</u>	\$	<u>16,811</u>	\$	<u>71,321</u>

**LIABILITIES AND FUND BALANCE**

<b>Liabilities</b>					
Accounts Payable	\$ 4,283	\$	2,473	\$	6,756
Due to TDJC-CJAD	<u>-</u>	\$	<u>14,338</u>	\$	<u>14,338</u>
Total Liabilities	<u>4,283</u>		<u>16,811</u>		<u>21,094</u>
<b>Fund Balance</b>	<u>50,227</u>		<u>-</u>		<u>50,227</u>
Total Liabilities and Fund Balance	<u>\$ 54,510</u>	\$	<u>16,811</u>	\$	<u>71,321</u>

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

**Andrews County Community  
Supervision and Corrections Department  
Combined Statement of Revenues, Expenditures  
And Changes in Fund Balance – Regulatory Basis  
For the Year Ended August 31, 2015**

	Basic Supervision	Community Corrections	Total
<b>REVENUES</b>			
State Aid	\$ 95,254	\$ 36,370	\$ 131,624
State Aid: SAFPF	-	-	-
Community Supervision Fees	195,156	-	195,156
Payment by Program Participants	-	15,493	15,493
Interest Income	32	-	32
Other Revenue	5,123	-	5,123
Total Revenue	295,565	51,863	347,428
<b>EXPENDITURES</b>			
Salaries and Fringe Benefits	291,943	-	291,943
Travel and Furnished Transportation	4,065	-	4,065
Contract Services for Offenders	455	37,757	38,212
Professional Fees	9,687	-	9,687
Supplies and Operating Expenses	3,383	3,469	6,852
Facilities, Utilities and Equipment	775	-	775
Total Expenditures	310,308	41,226	351,534
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(14,743 )	10,637	(4,106 )
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer in	-	-	-
Transfer out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Fund Balance 09/01/2014	64,970	3,701	68,671
Prior Period Adjustment	-	-	-
Prior Period Refund Paid to CJAD*	-	-	-
Adjusted Beginning Fund Balance	50,227	14,338	64,565
Refund Due to CJAD*	-	(14,338 )	(14,338 )
<b>FUND BALANCE 08/31/2015</b>	\$ 50,227	\$ -	\$ 50,227

\* If applicable

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

**Andrews County Community  
Supervision and Corrections Department  
All Community Corrections Funds  
Combining Statement of Revenues, Expenditures  
And Changes in Fund Balances – Regulatory Basis  
For the Year Ended August 31, 2015**

	<u>Sex Offender</u>	<u>Substance Abuse</u>	<u>Total</u>
<b>REVENUES</b>			
State Aid	\$ 18,601	\$ 17,769	\$ 36,370
State Aid: SAFPF	-	-	-
Community Supervision Fees	-	-	-
Payment by Program Participants	5,240	10,253	15,493
Interest Income	-	-	-
Other Revenue	-	-	-
Total Revenue	<u>23,841</u>	<u>28,022</u>	<u>51,863</u>
<b>EXPENDITURES</b>			
Salaries and Fringe Benefits	-	-	-
Travel and Furnished Transportation	-	-	-
Contract Services for Offenders	19,000	18,757	37,757
Professional Fees	-	-	-
Supplies and Operating Expenses	2,835	634	3,469
Facilities, Utilities and Equipment	-	-	-
Total Expenditures	<u>21,835</u>	<u>19,391</u>	<u>41,226</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	2,006	8,631	10,637
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer in	-	-	-
Transfer out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance 09/01/2014	927	2,774	3,701
Prior Period Adjustment	-	-	-
Prior Period Refund Paid to CJAD*	<u>-</u>	<u>-</u>	<u>-</u>
Adjusted Beginning Fund Balance	2,933	11,405	14,338
Refund Due to CJAD*	<u>(2,933 )</u>	<u>(11,405 )</u>	<u>(14,338 )</u>
<b>FUND BALANCE 08/31/2015</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

\* If applicable

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

**Andrews County Community  
Supervision and Corrections Department  
Individual Statement of Revenues, Expenditures  
And Changes in Fund Balance – Regulatory Basis  
Budget, Actual, and Variance  
Basic Supervision Program  
For the Year Ended August 31, 2015**

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<b>REVENUES</b>			
State Aid	\$ 95,254	\$ 95,254	\$ -
State Aid: SAFFP	-	-	-
Community Supervision Fees	170,000	195,156	25,156
Payment by Program Participants	-	-	-
Interest Income	-	32	32
Other Revenue	9,665	5,123	(4,542)
Total Revenue	<u>274,919</u>	<u>295,565</u>	<u>20,646</u>
<b>EXPENDITURES</b>			
Salaries and Fringe Benefits	304,452	291,943	12,509
Travel and Furnished Transportation	7,035	4,065	2,970
Contract Services for Offenders	580	455	125
Professional Fees	12,014	9,687	2,327
Supplies and Operating Expenses	15,059	3,383	11,676
Facilities, Utilities and Equipment	775	775	-
Total Expenditures	<u>339,915</u>	<u>310,308</u>	<u>29,607</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(64,996)	(14,743)	50,253
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer in	-	-	-
Transfer out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance 09/01/2014	64,996	64,970	(26)
Prior Period Adjustment	-	-	-
Prior Period Refund Paid to CJAD*	<u>-</u>	<u>-</u>	<u>-</u>
Adjusted Beginning Fund Balance	-	50,227	50,227
Refund Due to CJAD*	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE 08/31/2015</b>	<u>\$ -</u>	<u>\$ 50,227</u>	<u>\$ 50,227</u>

\* If applicable

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

**Andrews County Community  
Supervision and Corrections Department  
Individual Statement of Revenues, Expenditures  
And Changes in Fund Balance – Regulatory Basis  
Budget, Actual, and Variance  
Community Corrections Program – Sex Offender Program  
For the Year Ended August 31, 2015**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
State Aid	\$ 18,601	\$ 18,601	\$ -
State Aid: SAFFP	-	-	-
Community Supervision Fees	-	-	-
Payment by Program Participants	4,750	5,240	490
Interest Income	-	-	-
Other Revenue	-	-	-
Total Revenue	<u>23,351</u>	<u>23,841</u>	<u>490</u>
<b>EXPENDITURES</b>			
Salaries and Fringe Benefits	-	-	-
Travel and Furnished Transportation	-	-	-
Contract Services for Offenders	20,975	19,000	1,975
Professional Fees	140	-	140
Supplies and Operating Expenses	3,163	2,835	328
Facilities, Utilities and Equipment	-	-	-
Total Expenditures	<u>24,278</u>	<u>21,835</u>	<u>2,443</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(927)	2,006	2,933
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer in	-	-	-
Transfer out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance 09/01/2014	927	927	-
Prior Period Adjustment	-	-	-
Prior Period Refund Paid to CJAD*	<u>-</u>	<u>-</u>	<u>-</u>
Adjusted Beginning Fund Balance	-	2,933	2,933
Refund Due to CJAD*	<u>-</u>	<u>(2,933)</u>	<u>(2,933)</u>
<b>FUND BALANCE 08/31/2015</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

\* If applicable

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



**Andrews County Community  
Supervision and Corrections Department  
Individual Statement of Revenues, Expenditures  
And Changes in Fund Balance – Regulatory Basis  
Budget, Actual, and Variance  
Community Corrections Program – Substance Abuse Program  
For the Year Ended August 31, 2015**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
State Aid	\$ 17,769	\$ 17,769	\$ -
State Aid: SAFPF	-	-	-
Community Supervision Fees	-	-	-
Payment by Program Participants	9,133	10,253	1,120
Interest Income	-	-	-
Other Revenue	-	-	-
Total Revenue	<u>26,902</u>	<u>28,022</u>	<u>1,120</u>
<b>EXPENDITURES</b>			
Salaries and Fringe Benefits	-	-	-
Travel and Furnished Transportation	-	-	-
Contract Services for Offenders	22,199	18,757	3,442
Professional Fees	133	-	133
Supplies and Operating Expenses	7,344	634	6,710
Facilities, Utilities and Equipment	-	-	-
Total Expenditures	<u>29,676</u>	<u>19,391</u>	<u>10,285</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(2,774)</b>	<b>8,631</b>	<b>11,405</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer in	-	-	-
Transfer out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance 09/01/2014	2,774	2,774	-
Prior Period Adjustment	-	-	-
Prior Period Refund Paid to CJAD*	<u>-</u>	<u>-</u>	<u>-</u>
Adjusted Beginning Fund Balance	-	11,405	11,405
Refund Due to CJAD*	<u>-</u>	<u>(11,405)</u>	<u>(11,405)</u>
<b>FUND BALANCE 08/31/2015</b>	<b>\$ <u>-</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>-</u></b>

\* If applicable

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

# **Andrews County Community Supervision And Corrections Department**

## **Notes to Financial Statements For the Year Ended August 31, 2015**

### **(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **Reporting Entity**

The accompanying financial statements include the revenue of the Andrews 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 from State Appropriations for the Basic Supervision Fund, Community Corrections Program Funds, local fees collected for the use of the CSCD, and the expenditure of those funds.

The Andrews County Community Supervision and Corrections Department, a special purpose district of State government, was organized to provide certain adult probation services to judicial districts.

#### **Basis of Accounting**

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

Basis of accounting refers to the time at which revenues and expenditures are recognized in the accounts and reported in the statements. The accounts of Andrews County Community Supervision and Corrections Department 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 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.

The modified accrual basis of accounting is followed in that revenues are recorded when susceptible to accrual; i.e., earned, measurable, and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues received by October 31, 2015 for financial activity performed by August 31, 2015 are considered available. Also, purchases for which the commitment has been established by August 31, 2015 are considered liabilities regardless of whether possession of these goods has been received by August 31, provided that the liability purchase is received and is paid by October 31, 2015. Exception to this method of accounting is the recording of refunds to the State as reductions of Fund Balance.

The Department is accounted for in the governmental fund category as separate special revenue funds. The accounting period used in the preparation of financial statements for all funds of Andrews County, Texas is October 1 through September 30. The accounting period used in preparing financial statements required by the TDCJ-CJAD is September 1 through August 31.

# **Andrews County Community Supervision And Corrections Department**

## **Notes to Financial Statements For the Year Ended August 31, 2015**

### **(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

#### **Budgets (Accounting and Legal Compliance)**

The budgets governing the funding to the programs are prepared at the beginning of each biennium and approved by the district judge with jurisdiction over the department in an open meeting and by the Texas Department of Criminal Justice – Community Justice Assistance Division. Only budget adjustment requests, at year-end, received by September 30, 2015 will be reviewed and approved/disapproved by TDCJ-CJAD. TDCJ-CJAD will not accept budget adjustments after September 30, 2015 for the previous fiscal year.

#### **Encumbrance Accounting**

This item is not applicable to the Andrews County Community Supervision and Corrections Department.

#### **Compensated Absences**

This item is not applicable to the Andrews County Community Supervision and Corrections Department.

### **(2) FUNDING SOURCES – STATE AID**

#### **Basic Supervision Funds**

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

#### **Community Corrections (CC) Program Funds**

This appropriation line item is allocation based. The funding is based on two equally assigned factors: the percentage of the state's population residing in the counties served by the Department and the percentage of all felony defendants in the state under direct community supervision by the Department. CSCDs are the only entities eligible for CC funds.

#### **Diversion Program (DP) Grant Funds**

This item is not applicable to the Andrews County Community Supervision and Corrections Department.

#### **Treatment Alternative to Incarceration Program (TAIP) Grant Funds**

This item is not applicable to the Andrews County Community Supervision and Corrections Department.

## Andrews County Community Supervision And Corrections Department

### Notes to Financial Statements For the Year Ended August 31, 2015

**(3) FUNDS COLLECTED BY THE CSCD FROM SOURCES OTHER THAN TDCJ-CJAD WHICH ARE REQUIRED TO BE REPORTED ON THE TDCJ-CJAD QUARTERLY FINANCIAL REPORTS**

Source	Amount Received	Restrictions for Use	Expended In Accordance With Restriction
Supervision Fees	\$195,156	<i>Financial Management Manual for TDCJ-CJAD Funding restrictions.</i>	Yes
Program Participant Fees	\$15,493	<i>Financial Management Manual for TDCJ-CJAD Funding restrictions.</i>	Yes
Interest Income	\$32	<i>Financial Management Manual for TDCJ-CJAD Funding restrictions.</i>	Yes
Other Revenue (Urinalysis Fee)	\$3,164	<i>Financial Management Manual for TDCJ-CJAD Funding restrictions.</i>	Yes
Other Revenue (CSR Fee)	\$180	<i>Financial Management Manual for TDCJ-CJAD Funding restrictions.</i>	Yes
Other Revenue (Transfer Fee)	\$90	<i>Financial Management Manual for TDCJ-CJAD Funding restrictions.</i>	Yes
Other Revenue (DWI Fee)	\$1,689	<i>Financial Management Manual for TDCJ-CJAD Funding restrictions.</i>	Yes

**(4) FUNDS COLLECTED BY THE CSCD FROM SOURCES OTHER THAN TDCJ-CJAD WHICH ARE NOT REQUIRED TO BE REPORTED ON THE TDCJ-CJAD QUARTERLY FINANCIAL REPORTS**

Source	Amount Received	Restrictions for Use	Expended in Accordance with Restriction	Fund Balance at August 31, 2015
Victim Restitution Funds	\$78,494.37	Government Code 76.013, paid directly to victim within certain timelines.	Yes	\$54,680.05
Supervision Fees for Sex Offenders	\$356.87	Article 42.12, Section 19(f) of the Texas Code of Criminal Procedure	Yes	-
Crime Victims Compensation Fund	\$1,689.05	Texas Code of Criminal Procedure, Article 42.12, Section 11(a)(18) and Texas State Comptroller remittance timeline.	Yes	-

**(5) CASH, PETTY CASH AND INVESTMENTS**

Cash balances for all CSCD programs are maintained in the Andrews County, Texas' General Fund. No petty cash or idle funds are maintained by CSCD programs.

# **Andrews County Community Supervision And Corrections Department**

## **Notes to Financial Statements For the Year Ended August 31, 2015**

### **(6) COMMUNITY SERVICE RESTITUTION POLICY**

Defendants under supervision with Andrews County Community Supervision and Corrections will not be allowed to make payments in lieu of performing community service restitution hours, per the Texas Attorney General Opinion No. GA-0593 (2008).

Defendants will be allowed to make a donation to the Andrews Food Pantry in lieu of performing community service restitution at a rate of \$6.50 for each hour of the required community service restitution. Defendants may: (1) purchase non-perishables, such as can goods, rice, beans, paper goods, soaps, etc., transport goods to the Andrews Food Pantry, have attendant sign the receipt and return the signed receipt to the director of the CSCD; or (2) make a monetary donation to Porter's Thriftway in the name of the Andrews Food Pantry (customer service desk) and return the receipt to the director of the CSCD; or (3) make a monetary donation to the Andrews Food Pantry through the National Bank of Andrews and bring receipt to the director of the CSCD.

### **(7) EXCESS OF EXPENDITURES OVER BUDGETS IN INDIVIDUAL PROGRAMS**

There were no excess expenditures over budgets in individual programs.

### **(8) ACCOUNTS RECEIVABLE AND/OR PAYABLE AND/OR INTERFUND TRANSFERS RECEIVABLE AND/OR PAYABLE AT AUGUST 31, 2015**

There were no interfund transfers receivable and payable.

### **(9) VENDOR CONTRACTS FOR OFFENDER SERVICES**

There were no vendor contracts for offender services and/or payments in excess of \$100,000.

### **(10) COMMITMENTS AND CONTINGENCIES**

Not applicable.

### **(11) PRIOR PERIOD ADJUSTMENTS AND REFUNDS**

There were no prior period adjustments or refunds.

### **(12) SUBSEQUENT EVENTS**

Management has evaluated subsequent events through November 24, 2015, the date that the financial statements were available to be issued.

# WAYNE M. MANNING

CERTIFIED PUBLIC ACCOUNTANT



## 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* FOR ANDREWS COUNTY COMMUNITY SUPERVISION AND CORRECTIONS DEPARTMENT

Andrews County Community Supervision and Corrections Department  
Andrews, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Andrews County Community Supervision and Corrections Department as of and for the year ended August 31, 2015, and the related notes to the financial statements, which collectively comprise the Andrews County Community Supervision and Corrections Department's basic financial statements, and have issued our report thereon dated November 24, 2015.

### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Andrews 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 Andrews County Community Supervision and Corrections Department's internal control. Accordingly, we do not express an opinion on the effectiveness of Andrews 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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



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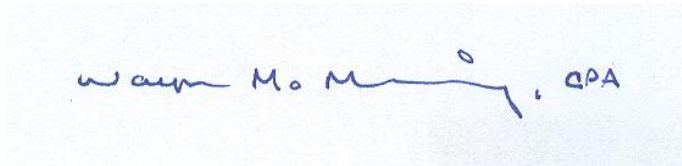
## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Andrews County Community Supervision and Corrections Department's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the Andrews 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 blue ink, reading "Warren M. M... CPA". The signature is written in a cursive style with a large loop for the letter 'M'.

November 24, 2015

**Andrews 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, 2015**

	Audit	Per CSCD Report	Difference **
<b>REVENUES</b>			
State Aid	\$ 95,254	\$ 95,254	\$ -
State Aid: SAFPF	-	-	-
Community Supervision Fees	195,156	195,156	-
Payment by Program Participants	-	-	-
Interest Income	32	6	(26)
Other Revenue	5,123	5,123	-
<b>Total Revenue</b>	<b>295,565</b>	<b>295,539</b>	<b>(26)</b>
<b>EXPENDITURES</b>			
Salaries and Fringe Benefits	291,943	291,943	-
Travel and Furnished Transportation	4,065	4,065	-
Contract Services for Offenders	455	455	-
Professional Fees	9,687	9,687	-
Supplies and Operating Expenses	3,383	3,383	-
Facilities, Utilities and Equipment	775	775	-
<b>Total Expenditures</b>	<b>310,308</b>	<b>310,308</b>	<b>-</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(14,743)</b>	<b>(14,769)</b>	<b>(26)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer in	-	-	-
Transfer out	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund Balance 09/01/2014	64,970	64,996	26
Prior Period Adjustment	-	-	-
Prior Period Refund Paid to CJAD*	-	-	-
Adjusted Beginning Fund Balance	50,227	50,227	-
Refund Due to CJAD*	-	-	-
<b>FUND BALANCE 08/31/2015</b>	<b>\$ 50,227</b>	<b>\$ 50,227</b>	<b>\$ -</b>

\* If Applicable

\*\* Difference due to prior year difference between CSCD report and the General Ledger;  
correction made during the current year.

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



**Andrews County Community  
Supervision and Corrections Department  
Schedule of Differences Between Audit Report and  
CSCD Reports as Submitted to TDCJ-CJAD  
Sex Offender Program  
For the Year Ended August 31, 2015**

	<u>Audit</u>	<u>Per CSCD Report</u>	<u>Difference</u>
<b>REVENUES</b>			
State Aid	\$ 18,601	\$ 18,601	\$ -
State Aid: SAFPF	-	-	-
Community Supervision Fees	-	-	-
Payment by Program Participants	5,240	5,240	-
Interest Income	-	-	-
Other Revenue	-	-	-
Total Revenue	<u>23,841</u>	<u>23,841</u>	<u>-</u>
<b>EXPENDITURES</b>			
Salaries and Fringe Benefits	-	-	-
Travel and Furnished Transportation	-	-	-
Contract Services for Offenders	19,000	19,000	-
Professional Fees	-	-	-
Supplies and Operating Expenses	2,835	2,835	-
Facilities, Utilities and Equipment	-	-	-
Total Expenditures	<u>21,835</u>	<u>21,835</u>	<u>-</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	2,006	2,006	-
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer in	-	-	-
Transfer out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance 09/01/2014	927	927	-
Prior Period Adjustment	-	-	-
Prior Period Refund Paid to CJAD*	<u>-</u>	<u>-</u>	<u>-</u>
Adjusted Beginning Fund Balance	2,933	2,933	-
Refund Due to CJAD*	<u>(2,933)</u>	<u>(2,933)</u>	<u>-</u>
<b>FUND BALANCE 08/31/2015</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

\* If Applicable

The accompanying notes are an integral part of these financial statements

**Andrews County Community  
Supervision and Corrections Department  
Schedule of Differences Between Audit Report and  
CSCD Reports as Submitted to TDCJ-CJAD  
Substance Abuse Program  
For the Year Ended August 31, 2015**

	Audit	Per CSCD Report	Difference
<b>REVENUES</b>			
State Aid	\$ 17,769	\$ 17,769	\$ -
State Aid: SAFPF	-	-	-
Community Supervision Fees	-	-	-
Payment by Program Participants	10,253	10,253	-
Interest Income	-	-	-
Other Revenue	-	-	-
Total Revenue	<u>28,022</u>	<u>28,022</u>	<u>-</u>
<b>EXPENDITURES</b>			
Salaries and Fringe Benefits	-	-	-
Travel and Furnished Transportation	-	-	-
Contract Services for Offenders	18,757	18,757	-
Professional Fees	-	-	-
Supplies and Operating Expenses	634	634	-
Facilities, Utilities and Equipment	-	-	-
Total Expenditures	<u>19,391</u>	<u>19,391</u>	<u>-</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>8,631</b>	<b>8,631</b>	<b>-</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer in	-	-	-
Transfer out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance 09/01/2014	2,774	2,774	-
Prior Period Adjustment	-	-	-
Prior Period Refund Paid to CJAD*	<u>-</u>	<u>-</u>	<u>-</u>
Adjusted Beginning Fund Balance	11,405	11,405	-
Refund Due to CJAD*	<u>(11,405)</u>	<u>(11,405)</u>	<u>-</u>
<b>FUND BALANCE 08/31/2015</b>	<b>\$ <u>-</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>-</u></b>

\* If Applicable

The accompanying notes are an integral part of these financial statements

**Andrews County Community  
Supervision and Corrections Department  
Schedule of Findings and Questioned Costs  
For the Year Ended August 31, 2015**

**FINDINGS:**

None found

**Andrews County Community  
Supervision and Corrections Department  
Summary Schedule of Prior Audit Findings  
For the Year Ended August 31, 2015**

**STATUS OF PRIOR YEAR'S FINDINGS/NONCOMPLIANCE:**

None

**Fiscal Year 2015 TDCJ-CJAD Compliance Checklist**

YES	NO	N/A	
<input checked="" type="checkbox"/>	<input type="checkbox"/>		Is separate accountability maintained for TDCJ-CJAD funds; i.e., fund accounting of self-balancing funds? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
<input checked="" type="checkbox"/>	<input type="checkbox"/>		Are Revenues and Expenditures reported to TDCJ-CJAD in agreement with, or reconcilable to, the funding recipient's accounting records and with audited expenditures in each budget category? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
<input checked="" type="checkbox"/>	<input type="checkbox"/>		Are TDCJ-CJAD funds and locally generated revenues expended in accordance with the <i>Financial Management Manual for TDCJ-CJAD Funding (FMM)</i> , TDCJ-CJAD Standards, TDCJ-CJAD Field Correspondence, TDCJ-CJAD Policy Statements, Standard and Special Grant Conditions, and applicable laws? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
<input checked="" type="checkbox"/>	<input type="checkbox"/>		Are proper cutoff procedures observed at the end of each fiscal period? The cutoff date for revenues recognition and expenditures payments of FY 2015 is October 31, 2015.
<input checked="" type="checkbox"/>	<input type="checkbox"/>		Is the modified accrual basis of accounting used in preparing the fourth quarter reports for submission to TDCJ-CJAD? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
<input type="checkbox"/>	<input checked="" type="checkbox"/>		Are any TDCJ-CJAD funds used to pay judges' salaries (unless specifically approved by TDCJ-CJAD in a Program Budget; i.e., DWI Courts), community justice council members' salaries, or other court-related expenses? If any of these salaries or expenses are paid, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
<input checked="" type="checkbox"/>	<input type="checkbox"/>		Are expenditures and revenues supported by adequate documentation? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
<input checked="" type="checkbox"/>	<input type="checkbox"/>		Are all employees with access to funds covered by a surety bond? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
<input checked="" type="checkbox"/>	<input type="checkbox"/>		Does the CSCD have an existing policy on budget approval, operate by the policy, and the policy has been approved in an open meeting by the judges charged with oversight of the CSCD (Government Code, Section 76.002, and the <i>Financial Management Manual for TDCJ-CJAD Funding (FMM Pages 8-10)</i> ). If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

- Are all of the CSCD's funds and collections deposited in the county treasury (county's bank account)? (*FMM* Pages 7-8; Government Code, Section 509.011; Local Government Code, Section 140.003 (f); and Attorney General's Opinion DM-257, dated September 15, 1993) If not, explain in the Notes to the Financial Statements and include in the Schedule of Findings and Questioned Costs.
- Are all of the CSCD's funds and collections disbursed by the county treasurer on behalf of the CSCD? (*FMM* Pages 7-8; Government Code, Section 509.011; Local Government Code, Section 140.003 (f); and Attorney General's Opinion DM-257, dated September 15, 1993) If not, explain in the Notes to the Financial Statements and include in the Schedule of Findings and Questioned Costs.
- Are all of the CSCD's funds and collections deposited in the county treasury (county's bank account) within the time period required by Local Government Code 113.022? (*FMM* Pages 7-8) If not, explain in the Notes to the Financial Statements and include in the Schedule of Findings and Questioned Costs.
- Did the Fiscal Officer follow the applicable laws, guidelines, and duties as specified on Pages 31-35 of the *Financial Management Manual for TDCJ-CJAD Funding*? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
- Were purchasing laws, including required competitive bidding, followed as directed in accordance with the same procedures applicable to a county? (Texas Local Government Code Section 140.003 and Chapter 262, *FMM* Pages 35-36) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
- Were there any instances of fraud, non-compliance, waste, or abuse noted by the auditor (Chapter 4, Item 4.25 *Government Auditing Standards*)? If yes, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
- Are locally generated funds, and other collections, documented with a proper receipt system, and can they be traced to probationers' accounts, bank deposits and statements? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
- Is equipment physically inventoried and adequately supported with an inventory form? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
- Is surplus equipment disposed of in accordance with TDCJ-CJAD guidelines? (*FMM* Page 24) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Was an explanation given in the Schedule of Differences for any changes or adjustments that were made to Revenues and Expenditures (by either the CSCD or the Independent Auditor) that adjusted the previous amounts reported to TDCJ-CJAD? If not, explain in the Schedule of Differences, Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.</p>
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p>Are expenditures that benefit both juveniles and adults prorated on an equitable basis? Is determination of the method of prorating such expenditures supported by adequate documentation, including an annual time study? (<i>FMM</i> Page 26) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.</p>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>If the CSCD determines that an increase or decrease in revenue or expenditures is required, were budget adjustments submitted to TDCJ-CJAD, by <b>September 30, 2015</b>, and in accordance with the <i>Financial Management Manual for TDCJ-CJAD Funding</i>? (<i>FMM</i> Pages 8-10) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.</p>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Are all non-TDCJ-CJAD funded program fees expended in accordance with applicable limitations; i.e., civil fees, Federal grants, bond fees, sex offender fees, crime victims compensation fund fees, etc.? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.</p>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Are Victim Restitution Funds accounted for in accordance with Texas Government Code, Section 76.013, and are unclaimed funds tracked for the required five-year period prior to sending to the State Comptroller? (<i>FMM</i> Page 28) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.</p>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Have TDCJ-CJAD policies regarding contracts with vendors been followed, which includes maintaining a Contract Monitoring Plan (policy) to monitor vendor payments and compliance with contracts? (<i>CMM</i> and Pages 10-11 of these Guidelines) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.</p>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Does the CSCD have a policy regarding eligibility for employee salary merit increases, if merit or one-time increases are given? (<i>FMM</i> Page 46) If such increases are given without a written policy, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.</p>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>If the CSCD allows offenders to pay a fee or donate goods to a local food bank in lieu of performing community service restitution (CSR) work hours, does the CSCD have a written <b>CSR Policy</b> stating this fact? (TDCJ-CJAD Policy Statement No. CJAD-PS-08) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.</p>

Are petty cash funds (not change funds) authorized by the county auditor or fiscal officer? (FMM, Pages 7-8, 20 and 34) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

\_\_\_ \_\_\_ X

Are petty cash funds used only for specific purposes for allowable items as listed in the *Financial Management Manual for TDCJ-CJAD Funding* and expended only for emergency situations authorized by a written policy and approved by the CSCD director? (FMM, Pages 7-8, 20 and 34) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

\_\_\_ \_\_\_ X

Are Personal Bond, Pre-Trial Bond, Surety Bond, Bail and Certain Other Supervision expenses relating to CSCD employees supervising these cases paid from the administrative fees (and not from state-funded budgets) set in Article 76.015(c) of the Texas Government Code, as amended; i.e., salaries, fringe benefits, travel, supplies, equipment, etc., paid from these fees? If a CSCD employee (or more than one employee where cumulative time is not over 10% of one full-time equivalent position) spends no more than 10% of his/her time on the Bond/Other Supervision Program activities, separation of expenses is considered immaterial and is not required. However, all revenue generated from these fees must be accounted for separately in a local budget. Is this being properly captured? (FMM Pages 20-21 and TDCJ-CJAD Policy Statement No. CJAD-PS-09) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

\_\_\_ \_\_\_ X

With prior TDCJ-CJAD approval, CSCDs may use Basic Supervision, CC, DP, or TAIP funds as required cash matching for grants from other governmental agencies, non-profit organizations, or private foundations, etc., for the purpose of expanding an existing program. Was cash matching properly authorized, budgeted, and expended? (FMM Pages 21-22) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

\_\_\_ \_\_\_ X

The Texas Code of Criminal Procedure, Article 42.12, Section 19 (e) requires as a condition of probation that certain sex offenders pay \$5.00 per month during the period of supervision. These fees are in addition to court costs or any other fee imposed on the offender as court ordered. Are these fees collected and accounted for by the CSCD and remitted to the State Comptroller? (FMM Page 27) If fees are collected, include them in the Note to the Financial Statements for funds not required to be budgeted. If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

X \_\_\_ \_\_\_



Article 42.12, Section 11 (a) (18), Code of Criminal Procedure authorizes the court to order a defendant, as a condition of community supervision, to reimburse the Crime Victims' Compensation Fund for any amounts paid from that fund to a victim of the defendant's offense or, if no reimbursement is required, make one payment to the fund in an amount not to exceed \$50 if the offense is a misdemeanor or not to exceed \$100 if the offense is a felony. If these fees were collected, were they remitted to the State Comptroller in compliance with the timelines outlined by the State Comptroller's Office? (FMM Pages 28-29) If these fees are collected, include in the Note to the Financial Statements for funds not required to be budgeted. If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

Were pretrial diversion/intervention fees properly collected and accounted for as payments by program participants? (FMM Pages 28-29, Government Code, Section 76.015 (c), Texas Code of Criminal Procedure, Article 102.012) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

Is there proper identification on motor vehicles that are issued exempt license plates? (FMM Pages 29-30, Transportation Code, Chapter 721) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

Is the transactions' administrative fee, if collected, accounted for on a consistent basis? (FMM Page 30) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

If there were negative fund balances in programs, were they covered by interfund transfers as described in the *Financial Management Manual for TDCJ-CJAD Funding*? (FMM Pages 33-34) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

Do action plans exist for all significant findings from previous audits, if applicable, and are action plans current? (Chapter 4, Item 4.05, *Government Auditing Standards*) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.