

**NACOGDOCHES COUNTY**  
**DISTRICT PROBATION DEPARTMENT**  
**AUGUST 31, 2016**

# NACOGDOCHES COUNTY DISTRICT PROBATION DEPARTMENT

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## **Financial Section**



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## Independent Auditor's Report

Nacogdoches County District Probation Department  
Nacogdoches, Texas

We have audited the accompanying financial statements of the Nacogdoches County District Probation Department (Department), which comprise the combined statement of financial position as of August 31, 2016, 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 February 10, 2017.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting 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 an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to 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 the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## **Independent Auditor's Report**

Nacogdoches County District Probation Department

February 10, 2017

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### **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 Nacogdoches County District Probation Department as of August 31, 2016, and the respective changes in its financial position thereof for the year then ended, in accordance with the financial reporting provisions of the TDCJ-CJAD as described in Note 1.

### **Basis of Accounting**

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

### **Emphasis of Matter**

As discussed in the Note 1, the financial statements present only the Nacogdoches County District Probation Department, and are not intended to present fairly the financial position of Nacogdoches County, Texas and the results of its operations in conformity with U.S. generally accepted accounting principles.

### **Other Matters**

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Nacogdoches County District Probation Department's basic financial statements. The accompanying supplementary information is presented for the purposes of additional analysis and is not a required part of the financial statements. The schedules of differences between audit report and CSCD reports 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 other 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 the 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.

## **Independent Auditor's Report**

Nacogdoches County District Probation Department

February 10, 2017

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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 10, 2017 on our consideration of the Nacogdoches County District Probation Department's internal control over financial reporting and on our tests of its compliance with certain provisions of laws and regulations, contracts, grant agreements, and other matters. The purpose of this report is to describe the scope of our testing of internal controls 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 *Governmental Auditing Standards* in considering Nacogdoches County District Probation Department's internal control over financial reporting and compliance.

### **Restriction of Use**

This report is intended solely for the information and use of management, others within the Nacogdoches County District Probation Department 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.

*Goff & Herrington, P.C.*

GOFF & HERRINGTON, P.C.

Certified Public Accountants

February 10, 2017

**NACOGDOCHES COUNTY DISTRICT PROBATION DEPARTMENT  
 COMBINED STATEMENT OF FINANCIAL POSITION - REGULATORY BASIS  
 AUGUST 31, 2016**

<b>ASSETS</b>	<b>Basic Supervision</b>	<b>Community Corrections</b>	<b>Total</b>
<b>Cash and Investments</b>			
Bank balances	8,351	18,288	26,639
Time deposits	275,822	-	275,822
Total cash and investments	284,173	18,288	302,461
<b>Other Assets</b>			
Receivables	2,068	-	2,068
Prepaid expenses	11,082	-	11,082
Total other assets	13,150	-	13,150
<b>Total assets</b>	<b>297,323</b>	<b>18,288</b>	<b>315,611</b>
<b>LIABILITIES AND FUND BALANCE</b>			
<b>Liabilities</b>			
Accounts payable	23,464	2,434	25,898
Salaries payable	54,491	5,078	59,569
Other liabilities	200	-	200
Total liabilities	78,155	7,512	85,667
<b>Fund Balance</b>	<b>219,168</b>	<b>10,776</b>	<b>229,944</b>
<b>Total liabilities and fund balance</b>	<b>297,323</b>	<b>18,288</b>	<b>315,611</b>

The accompanying notes are an integral part of this financial statement

**NACOGDOCHES COUNTY DISTRICT PROBATION DEPARTMENT  
 COMBINED STATEMENT OF REVENUE, EXPENDITURES  
 AND CHANGES IN FUND BALANCE - REGULATORY BASIS  
 FOR THE YEAR ENDED AUGUST 31, 2016**

	<b>Basic Supervision</b>	<b>Community Corrections</b>	<b>Total</b>
<b>Revenue</b>			
State aid	369,640	122,005	491,645
State aid: SAFPF	8,957	-	8,957
Community supervision fees	587,962	-	587,962
Payments by program participants	116,001	-	116,001
Interest income	1,201	-	1,201
Other revenue	1,779	-	1,779
Total revenue	1,085,540	122,005	1,207,545
<b>Expenditures</b>			
Salaries and fringe benefits	1,055,465	103,989	1,159,454
Travel and furnished transportation	21,688	-	21,688
Contract services for offenders	18,240	10,800	29,040
Professional fees	17,019	916	17,935
Supplies and operating	52,095	1,172	53,267
Utilities	3,028	-	3,028
Equipment	6,680	1,241	7,921
Total expenditures	1,174,215	118,118	1,292,333
<b>Excess revenue over (under) expenditures</b>	(88,675)	3,887	(84,788)
<b>Other Financing Sources (Uses)</b>			
Interfund transfer in	-	6,889	6,889
Interfund transfer out	(6,889)	-	(6,889)
Total other financing sources (uses)	(6,889)	6,889	-
<b>Fund balance, September 1, 2015</b>	314,732	-	314,732
Refund due to TDCJ-CJAD	-	-	-
<b>Fund balance, August 31, 2016</b>	219,168	10,776	229,944

The accompanying notes are an integral part of this financial statement



**NACOGDOCHES COUNTY DISTRICT PROBATION DEPARTMENT  
 COMBINING STATEMENT OF REVENUE, EXPENDITURES  
 AND CHANGES IN FUND BALANCE  
 ALL COMMUNITY CORRECTIONS PROGRAMS**

**FOR THE YEAR ENDED AUGUST 31, 2016**

	Community Service Restitution	Special Services	Sex Offender Counseling	Total
<b>Revenue</b>				
State aid	50,429	60,694	10,882	122,005
Total revenue	50,429	60,694	10,882	122,005
<b>Expenditures</b>				
Salaries and fringe benefits	51,349	52,640	-	103,989
Contract services for offenders	-	-	10,800	10,800
Professional fees	378	456	82	916
Supplies and operating	1,172	-	-	1,172
Equipment	1,241	-	-	1,241
Total expenditures	54,140	53,096	10,882	118,118
<b>Excess revenue over (under)     expenditures</b>	(3,711)	7,598	-	3,887
<b>Other Financing Sources (Uses)</b>				
Interfund transfer in	3,711	3,178	-	6,889
Interfund transfer out	-	-	-	-
Total other financing sources (uses)	3,711	3,178	-	6,889
<b>Fund balance, September 1, 2015</b>	-	-	-	-
Refund due to TDCJ-CJAD	-	-	-	-
<b>Fund balance, August 31, 2016</b>	-	10,776	-	10,776

The accompanying notes are an integral part of this financial statement

**NACOGDOCHES COUNTY DISTRICT PROBATION DEPARTMENT  
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN  
FUND BALANCE - REGULATORY BASIS - BUDGET AND ACTUAL**

**BASIC SUPERVISION PROGRAM**

**FOR THE YEAR ENDED AUGUST 31, 2016**

	<b>Budget</b>	<b>Actual</b>	<b>Variance Favorable (Unfavorable)</b>	<b>Prior Year Actual</b>
<b>Revenue</b>				
State aid	369,640	369,640	-	337,334
State aid: SAFPF	7,000	8,957	1,957	7,286
Community supervision fees	600,000	587,962	(12,038)	607,580
Payments by program participants	91,700	116,001	24,301	120,028
Interest income	1,000	1,201	201	1,374
Other revenue	1,000	1,779	779	673
Total revenue	1,070,340	1,085,540	15,200	1,074,275
<b>Expenditures</b>				
Salaries and fringe benefits	1,144,337	1,055,465	88,872	1,077,744
Travel and furnished transportation	24,040	21,688	2,352	62,045
Contract services for offenders	26,320	18,240	8,080	24,847
Professional fees	21,573	17,019	4,554	16,009
Supplies and operating	134,404	52,095	82,309	56,970
Utilities	5,100	3,028	2,072	3,506
Equipment	17,536	6,680	10,856	14,420
Total expenditures	1,373,310	1,174,215	199,095	1,255,541
<b>Excess revenue over (under) expenditures</b>	(302,970)	(88,675)	214,295	(181,266)
<b>Other Financing Sources (Uses)</b>				
Interfund transfer in	-	-	-	-
Interfund transfer out	(11,762)	(6,889)	4,873	(5,596)
Total other financing sources (uses)	(11,762)	(6,889)	4,873	(5,596)
<b>Fund balance, September 1, 2015</b>	314,732	314,732	-	501,594
Refund due to TDCJ-CJAD	-	-	-	-
<b>Fund balance, August 31, 2016</b>	-	219,168	219,168	314,732

The accompanying notes are an integral part of this financial statement

**NACOGDOCHES COUNTY DISTRICT PROBATION DEPARTMENT  
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN  
FUND BALANCE - REGULATORY BASIS - BUDGET AND ACTUAL**

**COMMUNITY SERVICE RESTITUTION PROGRAM**

**FOR THE YEAR ENDED AUGUST 31, 2016**

	<b>Budget</b>	<b>Actual</b>	<b>Variance Favorable (Unfavorable)</b>	<b>Prior Year Actual</b>
<b>Revenue</b>				
State aid	50,429	50,429	-	56,453
Total revenue	50,429	50,429	-	56,453
<b>Expenditures</b>				
Salaries and fringe benefits	53,374	51,349	2,025	50,860
Professional fees	379	378	1	423
Supplies and operating	1,940	1,172	768	1,039
Equipment	3,260	1,241	2,019	3,146
Total expenditures	58,953	54,140	4,813	55,468
<b>Excess revenue over (under) expenditures</b>	(8,524)	(3,711)	4,813	985
<b>Other Financing Sources (Uses)</b>				
Interfund transfer in	8,524	3,711	(4,813)	2,418
Interfund transfer out	-	-	-	-
Total other financing sources (uses)	8,524	3,711	(4,813)	2,418
<b>Fund balance, September 1, 2015</b>	-	-	-	-
Refund due to TDCJ-CJAD	-	-	-	(3,403)
<b>Fund balance, August 31, 2016</b>	-	-	-	-

The accompanying notes are an integral part of this financial statement

**NACOGDOCHES COUNTY DISTRICT PROBATION DEPARTMENT  
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN  
FUND BALANCE - REGULATORY BASIS - BUDGET AND ACTUAL**

**SPECIAL SERVICES PROGRAM**

**FOR THE YEAR ENDED AUGUST 31, 2016**

	<b>Budget</b>	<b>Actual</b>	<b>Variance Favorable (Unfavorable)</b>	<b>Prior Year Actual</b>
<b>Revenue</b>				
State aid	60,694	60,694	-	52,787
Total revenue	60,694	60,694	-	52,787
<b>Expenditures</b>				
Salaries and fringe benefits	63,476	52,640	10,836	60,225
Professional fees	456	456	-	396
Total expenditures	63,932	53,096	10,836	60,621
<b>Excess revenue over (under)     expenditures</b>	(3,238)	7,598	10,836	(7,834)
<b>Other Financing Sources (Uses)</b>				
Interfund transfer in	3,238	3,178	(60)	3,178
Interfund transfer out	-	-	-	-
Total other financing sources (uses)	3,238	3,178	(60)	3,178
<b>Fund balance, September 1, 2015</b>	-	-	-	7,284
Refund due to TDCJ-CJAD	-	-	-	(2,628)
<b>Fund balance, August 31, 2016</b>	-	10,776	10,776	-

The accompanying notes are an integral part of this financial statement

**NACOGDOCHES COUNTY DISTRICT PROBATION DEPARTMENT  
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN  
FUND BALANCE - REGULATORY BASIS - BUDGET AND ACTUAL**

**SEX OFFENDER COUNSELING PROGRAM**

**FOR THE YEAR ENDED AUGUST 31, 2016**

	<b>Budget</b>	<b>Actual</b>	<b>Variance Favorable (Unfavorable)</b>	<b>Prior Year Actual</b>
<b>Revenue</b>				
State aid	10,882	10,882	-	10,887
Total revenue	10,882	10,882	-	10,887
<b>Expenditures</b>				
Contract services for offenders	10,800	10,800	-	10,800
Professional fees	82	82	-	82
Total expenditures	10,882	10,882	-	10,882
<b>Excess revenue over (under)     expenditures</b>	-	-	-	5
<b>Other Financing Sources (Uses)</b>				
Interfund transfer in	-	-	-	-
Interfund transfer out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
<b>Fund balance, September 1, 2015</b>	-	-	-	-
Refund due to TDCJ-CJAD	-	-	-	(5)
<b>Fund balance, August 31, 2016</b>	-	-	-	-

The accompanying notes are an integral part of this financial statement

# NACOGDOCHES COUNTY DISTRICT PROBATION DEPARTMENT

## NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2016

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Reporting Entity

The accompanying financial statements include only the revenue of the Nacogdoches County District Probation Department (Department) 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 Department, and the expenditure of those funds.

The Department, a special purpose district of state government, was organized to provide certain adult probation services to judicial districts. The Department is not a department of the County nor is it part of the TDCJ-CJAD.

#### 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 the 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 are allocated to and accounted for in a fund based on the source of the funds and the purpose for which they may be spent and the means in which the spending activities are controlled for the specific activities in accordance with laws, regulations, and other restrictions. Revenues and expenditures are accounted for using the modified accrual basis of accounting.

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 in the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues received by October 31, 2016 for financial activity performed by August 31, 2016, are considered available. Also, purchases for which the commitment has been established by August 31, 2016, are considered liabilities regardless of whether possession of these goods has been received by August 31, provided the liability purchase is received and is paid by October 31, 2016. Exception to this method of accounting is the recording of refunds to the State as a reduction of Fund Balance.

**NACOGDOCHES COUNTY DISTRICT PROBATION DEPARTMENT**

**NOTES TO FINANCIAL STATEMENTS**

**AUGUST 31, 2016**

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

**Budget**

The budgets governing the funding to the programs are prepared at the beginning of each biennium and approved by district judges 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, 2016 will be reviewed and approved/disapproved by the TDCJ-CJAD. TDCJ-CJAD will not accept budget adjustments after September 30, 2016 for the previous fiscal year. Only budget adjustments approved by the TDCJ-CJAD should be referred to in performing the financial audit.

**Encumbrance Accounting**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is utilized. All encumbrances not liquidated by October 31, 2016 became part of the subsequent year's budget.

**Compensated Absences**

Department employees accrue from 12 to 25 days of vacation leave annually, depending upon their length of employment. Employees are eligible to take vacation leave after one month of employment. Employees are paid for the accrued vacation leave upon termination of employment.

Department employees accrue from 12 to 15 days of sick leave annually, depending upon their length of employment. Employees are eligible to take sick leave after one month of employment. Employees are not paid for the accrued sick leave upon termination of employment.

Employees receive 12 paid holidays annually.

The liability amount for accrued compensated absences at August 31, 2016 was \$78,779.

# NACOGDOCHES COUNTY DISTRICT PROBATION DEPARTMENT

## NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2016

### NOTE 2 - FUNDING SOURCES - STATE AID

The Department receives the following state aid:

#### **Basic Supervision**

This 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 pre-trial felony 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 Department's share of the state total population of direct and pre-trial felons. Basic supervision is distributed only to Community Supervision and Corrections Departments (CSCD).

#### **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) Grants**

The discretionary appropriation line item funding is awarded on a competitive basis. The priorities for distribution are determined biennially. All requests are reviewed by TDCJ-CJAD staff, approved by management, and then presented to the Judicial Advisory Council.

**Substance Abuse Felony Punishment Facility Funding (SAFPF)** - Aftercare caseloads are funded on a per case basis and must meet specific supervision requirements. Funding for SAFPF aftercare caseloads is allocated by TDCJ-CJAD through the Diversion Program line item, but is budgeted and reported under Basic Supervision.

**Dedicated Salary Funds** - Funds were appropriated by the 81<sup>st</sup> Legislature specifically for community supervision officers and direct care staff salary increases of 3.5% of salaries as of August 31, 2009 for fiscal year 2010 and another 3.5% increase of the August 31, 2009 salaries for fiscal year 2011. To date, the dedicated salary fund funding amounts are the same as in fiscal year 2011. Appropriations of the Dedicated Salary are allocated by TDCJ-CJAD through the DP line item but are budgeted and reported by CSCDs as state aid under Basic Supervision.



**NACOGDOCHES COUNTY DISTRICT PROBATION DEPARTMENT**

**NOTES TO FINANCIAL STATEMENTS**

**AUGUST 31, 2016**

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

Source of Funds	Amount	Restrictions for Use	Expended in Accordance with Restriction
Supervision Fees	587,962	<i>Financial Management Manual for TDCJ-CJAD Funding</i> restrictions	Yes
Program Participant Fees	116,001	<i>Financial Management Manual for TDCJ-CJAD Funding</i> restrictions	Yes
Interest income	1,201	<i>Financial Management Manual for TDCJ-CJAD Funding</i> restrictions	Yes
Other Income:			
Transactions' Administration Fee	137	<i>Financial Management Manual for TDCJ-CJAD Funding</i> restrictions	Yes
Health & Human Services Commission Restitution Fee	42	<i>Financial Management Manual for TDCJ-CJAD Funding</i> restrictions	Yes
Firearms Certification Class Fees	1,600	<i>Financial Management Manual for TDCJ-CJAD Funding</i> restrictions	Yes
Miscellaneous other	-	<i>Financial Management Manual for TDCJ-CJAD Funding</i> restrictions	Yes
Total Other Income	1,779		
	<u>706,943</u>		

The following expenditures are recorded in the Nacogdoches County general fund and represent funding from the County for copier costs and furniture and equipment:

Copier costs	1,238
Furniture and equipment	<u>940</u>
Total	<u><u>2,178</u></u>

**NACOGDOCHES COUNTY DISTRICT PROBATION DEPARTMENT**

**NOTES TO FINANCIAL STATEMENTS**

**AUGUST 31, 2016**

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

Source of Funds	Amount Received	Restrictions for Use	Expended in Accordance with Restrictions	Fund Balance
Victim Restitution	125,304	Paid directly to victim, Government Code 76.013	Yes	100
Crime Victims' Compensation Fund	12,079	Paid directly to State Comptroller, CCP 42.12	N/A	-
Supervision Fee for Sex Offenders	613	Paid directly to State Comptroller, CCP 42.12	N/A	-
Family Crisis Center Fees	455	Paid directly to Family Crisis Center	N/A	-
Department of Public Safety Fee	9,971	Paid directly to Texas Department of Public Safety	N/A	-
Crime Stopper Fee	24,341	Paid directly to local Crime Stoppers Association	N/A	-
Court Costs	3,133	Local Government Code 113.022	N/A	-
District Attorney Fee	35	Paid directly to the District Attorney	N/A	-
County Clerk Fee	99	Paid directly to the County Clerk	N/A	-
District Clerk Fee	225	Paid directly to the District Clerk	N/A	-
	<u>138,810</u>			<u>100</u>

**NACOGDOCHES COUNTY DISTRICT PROBATION DEPARTMENT**

**NOTES TO FINANCIAL STATEMENTS**

**AUGUST 31, 2016**

**NOTE 5 - CASH, PETTY CASH AND INVESTMENTS**

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 Department. Collection accounts must be transferred to the county treasury within the time frames listed in the Local Government Code 113.022. All Department funds must be in the county treasury and disbursed by the County Treasurer.

The Department does not utilize a petty cash fund.

Idle funds are invested in interest bearing accounts.

**NOTE 6 - EXCESS OF EXPENDITURES OVER BUDGETS IN INDIVIDUAL PROGRAMS**

There were no excess of expenditures over budgets in individual programs.

**NOTE 7 - ACCOUNTS RECEIVABLES AND/OR PAYABLES AS STATED ON THE COMBINED STATEMENT OF FINANCIAL POSITION AS OF AUGUST 31, 2016**

Accounts receivable and payable for the year ended August 31, 2016 consisted of the following amounts:

Miscellaneous receivable	2,068
Prepaid expenditures	1,860
Prepaid insurance	9,222
Accounts payable	25,898
Salaries payable	59,569
Other liabilities	200

**NOTE 8 - INTERFUND TRANSFERS**

Interfund transfers for the year ended August 31, 2016 consisted of the following amounts:

Transfers from the Basic Supervision Program:

To the Community Service Restitution Program - dedicated salary grant & program expenses	3,711
To the Special Services Program - dedicated salary grant	3,178
	<u>6,889</u>

**NACOGDOCHES COUNTY DISTRICT PROBATION DEPARTMENT**

**NOTES TO FINANCIAL STATEMENTS**

**AUGUST 31, 2016**

**NOTE 9 - VENDOR CONTRACTS FOR OFFENDER SERVICES**

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

The Department had an instance of noncompliance with the Contract Management Manual (CMM) in which two vendors were paid for services in excess of \$5,000 with no written contract. Currently, the Department does not have an internal written policy on when contracts are required and how the requirements in contracts are monitored. The CSCD and Fiscal Officer are working together to comply with the CMM.

**NOTE 10 - COMMITMENTS AND CONTINGENCIES**

There are no commitments or contingencies to report for the year ended August 31, 2016.

**NOTE 11 - PRIOR PERIOD ADJUSTMENTS**

There were no prior period adjustments recorded during the fiscal year ended August 31, 2016.

**NOTE 12 - REFUNDS**

There were no prior period refunds recorded during the fiscal year ended August 31, 2016.

**NOTE 13 - SUBSEQUENT EVENTS**

There were no events subsequent to the date of these financial statements that had a material effect on the statements. The Department's management has evaluated subsequent events through February 10, 2017 which is the date that these financial statements were available to be issued.

**NOTE 14 - OTHER**

Currently, the Department does not have an internal written CSR Policy stating that if a Judge allows an offender to pay a fee or donate goods to a local food bank or food pantry in the community in which the defendant resides or another nonprofit organization that: (A) has a 501 (a) IRS exemption as listed in Section 501 (c) (3) of that code and (B) provides services or assistance to needy individuals and families in the community in lieu of performing community service restitution (CSR) work hours. The Department follows the guideline set forth in Article 42.12 of the Code of Criminal Procedures, and was in compliance with these guidelines during the year.

## **Supplemental Schedules**

**NACOGDOCHES COUNTY DISTRICT PROBATION DEPARTMENT  
SCHEDULE OF DIFFERENCES BETWEEN  
AUDIT REPORT AND CSCD REPORTS**

**BASIC SUPERVISION PROGRAM**

**FOR THE YEAR ENDED AUGUST 31, 2016**

	<b>Audit</b>	<b>CSCD Report</b>	<b>Difference</b>
<b>Revenue</b>			
State aid	369,640	369,640	-
SAFPF	8,957	8,957	-
Probation fees	587,962	587,962	-
Payments by program participants	116,001	116,001	-
Interest	1,201	1,201	-
Other	1,779	1,779	-
Total revenue	1,085,540	1,085,540	-
<b>Expenditures</b>			
Salaries and fringe benefits	1,055,465	1,055,465	-
Travel and furnished transportation	21,688	21,688	-
Contract services for offenders	18,240	18,240	-
Professional fees	17,019	17,019	-
Supplies and operating	52,095	52,095	-
Utilities	3,028	3,028	-
Equipment	6,680	6,680	-
Total expenditures	1,174,215	1,174,215	-
<b>Excess revenue over (under) expenditures</b>	(88,675)	(88,675)	-
<b>Other Financing Sources (Uses)</b>			
Interfund transfer in	-	-	-
Interfund transfer out	(6,889)	(6,889)	-
Total other financing sources (uses)	(6,889)	(6,889)	-
<b>Fund balance, September 1, 2015</b>	314,732	314,732	-
Refund due to TDCJ-CJAD	-	-	-
<b>Fund balance, August 31, 2016</b>	219,168	219,168	-

The accompanying notes are an integral part of this financial statement

**NACOGDOCHES COUNTY DISTRICT PROBATION DEPARTMENT  
SCHEDULE OF DIFFERENCES BETWEEN  
AUDIT REPORT AND CSCD REPORTS**

**COMMUNITY SERVICE RESTITUTION PROGRAM**

**FOR THE YEAR ENDED AUGUST 31, 2016**

	<b>Audit</b>	<b>CSCD Report</b>	<b>Difference</b>
<b>Revenue</b>			
State aid	50,429	50,429	-
Total revenue	50,429	50,429	-
<b>Expenditures</b>			
Salaries and fringe benefits	51,349	51,349	-
Professional fees	378	378	-
Supplies and operating	1,172	1,172	-
Equipment	1,241	1,241	-
Total expenditures	54,140	54,140	-
<b>Excess revenue over (under)     expenditures</b>	(3,711)	(3,711)	-
<b>Other Financing Sources (Uses)</b>			
Interfund transfer in	3,711	3,711	-
Interfund transfer out	-	-	-
Total other financing sources (uses)	3,711	3,711	-
	-		
<b>Fund balance, September 1, 2015</b>	-	-	-
Refund due to TDCJ-CJAD	-	-	-
<b>Fund balance, August 31, 2016</b>	-	-	-

The accompanying notes are an integral part of this financial statement

**NACOGDOCHES COUNTY DISTRICT PROBATION DEPARTMENT  
SCHEDULE OF DIFFERENCES BETWEEN  
AUDIT REPORT AND CSCD REPORTS**

**SPECIAL SERVICES PROGRAM**

**FOR THE YEAR ENDED AUGUST 31, 2016**

	<b>Audit</b>	<b>CSCD Report</b>	<b>Difference</b>
<b>Revenue</b>			
State aid	60,694	60,694	-
Total revenue	60,694	60,694	-
<b>Expenditures</b>			
Salaries and fringe benefits	52,640	52,640	-
Professional fees	456	456	-
Total expenditures	53,096	53,096	-
<b>Excess revenue over (under)     expenditures</b>	7,598	7,598	-
<b>Other Financing Sources (Uses)</b>			
Interfund transfer in	3,178	3,178	-
Interfund transfer out	-	-	-
Total other financing sources (uses)	3,178	3,178	-
<b>Fund balance, September 1, 2015</b>	-	-	-
Refund due to TDCJ-CJAD	-	-	-
<b>Fund balance, August 31, 2016</b>	-	-	-

The accompanying notes are an integral part of this financial statement



**NACOGDOCHES COUNTY DISTRICT PROBATION DEPARTMENT  
SCHEDULE OF DIFFERENCES BETWEEN  
AUDIT REPORT AND CSCD REPORTS**

**SEX OFFENDER COUNSELING PROGRAM**

**FOR THE YEAR ENDED AUGUST 31, 2016**

	<b>Audit</b>	<b>CSCD Report</b>	<b>Difference</b>
<b>Revenue</b>			
State aid	10,882	10,882	-
Total revenue	10,882	10,882	-
<b>Expenditures</b>			
Contract services for offenders	10,800	10,800	-
Professional fees	82	82	-
Total expenditures	10,882	10,882	-
<b>Excess revenue over (under)     expenditures</b>	-	-	-
<b>Other Financing Sources (Uses)</b>			
Interfund transfer in	-	-	-
Interfund transfer out	-	-	-
Total other financing sources (uses)	-	-	-
<b>Fund balance, September 1, 2015</b>	-	-	-
Refund due to TDCJ-CJAD	-	-	-
<b>Fund balance, August 31, 2016</b>	-	-	-

The accompanying notes are an integral part of this financial statement

## **Compliance Section**



Goff & Herrington, P.C.

P.O. Box 153320 • Lufkin, TX. 75915 • (936) 875-3317 • Fax:(936) 622-6823

Certified Public Accountants

A.J. Goff, CPA  
Ronnie Herrington, CPA  
Daniel Raney, CPA

**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**

Nacogdoches County District Probation Department  
Nacogdoches, Texas

We have audited, in accordance with the 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 Nacogdoches County District Probation Department (Department), as of and for the year ended August 31, 2016, and the related notes to the financial statements, which collectively comprise the Department’s basic financial statements, and have issued our report thereon dated February 10, 2017.

**Internal Control Over Financial Reporting**

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

**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**

Nacogdoches County District Probation Department

February 10, 2017

Page 2

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the 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 the Nacogdoches County District Probation 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.

*Goff & Herrington, P.C.*

GOFF & HERRINGTON, P.C.

Certified Public Accountants

February 10, 2017

**NACOGDOCHES COUNTY DISTRICT PROBATION DEPARTMENT**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**FOR THE YEAR ENDED AUGUST 31, 2016**

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

**NACOGDOCHES COUNTY DISTRICT PROBATION DEPARTMENT**

**SCHEDULE OF STATUS OF PRIOR FINDINGS**

**FOR THE YEAR ENDED AUGUST 31, 2016**

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

**NACOGDOCHES COUNTY DISTRICT PROBATION DEPARTMENT**

**CORRECTIVE ACTION PLAN**

**FOR THE YEAR ENDED AUGUST 31, 2016**

N/A

# NACOGDOCHES COUNTY DISTRICT PROBATION DEPARTMENT

## FISCAL YEAR 2016 TDCJ-CJAD COMPLIANCE CHECKLIST

AUGUST 31, 2016

The following items represent requirements applicable to accounting for funds received from the Texas Department of Criminal Justice Community Justice Assistance Division (CJAD).

	YES	NO	N/A	
1.	<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.
2.	<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.
3.	<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.
4.	<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 2016 is <b>October 31, 2016</b> .
5.	<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.
6.	<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.
7.	<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.
8.	<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.
9.	<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 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.
10.	<input checked="" type="checkbox"/>	<input type="checkbox"/>		Are all of the CSCD's funds and collections deposited in the county treasury (county's bank account)? ( <i>FMM Pages 7-8</i> ; 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.



**NACOGDOCHES COUNTY DISTRICT PROBATION DEPARTMENT**

**FISCAL YEAR 2016 TDCJ-CJAD COMPLIANCE CHECKLIST**

**AUGUST 31, 2016**

	YES	NO	N/A	
11.	<input checked="" type="checkbox"/>	<input type="checkbox"/>		Are all of the CSCD's funds and collections disbursed by the county treasurer on behalf of the CSCD? ( <i>FMM</i> 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.
12.	<input checked="" type="checkbox"/>	<input type="checkbox"/>		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? ( <i>FMM</i> Pages 7-8) If not, explain in the Notes to the Financial Statements and include in the Schedule of Findings and Questioned Costs.
13.	<input checked="" type="checkbox"/>	<input type="checkbox"/>		Did the Fiscal Officer follow the applicable laws, guidelines, and duties as specified on Pages 34-38 of the <i>Financial Management Manual for TDCJ-CJAD Funding</i> ? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
14.	<input checked="" type="checkbox"/>	<input type="checkbox"/>		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, <i>FMM</i> Pages 39-40) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
15.	<input type="checkbox"/>	<input checked="" type="checkbox"/>		Were there any instances of fraud, non-compliance, waste, or abuse noted by the auditor (Chapter 4, Item 4.25 <i>Government Auditing Standards</i> )? If yes, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
16.	<input checked="" type="checkbox"/>	<input type="checkbox"/>		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.
17.	<input checked="" type="checkbox"/>	<input type="checkbox"/>		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.
18.	<input checked="" type="checkbox"/>	<input type="checkbox"/>		Is surplus equipment disposed of in accordance with TDCJ-CJAD guidelines? ( <i>FMM</i> Page 27-28) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
19.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	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.
20.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	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> Pages 28-29) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

**NACOGDOCHES COUNTY DISTRICT PROBATION DEPARTMENT**

**FISCAL YEAR 2016 TDCJ-CJAD COMPLIANCE CHECKLIST**

**AUGUST 31, 2016**

YES	NO	N/A		
21.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	If the CSCD determines that an increase or decrease in revenue or expenditures is required, were budget adjustments submitted to TDCJ-CJAD, <b>by September 30, 2016</b> , and in accordance with the <i>Financial Management Manual for TDCJ-CJAD Funding?</i> (FMM Pages 8-10) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
22.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	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.
23.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Are Victim Restitution Funds accounted for in accordance with Texas Government Code, Section 76.013, and are unclaimed funds tracked for the required five-year period prior to sending to the State Comptroller? (FMM Page 31) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
24.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Have TDCJ-CJAD policies regarding contracts with vendors been followed, which includes maintaining a Contract Monitoring Plan (policy) to monitor vendor payments and compliance with contracts? (CMM and Pages 13-14 of these Guidelines) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
25.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Does the CSCD have a policy regarding eligibility for employee salary merit increases, if merit or one-time increases are given? (FMM Page 50) 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.
26.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	If a Judge allows an offender to pay a fee or donate goods to a local food bank or food pantry in the community in which the defendant resides or another nonprofit organization that: (A) has a 501 (a) IRS exemption as listed in Section 501 (c) (3) of that code and (B) provides services or assistance to needy individuals and families in the community in which the defendant resides in lieu of performing community service restitution (CSR) work hours, does the CSCD have a written <b>CSR Policy</b> stating that fact? (As amended in Section 16 (f), Article 42.12, Code of Criminal Procedure) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings of Questioned Costs.
27.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Are petty cash funds (not change funds) authorized by the county auditor or fiscal officer? (FMM, Pages 8, 21-22, 27 and 38) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
28.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Are petty cash funds used only for specific purposes for allowable items as listed in the <i>Financial Management Manual for TDCJ-CJAD Funding</i> and expended only for emergency situations authorized by a written policy and approved by the CSCD director?(FMM, Pages 8, 21-22, 27 and 38) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.

**NACOGDOCHES COUNTY DISTRICT PROBATION DEPARTMENT**

**FISCAL YEAR 2016 TDCJ-CJAD COMPLIANCE CHECKLIST**

**AUGUST 31, 2016**

YES	NO	N/A	
			<p>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 (Pre-Trial Bond, Surety Bond, Bail etc.), 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? (<i>FMM</i> Pages 23, 32 and TDCJ-CJAD Policy Statement No. CJAD-PS-09) If not, explain in the Notes to the</p>
29.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
			<p>Financial Statements or in the Schedule of Findings and Questioned Costs.</p>
			<p>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? (<i>FMM</i> Pages 24-25) If not, explain in the Notes to the Financial Statements or in the</p>
30.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
			<p>Schedule of Findings and Questioned Costs.</p>
			<p>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? (<i>FMM</i> Pages 30-31) 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</p>
31.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<p>Schedule of Findings and Questioned Costs.</p>
			<p>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? (<i>FMM</i> Page 31) 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</p>
32.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<p>Questioned Costs.</p>
			<p>Were pretrial diversion/intervention fees properly collected and accounted for as payments by program participants or as community supervision fees? (<i>FMM</i> Pages 31-32, 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</p>
33.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<p>Schedule of Findings and Questioned Costs.</p>
			<p>Is there proper identification on motor vehicles that are issued exempt license plates? (<i>FMM</i> Page 33, Transportation Code, Chapter 721) If not, explain in the Notes to the</p>
34.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<p>Financial Statements or in the Schedule of Findings and Questioned Costs.</p>
			<p>Is the transactions' administrative fee, if collected, accounted for on a consistent basis? (<i>FMM</i> Page 33) If not, explain in the Notes to the Financial Statements or in</p>
35.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<p>the Schedule of Findings and Questioned Costs.</p>

NACOGDOCHES COUNTY DISTRICT PROBATION DEPARTMENT

FISCAL YEAR 2016 TDCJ-CJAD COMPLIANCE CHECKLIST

AUGUST 31, 2016

	YES	NO	N/A	
36.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Were interfund transfers, if any, correctly identified in the financial statements ( <i>FMM</i> , Pages 16-17)? If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
37.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	It is inappropriate for government funded programs to end a fiscal year in a deficit. If there were negative fund balances at the end of the fiscal year, were they covered by interfund transfers as described in the <i>Financial Management Manual</i> for TDCJ-CJAD Funding? ( <i>FMM</i> Page 37) If not, explain in the Notes to the Financial Statements or in the Schedule of Findings and Questioned Costs.
38.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Do action plans exist for all significant findings from prior 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.