

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

**FINANCIAL REPORT**

**AUGUST 31, 2006**

# CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT .....	1
FINANCIAL STATEMENT	
Combined Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (Regulatory Basis).....	3
Notes to Financial Statement .....	7
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statement Performed in Accordance With Government Auditing Standards .....	10
Schedule of Findings and Questioned Costs .....	12



WEAVER  
AND  
TIDWELL

L.L.P.

CERTIFIED PUBLIC  
ACCOUNTANTS  
AND CONSULTANTS

## INDEPENDENT AUDITOR'S REPORT

The Tarrant County Juvenile Board  
Tarrant County, Texas

We have audited the combined statement of revenues, expenditures and changes in fund balance - budget and actual (regulatory basis) for the year ended August 31, 2006 of the Tarrant County Juvenile Probation Department, Texas Juvenile Probation Commission Grant Funds. This statement is the responsibility of the Department's management. Our responsibility is to express an opinion on the financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement is free of material misstatement. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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

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

In our opinion, the financial statement referred to above presents fairly, in all material respects, the results of operations of the Department's TJPC Grant Funds for the year ended August 31, 2006 in conformity with the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued our report dated January 26, 2007, on our consideration of the Department's internal control over financial reporting and on our tests of its compliance with certain laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing

DALLAS

Two Texas Plaza  
1221 Maple Drive

Suite 1100

Dallas, Texas 75201-2280

972.990.1976

1.972.762.8221

FORT WORTH

1600 West Avenue North  
Suite 300

Fort Worth, Texas 76101-1506

817.332.7905

1.817.293.9236

WWW.WEAVERANDTIDWELL.COM

AN INDEPENDENT MEMBER OF  
BAKER TILLY  
INTERNATIONAL

The Tarrant County Juvenile Board

Page 2

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

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

*Weaver and Tidwell, L.L.P.*

WEAVER AND TIDWELL, L.L.P.

Fort Worth, Texas  
January 26, 2007

JUVENILE BOARD OF TARRANT COUNTY, TEXAS  
TEXAS JUVENILE PROBATION COMMISSION GRANT FUNDS  
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL (REGULATORY BASIS)  
FOR THE YEAR ENDED AUGUST 31, 2006

	State Aid TJPC-A-2006-220			Progressive Sanctions JPO TJPC-F-2006-220			Progressive Sanctions 1-2-3 TJPC-G-2006-220		
	Budget	Actual	Favorable (Unfavorable) Variance	Budget	Actual	Favorable (Unfavorable) Variance	Budget	Actual	Favorable (Unfavorable) Variance
<b>REVENUES</b>									
Commission Grant Funds	\$ 704,848	\$ 704,848	\$ -	\$ 619,758	\$ 619,758	\$ -	\$ 202,053	\$ 202,053	\$ -
Interest									
Total Revenue	\$ 704,848	\$ 704,848	\$ -	\$ 619,758	\$ 619,758	\$ -	\$ 202,053	\$ 202,053	\$ -
<b>EXPENDITURES</b>									
Salaries and Fringe Benefits	\$ 412,333	\$ 415,969	\$ (3,636)	\$ 619,758	\$ 619,758	\$ -	\$ 182,053	\$ 182,053	\$ -
Travel	\$ 44,000	\$ 44,030	\$ (30)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenses	\$ 20,000	\$ 14,275	\$ 5,725	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non-Residential Services	\$ 228,515	\$ 230,574	\$ (2,059)	\$ -	\$ -	\$ -	\$ 20,000	\$ 20,000	\$ -
Residential Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 704,848	\$ 704,848	\$ -	\$ 619,758	\$ 619,758	\$ -	\$ 202,053	\$ 202,053	\$ -
<b>EXCESS REVENUES OVER EXPENDITURES</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balance, Beginning of period	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balance, End of period	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

See notes to financial statement.

JUVENILE BOARD OF TARRANT COUNTY, TEXAS  
TEXAS JUVENILE PROBATION COMMISSION GRANT FUNDS  
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL (REGULATORY BASIS)  
FOR THE YEAR ENDED AUGUST 31, 2006

	Special Needs Diversionary TJPC-M-2006-220			Progressive Sanctions ISP TJPC-O-2006-220			JJAEP Start Up Operations TJPC-P-2006-220		
	Budget	Actual	Favorable (Unfavorable) Variance	Budget	Actual	Favorable (Unfavorable) Variance	Budget	Actual	Favorable (Unfavorable) Variance
<b>REVENUES</b>									
Commission Grant Funds	\$ 271,000	\$ 271,000	\$ -	\$ 187,728	\$ 187,728	\$ -	\$ 608,762	\$ 608,762	\$ -
Interest									
Total Revenue	\$ 271,000	\$ 271,000	\$ -	\$ 187,728	\$ 187,728	\$ -	\$ 608,762	\$ 608,762	\$ -
<b>EXPENDITURES</b>									
Salaries and Fringe Benefits	\$ 271,000	\$ 271,000	\$ -	\$ 187,728	\$ 187,728	\$ -	\$ -	\$ -	\$ -
Travel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non-Residential Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 608,762	\$ 608,762	\$ -
Residential Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 271,000	\$ 271,000	\$ -	\$ 187,728	\$ 187,728	\$ -	\$ 608,762	\$ 608,762	\$ -
<b>EXCESS REVENUES OVER EXPENDITURES</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balance, Beginning of period	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balance, End of period	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

See notes to financial statement.

JUVENILE BOARD OF TARRANT COUNTY, TEXAS  
 TEXAS JUVENILE PROBATION COMMISSION GRANT FUNDS  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
 BUDGET AND ACTUAL (REGULATORY BASIS)  
 FOR THE YEAR ENDED AUGUST 31, 2006

	IV-E Contracts TJPC-E-2004-220			IV-E Contracts TJPC-E-2005-220			IV-E Contracts TJPC-E-2006-220		
	Budget	Actual	Favorable (Unfavorable) Variance	Budget	Actual	Favorable (Unfavorable) Variance	Budget	Actual	Favorable (Unfavorable) Variance
<b>REVENUES</b>									
Commission Grant Funds	\$ -	\$ 1,778	\$ 1,778	\$ -	\$ 3,201,727	\$ 3,201,727	\$ 2,102,850	\$ 2,102,850	\$ -
Interest							\$ 163,943	\$ 163,943	\$ 163,943
Total Revenue	\$ -	\$ 1,778	\$ 1,778	\$ -	\$ 3,201,727	\$ 3,201,727	\$ 2,102,850	\$ 2,266,793	\$ 163,943
<b>EXPENDITURES</b>									
Salaries and Fringe Benefits	\$ -	\$ 234,763	\$ (234,763)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Travel	\$ -	\$ 6,537	\$ (6,537)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenses	\$ -	\$ 46,597	\$ (46,597)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non-Residential Services	\$ -	\$ 2,052,177	\$ (2,052,177)	\$ -	\$ -	\$ -	\$ 2,028,288	\$ -	\$ 2,028,288
Residential Services	\$ -	\$ 661,184	\$ (661,184)	\$ -	\$ 344,310	\$ (344,310)	\$ 74,562	\$ -	\$ 74,562
Total Expenditures	\$ -	\$ 3,001,258	\$ (3,001,258)	\$ -	\$ 344,310	\$ (344,310)	\$ 2,102,850	\$ -	\$ 2,102,850
<b>EXCESS REVENUES OVER EXPENDITURES</b>	\$ -	\$ (2,999,480)	\$ (2,999,480)	\$ -	\$ 2,857,417	\$ 2,857,417	\$ -	\$ 2,266,793	\$ 2,266,793
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balance, Beginning of period	\$ -	\$ 2,999,480	\$ 2,999,480	\$ -	\$ 43,403	\$ 43,403	\$ -	\$ -	\$ -
Fund Balance, End of period	\$ -	\$ -	\$ -	\$ -	\$ 2,900,820	\$ 2,900,820	\$ -	\$ 2,266,793	\$ 2,266,793

See notes to financial statement.

JUVENILE BOARD OF TARRANT COUNTY, TEXAS  
TEXAS JUVENILE PROBATION COMMISSION GRANT FUNDS  
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL (REGULATORY BASIS)  
FOR THE YEAR ENDED AUGUST 31, 2006

	Community Corrections TJPC-Y-2006-220			Salary Adjustment TJPC-Z-2006-220			Total (Memorandum only)		
	Budget	Actual	Favorable (Unfavorable) Variance	Budget	Actual	Favorable (Unfavorable) Variance	Budget	Actual	Favorable (Unfavorable) Variance
<b>REVENUES</b>									
Commission Grant funds	\$ 1,533,397	\$ 1,533,397	\$ -	\$ 501,600	\$ 501,600	\$ -	\$ 6,731,996	\$ 9,935,501	\$ 3,203,505
Interest							\$ -	\$ 163,943	\$ (163,943)
Total Revenue	\$ 1,533,397	\$ 1,533,397	\$ -	\$ 501,600	\$ 501,600	\$ -	\$ 6,731,996	\$ 10,099,444	\$ 3,367,448
<b>EXPENDITURES</b>									
Salaries and Fringe Benefits	\$ 229,050	\$ 209,441	\$ 19,609	\$ 501,600	\$ 501,600	\$ -	\$ 2,403,522	\$ 2,622,312	\$ (218,790)
Travel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44,000	\$ 50,567	\$ (6,567)
Operating Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000	\$ 60,872	\$ (40,872)
Non-Residential Services	\$ 291,000	\$ 290,318	\$ 682	\$ -	\$ -	\$ -	\$ 3,176,565	\$ 3,201,831	\$ (25,266)
Residential Services	\$ 1,013,347	\$ 1,033,638	\$ (20,291)	\$ -	\$ -	\$ -	\$ 1,087,909	\$ 2,039,132	\$ (951,223)
Total Expenditures	\$ 1,533,397	\$ 1,533,397	\$ -	\$ 501,600	\$ 501,600	\$ -	\$ 6,731,996	\$ 7,974,714	\$ (1,242,718)
<b>EXCESS REVENUES OVER EXPENDITURES</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	# \$ -	\$ 2,124,730	\$ (2,124,730)
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balance, Beginning of period	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,042,883	\$ (3,042,883)
Fund Balance, End of period	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,167,613	\$ (5,167,613)

See notes to financial statement.



**JUVENILE BOARD OF TARRANT COUNTY, TEXAS  
TEXAS JUVENILE PROBATION COMMISSION GRANT FUNDS  
NOTES TO FINANCIAL STATEMENT  
FOR THE YEAR ENDED AUGUST 31, 2006**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Entity**

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

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

**Basis of Accounting**

The combined financial statement is reported with the accrual basis of accounting, in accordance with the Governmental Auditing Standards, a comprehensive basis of accounting other than generally accepted accounting principles.

**NOTE 2. RECONCILIATION OF ACCRUED INTEREST**

	<u>Interest Earned Commission Funds Fiscal Year 2006</u>	<u>Interest Earned Title IV E Funds Fiscal Year 2006</u>	<u>Totals</u>
Beginning balance-September 1, 2005	\$ 19,977	\$ 203,820	\$ 223,797
Interest accrued on funds received from TJPC in the period of September 1, 2005 to August 31, 2006	<u>20,745</u>	<u>163,943</u>	<u>184,688</u>
Total accrued interest at August 31, 2006	40,722	367,763	408,485
Minus expenditures in fiscal year 2006	<u>17,428</u>	<u>367,763</u>	<u>385,191</u>
Ending balance-August 31, 2006	<u>\$ 23,294</u>	<u>\$ -</u>	<u>\$ 23,294</u>

**JUVENILE BOARD OF TARRANT COUNTY, TEXAS  
TEXAS JUVENILE PROBATION COMMISSION GRANT FUNDS  
NOTES TO FINANCIAL STATEMENT  
FOR THE YEAR ENDED AUGUST 31, 2006**

**NOTE 3. FEDERAL FINANCIAL ASSISTANCE**

The Texas Juvenile Probation Commission administers, along with the Texas Department of Family and Protective Services, the Title IV-E Program (CFDA 93.658). The Commission disburses funds to Tarrant County on a cost reimbursement basis. A confirmation of revenue received in the year ended August 31, 2006 is required and presented below. This includes receipts for direct and enhanced administrative foster care claims.

<u>Title IV-E Foster Care Contract Number</u>	<u>Amount Received (Cash Basis) August 31, 2006</u>
TJPC-E-2004-220	\$ 1,778
TJPC-E-2005-220	3,201,727
TJPC-E-2006-220	<u>944,721</u>
 Total	 <u>\$ 4,148,226</u>

**NOTE 4. PROGRESSIVE SANCTIONS OFFICERS**

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

<u>Contract Section</u>	<u>Awarded Funding</u>	<u>Expenditures</u>
Grant F – FY 2006		
Progressive Sanctions JPO		
B. Basic PSO fiscal year 96-97 \$22,179	\$ 399,222	\$ 399,222
C. Basic PSO fiscal year 98-99 \$27,567	220,536	220,536
Grant O – FY 2006		
Progressive Sanctions ISJPO		
B. ISP PSO fiscal year 96-97 \$26,502	106,008	106,008
C. ISP PSO fiscal year 98-99 \$27,240	<u>81,720</u>	<u>81,720</u>
 Total	 <u>\$ 807,486</u>	 <u>\$ 807,486</u>

**JUVENILE BOARD OF TARRANT COUNTY, TEXAS  
TEXAS JUVENILE PROBATION COMMISSION GRANT FUNDS  
NOTES TO FINANCIAL STATEMENT  
FOR THE YEAR ENDED AUGUST 31, 2006**

**NOTE 5. SALARY ADJUSTMENT**

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

Total population:                    185 Certified JPOs

Sample size:                         19 Certified JPOs

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



**WEAVER  
AND  
TIDWELL**

*L.L.P.*

CERTIFIED PUBLIC  
ACCOUNTANTS  
AND CONSULTANTS

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

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

We have audited the combined financial statement of the Tarrant County Juvenile Probation Department Texas Juvenile Probation Commission Grant Funds for the year ended August 31, 2006, and have issued our report thereon dated January 26, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Tarrant County Juvenile Probation Department's (the Department) internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statement and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statement being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As a part of obtaining reasonable assurance about whether the Department's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements; and general financial, progressive sanctions, salary adjustment, JJAEP and IV-E assurances, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. Compliance with laws, regulations, contracts, grants and requirements of the Texas Juvenile Probation Commission Audit Requirements is the responsibility of the management of the County. The results of our tests disclosed no material instances of

DALLAS

*1000 Ross Street  
3222 West Tower  
Suite 1100  
Dallas, Texas 75201-2200  
214.766.1930  
1-877-399-3231*

FORT WORTH

*1000 Ross Street, Suite 1100  
Suite 500  
1000 Ross Street, Suite 500  
Fort Worth, Texas  
1-817-496-9930*

WWW.WEAVERANDTIDWELL.COM

AN INDEPENDENT MEMBER OF  
BAKER TILLY  
INTERNATIONAL

noncompliance or other matters that are required to be reported under Government Auditing Standards and Texas Juvenile Probation Commission Audit Requirements.

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

*Weaver and Tidwell, L.L.P.*

WEAVER AND TIDWELL, L.L.P.

Fort Worth, Texas  
January 26, 2007

**JUVENILE BOARD OF TARRANT COUNTY, TEXAS  
TEXAS JUVENILE PROBATION COMMISSION GRANT FUNDS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED AUGUST 31, 2006**

No Current Year Findings

No Prior Year Findings