

**CAMERON COUNTY, TEXAS
TEXAS JUVENILE JUSTICE DEPARTMENT GRANT FUNDS**

**FINANCIAL STATEMENTS
AND
REPORT OF INDEPENDENT CERTIFIED
PUBLIC ACCOUNTANTS**

August 31, 2014

CAMERON COUNTY, TEXAS
TEXAS JUVENILE JUSTICE DEPARTMENT GRANT FUNDS

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INDEPENDENT AUDITOR'S REPORT

The Honorable County Judge and
County Commissioners' Court
Cameron County Juvenile Board
Cameron County, Texas

We have audited the accompanying financial statements of the Texas Juvenile Justice Department Grant Funds of Cameron County Juvenile Probation Department (Department), which comprise the combined balance sheet as of August 31, 2014, the statement of revenues, expenditures and changes in fund balances – budget and actual-regulatory basis for the year ended August 31, 2014 and the related notes to the financial statements.

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 Juvenile Justice Department. Management is also responsible for 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 error or fraud.

Auditor's Responsibility

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined balance sheet as of August 31, 2014, the revenue earned and expenditures incurred compared to budgeted revenues and expenditures of the Department's Texas Juvenile Justice Department Grant Funds for the year ended August 31, 2014, in accordance with the financial reporting provisions of the Texas Juvenile Justice Department 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 Texas Juvenile Justice Department, 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 Texas Juvenile Justice Department. Our opinion is not modified with respect to that matter.

Emphasis of Matter

As described in Note 1, the financial statement presents the results of operations of the Department's Texas Juvenile Justice Department 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated January 15, 2015, on our consideration of the Department's internal control over financial reporting and on our tests of its compliance with certain laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Cameron County's internal control over financial reporting and compliance.

Restriction on Use

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



Brownsville, Texas
January 15, 2015

FINANCIAL STATEMENTS

CAMERON COUNTY, TEXAS
TEXAS JUVENILE JUSTICE DEPARTMENT GRANT FUNDS

TEXAS JUVENILE JUSTICE DEPARTMENT GRANT FUNDS
COMBINED BALANCE SHEET - (REGULATORY BASIS)

August 31, 2014

ASSETS

| | | Mental Health Needs | Prevention & Intervention Program | |
|----------------------------|----|------------------------------------|-----------------------------------|--------------|
| | | TJJD-N-14-031 | TJJD-S-14-031 | |
| | | Special Needs Diversionary Program | Commitment Reduction Grant | |
| | | TJJD-M-14-031 | TJJD-C-14-031 | |
| | | State Aid | Border Children's Justice Project | |
| | | TJJD-A-13-031 | TJJD-B-14-031 | |
| | | State Aid | Title IV-E | |
| | | TJJD-A-14-031 | TJJD-E-14-031 | |
| | | | | Combined |
| | | | | Total |
| Assets | | | | |
| Cash | \$ | 617,262 | 655,532 | \$ 1,272,794 |
| Accounts receivable | | 42,222 | 18,586 | 60,808 |
| Investments | | 71,702 | 2,625,571 | 2,697,273 |
| Due from state | | - | - | - |
| Due from other governments | | 473,036 | 129,332 | 602,368 |
| Due from other funds | | - | 82,092 | 82,092 |
| Prepaid expenditures | | 2,273 | - | 2,273 |
| Total assets | \$ | 1,206,495 | 3,511,113 | \$ 4,717,608 |

LIABILITIES AND FUND BALANCE

| | | | | |
|--------------------------------------|----|-----------|-----------|--------------|
| Liabilities | | | | |
| Accounts payable | \$ | 132,169 | 11,711 | \$ 143,880 |
| Wages and fringe benefits payable | | 43,327 | 8,888 | 52,215 |
| Due to state | | 2,872 | 7,482 | 10,354 |
| Due to other governments | | 10 | 4,127 | 4,137 |
| Due to other funds | | 82,092 | - | 82,092 |
| Restitution payable | | 5,441 | 574 | 6,015 |
| Total liabilities | | 265,911 | 32,782 | 298,693 |
| Fund Balance | | | | |
| Reserved - Title IV-E Enhancement | | - | 2,034,031 | 2,034,031 |
| Reserved - Title IV-E Reimbursement | | - | 1,408,674 | 1,408,674 |
| Reserved - Harlingen Outreach Center | | - | 35,626 | 35,626 |
| Reserved - Boot Camp | | 432,040 | - | 432,040 |
| Reserved - Cameron Park | | - | - | - |
| Reserved - Detention Center | | 222,548 | - | 222,548 |
| Unreserved | | 285,996 | - | 285,996 |
| Total fund balance | | 940,584 | 3,478,331 | 4,418,915 |
| Total liabilities and fund balance | \$ | 1,206,495 | 3,511,113 | \$ 4,717,608 |

See Notes to Financial Statements

CAMERON COUNTY, TEXAS
TEXAS JUVENILE JUSTICE DEPARTMENT GRANT FUNDS

BORDER CHILDREN'S JUSTICE PROJECT
TJJD-B-14-031
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - (REGULATORY BASIS)
For the Year Ended August 31, 2014

| | <u>Budget</u> | <u>Actual</u> | <u>Budget Variance</u> |
|---|---------------|---------------|----------------------------|
| Revenues | | | |
| TJJD grants | \$ 24,847 | \$ 24,847 | \$ - |
| Total Revenues | <u>24,847</u> | <u>24,847</u> | <u>-</u> |
| Expenditures | | | |
| Salaries and fringe benefits | 24,847 | 24,847 | - |
| Travel and training | - | - | - |
| Operating expenditures | - | - | - |
| Inter-County contracts | - | - | - |
| External contracts | - | - | - |
| Total Expenditures | <u>24,847</u> | <u>24,847</u> | <u>-</u> |
| Excess of revenues over(under) expenditures | - | - | - |
| Fund Balance, September 1, 2013 | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balance, August 31, 2014 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Refunds paid to TJJD for the period of Fiscal Year 2014 | | | |
| 10/22/14 | | \$ 106 | |

See Notes to Financial Statements.

CAMERON COUNTY, TEXAS
TEXAS JUVENILE JUSTICE DEPARTMENT GRANT FUNDS

STATE AID GRANT
TJJD-A-14-031
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - (REGULATORY BASIS)
For the Year Ended August 31, 2014

| | Budget | Actual | Budget Variance |
|---|------------------|------------------|--------------------|
| Revenues | | | |
| TJJD grants | \$ 2,409,882 | \$ 2,409,882 | \$ - |
| Total Revenues | <u>2,409,882</u> | <u>2,409,882</u> | <u>-</u> |
| Expenditures | | | |
| Salaries and fringe benefits | 1,728,595 | 1,728,595 | - |
| Travel and training | 62,760 | 62,760 | - |
| Operating expenditures | 113,102 | 113,102 | - |
| Inter-County contracts | 151,465 | 151,465 | - |
| External contracts | 353,960 | 353,960 | - |
| Total Expenditures | <u>2,409,882</u> | <u>2,409,882</u> | <u>-</u> |
| Excess of revenues over(under) expenditures | - | - | - |
| Fund Balance, September 1, 2013 | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balance, August 31, 2014 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

See Notes to Financial Statements.

CAMERON COUNTY, TEXAS
TEXAS JUVENILE JUSTICE DEPARTMENT GRANT FUNDS

SPECIAL NEEDS DIVERSIONARY PROGRAM
TJJD-M-14-031
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - (REGULATORY BASIS)
For the Year Ended August 31, 2014

| | Budget | Actual | Budget Variance |
|---|----------------|----------------|--------------------|
| Revenues | | | |
| TJJD grants | \$ 104,444 | \$ 104,444 | \$ - |
| Total Revenues | <u>104,444</u> | <u>104,444</u> | <u>-</u> |
| Expenditures | | | |
| Salaries and fringe benefits | 98,223 | 98,223 | - |
| Travel and training | 3,490 | 3,490 | - |
| Operating expenditures | 2,731 | 2,731 | - |
| Inter-County contracts | - | - | - |
| External contracts | - | - | - |
| Total Expenditures | <u>104,444</u> | <u>104,444</u> | <u>-</u> |
| Excess of revenues over(under) expenditures | - | - | - |
| Fund Balance, September 1, 2013 | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balance, August 31, 2014 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Refunds paid to TJJD for the period of Fiscal Year 2014 | | | |
| 10/22/14 | | \$ 2,718 | |

See Notes to Financial Statements.

CAMERON COUNTY, TEXAS
TEXAS JUVENILE JUSTICE DEPARTMENT GRANT FUNDS

COMMITMENT REDUCTION GRANT
TJJD-C-14-031
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - (REGULATORY BASIS)
For the Year Ended August 31, 2014

| | Budget | Actual | Budget Variance |
|---|----------------|----------------|--------------------|
| Revenues | | | |
| TJJD grants | \$ 249,493 | \$ 249,493 | \$ - |
| Total Revenues | <u>249,493</u> | <u>249,493</u> | <u>-</u> |
| Expenditures | | | |
| Salaries and fringe benefits | 238,986 | 238,986 | - |
| Travel and training | - | - | - |
| Operating expenditures | 10,507 | 10,507 | - |
| Inter-County contracts | - | - | - |
| External contracts | - | - | - |
| Total Expenditures | <u>249,493</u> | <u>249,493</u> | <u>-</u> |
| Excess of revenues over(under) expenditures | - | - | - |
| Fund Balance, September 1, 2013 | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balance, August 31, 2014 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Refunds paid to TJJD for the period of Fiscal Year 2014 | | | |
| 10/22/14 | | \$ 3,250 | |

See Notes to Financial Statements.

CAMERON COUNTY, TEXAS
TEXAS JUVENILE JUSTICE DEPARTMENT GRANT FUNDS

PREVENTION & INTERVENTION GRANT "S"
TJJD-S-14-031
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - (REGULATORY BASIS)
For the Year Ended August 31, 2014

| | Budget | Actual | Budget Variance |
|---|----------------|----------------|--------------------|
| Revenues | | | |
| TJJD grants | \$ 122,798 | \$ 122,798 | \$ - |
| Total Revenues | <u>122,798</u> | <u>122,798</u> | <u>-</u> |
| Expenditures | | | |
| Salaries and fringe benefits | 110,817 | 110,817 | - |
| Travel and training | - | - | - |
| Operating expenditures | 6,041 | 6,041 | - |
| Inter-County contracts | - | - | - |
| External contracts | 5,940 | 5,940 | - |
| Total Expenditures | <u>122,798</u> | <u>122,798</u> | <u>-</u> |
| Excess of revenues over(under) expenditures | - | - | - |
| Fund Balance, September 1, 2013 | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balance, August 31, 2014 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Refunds paid to TJJD for the period of Fiscal Year 2014 | | | |
| 10/22/14 | | \$ 4,126 | |

See Notes to Financial Statements.

CAMERON COUNTY, TEXAS
TEXAS JUVENILE JUSTICE DEPARTMENT GRANT FUNDS

MENTAL HEALTH SERVICES GRANT
TJJD-N-14-031
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - (REGULATORY BASIS)
For the Year Ended August 31, 2014

| | Budget | Actual | Budget Variance |
|---|----------------|----------------|--------------------|
| Revenues | | | |
| TJJD grants | \$ 272,494 | \$ 272,494 | \$ - |
| Total Revenues | <u>272,494</u> | <u>272,494</u> | <u>-</u> |
| Expenditures | | | |
| Salaries and fringe benefits | 32,196 | 32,196 | - |
| Travel and training | - | - | - |
| Operating expenditures | - | - | - |
| Inter-County contracts | - | - | - |
| External contracts | 240,298 | 240,298 | - |
| Total Expenditures | <u>272,494</u> | <u>272,494</u> | <u>-</u> |
| Excess of revenues over(under) expenditures | - | - | - |
| Fund Balance, September 1, 2013 | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balance, August 31, 2014 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Refunds paid to TJJD for the period of Fiscal Year 2014 | | | |
| 10/22/14 | | \$ 154 | |

See Notes to Financial Statements.