

**FORT BEND COUNTY, TEXAS
JUVENILE PROBATION DEPARTMENT
TEXAS JUVENILE JUSTICE
DEPARTMENT GRANT FUNDS**

**ANNUAL FINANCIAL AND
COMPLIANCE REPORT**

Year Ended August 31, 2022

FORT BEND COUNTY, TEXAS
JUVENILE PROBATION DEPARTMENT
TEXAS JUVENILE JUSTICE DEPARTMENT GRANT FUNDS
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INDEPENDENT AUDITOR'S REPORT

Fort Bend County Juvenile Board
and Kyle Dobbs, Chief Juvenile Probation Officer
Fort Bend County Juvenile Probation Department
Fort Bend County, Texas

Report on the Audit of Financial Statements

Opinions

We have audited the accompanying financial statements of the Texas Juvenile Justice Department Grant Funds of Fort Bend County Juvenile Probation Department (the "Department"), which comprise the statements of revenues, expenditures and changes in fund balances – budget and actual – regulatory basis, for the year ended August 31, 2022, and the related notes to the financial statements.

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, 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, 2022, in accordance with the financial reporting provisions of the Texas Juvenile Justice Department as described in Note 1.

Basis for Opinions

We conducted our audit in accordance with the auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Department, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management 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 fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Department's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Fort Bend County Juvenile Board
and Kyle Dobbs, Chief Juvenile Probation Officer
Fort Bend County Juvenile Probation Department
Fort Bend County, Texas

Auditor’s Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Departments internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting polices used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Departments ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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 discussed in Note 1, the financial statements present the operations of the Department’s Texas Juvenile Justice Department Grant Funds only and are not intended to present fairly the results of operations of Fort Bend County, Texas in conformity with accounting principles generally accepted in the United States of America.

Fort Bend County Juvenile Board
and Kyle Dobbs, Chief Juvenile Probation Officer
Fort Bend County Juvenile Probation Department
Fort Bend County, Texas

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 3, 2023, on our consideration of the Department's internal control over financial reporting and our tests of its compliance with certain provisions of 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 the Department's internal control over financial reporting and compliance.

Restriction of Use

This report is intended solely for the information and use of management, Fort Bend County, others within the 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.

The image shows a handwritten signature in black ink that reads "Whitley Penn LLP". The signature is written in a cursive, flowing style.

Houston, Texas
February 3, 2023

FORT BEND COUNTY, TEXAS
TEXAS JUVENILE JUSTICE DEPARTMENT GRANT FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (REGULATORY BASIS)
For the Year Ended August 31, 2022

State Aid Agreement
Grant A-2022-079

Revenues	Final Budget	Actual	Variance
TJJD Funds	\$ 2,302,898	\$ 2,302,898	\$ -
Total Revenues	<u>2,302,898</u>	<u>2,302,898</u>	<u>-</u>
Expenditures			
Basic Probation Services	591,595	591,595	-
Community Programs	789,034	789,034	-
Pre Post Adjudications	388,611	388,611	-
Commitment Division	149,925	149,925	-
Mental Health Services	383,733	383,733	-
Total Expenditures	<u>2,302,898</u>	<u>2,302,898</u>	<u>-</u>
Excess Revenues over Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, September 1, 2021	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, August 31, 2022	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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

FORT BEND COUNTY, TEXAS
TEXAS JUVENILE JUSTICE DEPARTMENT GRANT FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (REGULATORY BASIS)
For the Year Ended August 31, 2022

Special Needs Diversionary
Grant M-2022-079

Revenues	Final Budget	Actual	Variance
TJJD Funds	\$ 54,413	\$ 54,413	\$ -
Total Revenues	54,413	54,413	-
Expenditures			
Basic Probation Services	-	-	-
Community Programs	54,413	54,413	-
Pre Post Adjudications	-	-	-
Commitment Division	-	-	-
Mental Health Services	-	-	-
Total Expenditures	54,413	54,413	-
Excess Revenues over Expenditures	-	-	-
Fund balance, September 1, 2021	-	-	-
Fund balance, August 31, 2022	\$ -	\$ -	\$ -

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

FORT BEND COUNTY, TEXAS
TEXAS JUVENILE JUSTICE DEPARTMENT GRANT FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (REGULATORY BASIS)
For the Year Ended August 31, 2022

Risk & Needs Assessment
Grant RN-2022-079

Revenues	Final Budget	Actual	Variance
TJJD Funds	\$ 31,213	\$ 31,213	\$ -
Total Revenues	<u>31,213</u>	<u>31,213</u>	<u>-</u>
 Expenditures			
Basic Probation Services	-	-	-
Community Programs	31,213	31,213	-
Pre Post Adjudications	-	-	-
Commitment Division	-	-	-
Mental Health Services	-	-	-
Total Expenditures	<u>31,213</u>	<u>31,213</u>	<u>-</u>
 Excess Revenues over Expenditures	 <u>-</u>	 <u>-</u>	 <u>-</u>
 Fund balance, September 1, 2021	 <u>-</u>	 <u>-</u>	 <u>-</u>
 Fund balance, August 31, 2022	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ -</u>

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

FORT BEND COUNTY, TEXAS
TEXAS JUVENILE JUSTICE DEPARTMENT GRANT FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (REGULATORY BASIS)
For the Year Ended August 31, 2022

PREA - Audit Assistance
Grant PA-2022-079

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
TJJD Funds	\$ 5,995	\$ 5,995	\$ -
Total Revenues	<u>5,995</u>	<u>5,995</u>	<u>-</u>
Expenditures			
Basic Probation Services	-	-	-
Community Programs	-	-	-
Pre Post Adjudications	5,995	5,995	-
Commitment Division	-	-	-
Mental Health Services	-	-	-
Total Expenditures	<u>5,995</u>	<u>5,995</u>	<u>-</u>
Excess Revenues over Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, September 1, 2021	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, August 31, 2022	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

FORT BEND COUNTY, TEXAS
TEXAS JUVENILE JUSTICE DEPARTMENT GRANT FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (REGULATORY BASIS)
For the Year Ended August 31, 2022

Prevention and Intervention
Grant S-2022-079

Revenues	Final Budget	Actual	Variance
TJJD Funds	\$ 194,737	\$ 194,737	\$ -
Total Revenues	194,737	194,737	-
Expenditures			
Basic Probation Services	-	-	-
Community Programs	194,737	194,737	-
Pre Post Adjudications	-	-	-
Commitment Division	-	-	-
Mental Health Services	-	-	-
Total Expenditures	194,737	194,737	-
Excess Revenues over Expenditures	-	-	-
Fund balance, September 1, 2021	-	-	-
Fund balance, August 31, 2022	\$ -	\$ -	\$ -

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

FORT BEND COUNTY, TEXAS
TEXAS JUVENILE JUSTICE DEPARTMENT GRANT FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (REGULATORY BASIS)
For the Year Ended August 31, 2022

Juvenile Justice Alternative Education Program
Grant W-2021-079

	Final	Prior Year	Current	To Date	Variance
	Budget	Activity	Year	Activity	
			Activity		
Revenues					
TJJD Funds	\$ 7,502	\$ 7,502	\$ -	\$ 7,502	\$ -
Total Revenues	<u>7,502</u>	<u>7,502</u>	<u>-</u>	<u>7,502</u>	<u>-</u>
Expenditures					
Basic Probation Services	-	-	-	-	-
Community Programs	7,502	-	7,502	7,502	-
Pre Post Adjudications	-	-	-	-	-
Commitment Division	-	-	-	-	-
Mental Health Services	-	-	-	-	-
Total Expenditures	<u>7,502</u>	<u>-</u>	<u>7,502</u>	<u>7,502</u>	<u>-</u>
Excess Revenues over Expenditures	<u>-</u>	<u>7,502</u>	<u>(7,502)</u>	<u>-</u>	<u>-</u>
Fund balance, Beginning	<u>-</u>	<u>-</u>	<u>7,502</u>	<u>-</u>	<u>-</u>
Fund balance, Ending	<u>\$ -</u>	<u>\$ 7,502</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

FORT BEND COUNTY, TEXAS
JUVENILE PROBATION DEPARTMENT
TEXAS JUVENILE JUSTICE DEPARTMENT
NOTES TO REGULATORY BASIS FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

A. Reporting Entity

The Texas Juvenile Department Grant Funds of Fort Bend County, Texas (the Funds) were established to account for juvenile probation services funded by the Texas Juvenile Justice Department (TJJD) in Fort Bend County, Texas.

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

B. Basis of Presentation and Accounting

The financial statements were prepared in conformity with the accounting practices prescribed by the Texas Juvenile Justice Department (TJJD), which prescribes policies and procedures for county probation departments, which is a comprehensive basis of accounting other than generally accepted accounting principles. These accounting practices include the following:

- The financial statements are reported using the accrual basis of accounting. Revenues are recorded when all eligibility requirements have been met and expenditures are recorded when incurred.
- The accompanying financial statements do not represent financial statements prepared in accordance with provisions for governmental funds as prescribed by the Governmental Accounting Standards Board.
- The accompanying financial statements are prepared in a format to facilitate uniform financial reporting by county probation departments.

FORT BEND COUNTY, TEXAS
JUVENILE PROBATION DEPARTMENT
TEXAS JUVENILE JUSTICE DEPARTMENT
NOTES TO REGULATORY BASIS FINANCIAL STATEMENTS
(continued)

Note 2 - Reconciliation of Interest Earned

Idle funds were maintained in an interest bearing account. The reconciliation of earned interest earned on funds received from TJJD is as follows:

	<u>Interest Earned TJJD Funds FY 2022</u>	<u>Interest Earned Title IV-E FY 2022</u>	<u>Totals</u>
Beginning balance, Sept. 1, 2021	\$ -	\$ -	\$ -
Interest earned on funds received from TJJD in the period Sept. 1, 2021 - Aug. 31, 2022	3,432	2,361	5,793
	<u>-</u>	<u>-</u>	<u>-</u>
Total Interest at Aug. 31, 2022	3,432	2,361	5,793
Minus expenditures in FY 2022	(3,432)	(2,361)	(5,793)
Ending Balance, Aug. 31, 2022	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Note 3 - Operating Costs for a Secure Juvenile Facility

The Department operates a secure pre-adjudication facility. A schedule of expenditures for the facility follows:

Operating Costs
Fort Bend County Pre-Adjudication Juvenile Facility
For the Year Ended August 31, 2022

	<u>TJJD Funding*</u>	<u>Local Funding</u>	<u>Total</u>
Salaries and Fringe Benefits	\$ 388,611	\$ 6,984,441	\$ 7,373,052
Operating Expenditures	-	277,265	277,265
External Contracts	-	40,950	40,950
Total Operating Expenditures	<u>\$ 388,611</u>	<u>\$ 7,302,656</u>	<u>\$ 7,691,267</u>

* TJJD Funding is provided from Grant A.

FORT BEND COUNTY, TEXAS
JUVENILE PROBATION DEPARTMENT
TEXAS JUVENILE JUSTICE DEPARTMENT
NOTES TO REGULATORY BASIS FINANCIAL STATEMENTS
(continued)

Note 4 – Federal Financial Assistance

Fort Bend County did not receive Title IV-E funding in fiscal years 2017 through 2022.

Note 5 – Financial Match Requirements

To receive Texas Juvenile Justice Department state funds, the juvenile probation departments are required to certify that the amount of local or county funds expended for juvenile services is at least or equal to or greater than the amount spent in the 2006 county fiscal year excluding construction and capital outlay expenses. A confirmation of local funds for the year ending August 31, 2022 is required and presented below:

<u>Fiscal Year</u>	<u>Local Funding Expended (less construction and capital outlay)</u>
2022	\$16,451,821
2006	\$7,111,338

The Juvenile Probation Department certified the financial match requirements were fulfilled in FY 2022.

FORT BEND COUNTY, TEXAS
JUVENILE PROBATION DEPARTMENT
TEXAS JUVENILE JUSTICE DEPARTMENT
NOTES TO REGULATORY BASIS FINANCIAL STATEMENTS
(continued)

Note 6 – State Financial Assistance

A. The Texas Juvenile Justice Department provided the County the following funds for the JJAEP Juvenile Reimbursement Grant Funds. A confirmation of revenue received in the year ending August 31, 2022 is required and presented below.

JJAEP Contract Number	Amount Received (Cash Basis) August 31, 2022
TJPC-P-2021-079	\$16,366
TJPC-P-2022-079	\$133,386

B. The Texas Juvenile Justice Department provided approval for the County for the Grant W Juvenile Justice Alternative Education Program Discretionary Grant funds that can be used over a two-year period. The following indicates the amounts that are available to be carried forward to the subsequent year and amounts that were expended from prior-year contracts.

Contract Number	Amount Carried Forward to Fiscal Year Ending August 31, 2023	Amount Brought Forward from Fiscal Year Ended August 31, 2021
Grant W-2021-079	none	\$7,502

C. The Texas Juvenile Justice Department provided the County the following funds for the Grant R- Regional Diversion Alternatives (RDA) Program Reimbursement Grant funds. A confirmation of revenue received in the year ending August 31, 2022, is required and presented below.

Regional Diversion Alternatives Contract Number	Amount Received (Cash Basis) August 31, 2022
TJPC-R-2022-079	\$38,253

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

Fort Bend County Juvenile Board
and Kyle Dobbs, Chief Juvenile Probation Officer
Fort Bend County Juvenile Probation Department
Fort Bend County, 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 the Texas Juvenile Justice Department Grant Funds of Fort Bend County Juvenile Probation Department (the “Department”), which comprise the statements of revenues, expenditures and changes in fund balances – budget and actual – regulatory basis, for the year ended August 31, 2022, and the related notes to the financial statements, and have issued our report thereon dated February 3, 2023.

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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, and compliance with provisions of laws, regulations, contracts, grant agreements or instances of fraud, including the specific financial assurances contained in Section VIII.J. of the General Grant Requirements, 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.

Fort Bend County Juvenile Board
and Kyle Dobbs, Chief Juvenile Probation Officer
Fort Bend County Juvenile Probation Department
Fort Bend County, Texas

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 financial statements. 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* or TJJJ's audit instructions.

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 Department, others within the organization, and the Texas Juvenile Justice Department, and is not intended to be and should not be used by anyone other than the specified parties.

A handwritten signature in black ink that reads "Whitley Penn LLP". The signature is written in a cursive, flowing style.

Houston, Texas
February 3, 2023

FORT BEND COUNTY JUVENILE PROBATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended August 31, 2022

I. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weakness (es) identified?	No
Significant deficiency (ies) identified that are not considered to be material weaknesses?	None reported
Noncompliance material to the financial statements noted?	No

II. Financial Statement Findings

None Noted

III. Program Findings and Questioned Costs

None Noted

FORT BEND COUNTY JUVENILE PROBATION DEPARTMENT
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
For the Year Ended August 31, 2022

I. Status of Prior Year Findings

None Noted