

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

**ANNUAL FINANCIAL AND
COMPLIANCE REPORT**

Year Ended August 31, 2023

FORT BEND COUNTY, TEXAS
JUVENILE PROBATION DEPARTMENT
TEXAS JUVENILE JUSTICE DEPARTMENT GRANT FUNDS
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INDEPENDENT AUDITORS' 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 the Aggregate Financial Statement

Opinion

We have audited the aggregate statement of revenues, expenditures and changes in fund balance – budget and actual – regulatory basis (the "aggregate financial statement") of the Texas Juvenile Justice Department Grant Funds of Fort Bend County Juvenile Probation Department (the "Department") for the year ended August 31, 2023, and the related notes to the aggregate financial statement, which collectively comprise the Department's aggregate financial statement as listed in the table of contents.

In our opinion, the accompanying aggregate financial statement referred to above presents fairly, in all material respects, the revenue earned and expenditures incurred compared to budgeted revenues and expenditures of the Department for the year ended August 31, 2023, in accordance with the financial reporting provisions of the Texas Juvenile Justice Department as described in Note 1.

Basis for Opinion

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 Aggregate Financial Statement 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 opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 of the aggregate financial statement, which describes the basis of accounting. The aggregate financial statement is 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.

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

Emphasis of Matter - Presentation

As discussed in Note 1, the aggregate financial statement of the Department is intended to present the revenues earned and expenditures incurred and changes in fund balance budget and actual of only that portion of the government activities, each major fund and the aggregate remaining fund information of Fort Bend County, Texas (the "County") that is attributable to the transactions of the Department. They do not purport to, and do not, present fairly the financial position of the County as of August 31, 2023 or the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Aggregate Financial Statement

Management is responsible for the preparation and fair presentation of the aggregate financial statement 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 the aggregate financial statement that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Aggregate Financial Statement

Our objectives are to obtain reasonable assurance about whether the aggregate financial statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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 aggregate financial statement.

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 aggregate financial statement, 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 aggregate financial statement.
- 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 aggregate financial statement.

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

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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 15, 2024, 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 the Texas Juvenile Justice Department, the Board of Criminal Court Judges of Fort Bend County, Texas, Fort Bend County Commissioners Court, and others within the 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 15, 2024

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, 2023

| | State Aid Agreement | | |
|--|----------------------------|------------------|-----------------|
| | Grant A-2023-079 | | |
| | Final Budget | Actual | Variance |
| Revenues | | | |
| TJJD Funds | \$ 2,296,005 | \$ 2,296,005 | \$ - |
| Total Revenues | <u>2,296,005</u> | <u>2,296,005</u> | <u>-</u> |
| Expenditures | | | |
| Court Intake | 556,999 | 556,999 | - |
| Direct Supervision | 69,649 | 69,649 | - |
| Community-Based Programs (General) | 733,492 | 733,492 | - |
| Community-Based Programs (Mental Health) | 405,331 | 405,331 | - |
| Residential Programs and Services | 126,175 | 126,175 | - |
| Detention Pre-Adjudication | 366,009 | 366,009 | - |
| Youth Services | 3,676 | 3,676 | - |
| Post Adjudication (Non-Secure) | 34,674 | 34,674 | - |
| Post Adjudication (Secure) | - | - | - |
| Mental Health Assessments | - | - | - |
| Residential Mental Health Placement | - | - | - |
| Total Expenditures | <u>2,296,005</u> | <u>2,296,005</u> | <u>-</u> |
| Excess Revenues over Expenditures | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund balance, September 1, 2022 | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund balance, August 31, 2023 | <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, 2023

| Special Needs Diversionary Grant M-2023-079 | | | |
|--|---------------------|---------------|-----------------|
| Revenues | Final Budget | Actual | Variance |
| TJJD Funds | \$ 54,413 | \$ 54,413 | \$ - |
| Total Revenues | 54,413 | 54,413 | - |
| Expenditures | | | |
| Court Intake | - | - | - |
| Direct Supervision | - | - | - |
| Community-Based Programs (General) | 54,413 | 54,413 | - |
| Community-Based Programs (Mental Health) | - | - | - |
| Residential Programs and Services | - | - | - |
| Detention Pre-Adjudication | - | - | - |
| Youth Services | - | - | - |
| Post Adjudication (Non-Secure) | - | - | - |
| Post Adjudication (Secure) | - | - | - |
| Mental Health Assessments | - | - | - |
| Residential Mental Health Placement | - | - | - |
| Total Expenditures | 54,413 | 54,413 | - |
| Excess Revenues over Expenditures | - | - | - |
| Fund balance, September 1, 2022 | - | - | - |
| Fund balance, August 31, 2023 | \$ - | \$ - | \$ - |

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, 2023

| Risk & Needs Assessment | | | |
|--|---------------------|---------------|-----------------|
| Grant RN-2023-079 | | | |
| Revenues | Final Budget | Actual | Variance |
| TJJJ Funds | \$ 31,213 | \$ 31,213 | \$ - |
| Total Revenues | 31,213 | 31,213 | \$ - |
| Expenditures | | | |
| Court Intake | - | - | - |
| Direct Supervision | - | - | - |
| Community-Based Programs (General) | - | - | - |
| Community-Based Programs (Mental Health) | - | - | - |
| Residential Programs and Services | - | - | - |
| Detention Pre-Adjudication | - | - | - |
| Youth Services | 31,213 | 31,213 | - |
| Post Adjudication (Non-Secure) | - | - | - |
| Post Adjudication (Secure) | - | - | - |
| Mental Health Assessments | - | - | - |
| Residential Mental Health Placement | - | - | - |
| Total Expenditures | 31,213 | 31,213 | - |
| Excess Revenues over Expenditures | \$ - | \$ - | - |
| Fund balance, September 1, 2022 | \$ - | \$ - | - |
| Fund balance, August 31, 2023 | \$ - | \$ - | \$ - |

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, 2023

| Prevention and Intervention | | | |
|--|---------------------|----------------|-----------------|
| Grant S-2023-079 | | | |
| Revenues | Final Budget | Actual | Variance |
| TJJJ Funds | \$ 233,684 | \$ 233,684 | \$ - |
| Total Revenues | 233,684 | 233,684 | - |
| Expenditures | | | |
| Court Intake | - | - | - |
| Direct Supervision | - | - | - |
| Community-Based Programs (General) | 233,684 | 233,684 | - |
| Community-Based Programs (Mental Health) | - | - | - |
| Residential Programs and Services | - | - | - |
| Detention Pre-Adjudication | - | - | - |
| Youth Services | - | - | - |
| Post Adjudication (Non-Secure) | - | - | - |
| Post Adjudication (Secure) | - | - | - |
| Mental Health Assessments | - | - | - |
| Residential Mental Health Placement | - | - | - |
| Total Expenditures | 233,684 | 233,684 | - |
| Excess Revenues over Expenditures | - | - | - |
| Fund balance, September 1, 2022 | - | - | - |
| Fund balance, August 31, 2023 | \$ - | \$ - | \$ - |

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 2023</u> | <u>Interest Earned Title IV-E FY 2023</u> | <u>Totals</u> |
|--|---|---|--------------------|
| Beginning balance, Sept. 1, 2022 | \$ - | \$ - | \$ - |
| Interest earned on funds received from TJJD in the period Sept. 1, 2022 - Aug. 31, 2023 | <u>23,827</u> | <u>7,219</u> | <u>31,046</u> |
| Total Interest at Aug. 31, 2023 | 23,827 | 7,219 | 31,046 |
| Minus expenditures in FY 2023 | <u>(23,827)</u> | <u>(7,219)</u> | <u>(31,046)</u> |
| Ending Balance, Aug. 31, 2023 | <u><u>\$ -</u></u> | <u><u>\$ -</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, 2023

| | <u>TJJD Funding*</u> | <u>Local Funding</u> | <u>Total</u> |
|------------------------------|--------------------------|----------------------------|----------------------------|
| Salaries and Fringe Benefits | \$ 362,085 | \$ 7,850,914 | \$ 8,212,999 |
| Operating Expenditures | 3,924 | 373,340 | 377,264 |
| External Contracts | - | 36,000 | 36,000 |
| Total Operating Expenditures | <u><u>\$ 366,009</u></u> | <u><u>\$ 8,260,254</u></u> | <u><u>\$ 8,626,263</u></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 2023.

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, 2023 is required and presented below:

| <u>Fiscal Year</u> | <u>Local Funding Expended (less construction and capital outlay)</u> |
|--------------------|--|
| 2023 | \$18,003,103 |
| 2006 | \$7,043,694 |

The Juvenile Probation Department certified the financial match requirements were fulfilled in FY 2023.

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 receipted in the year ended August 31, 2023 is required and presented below.

| JJAEP Contract Number | Amount Received (Cash Basis) August 31, 2023 |
|--------------------------|--|
| TJPC-P-2022-079 | \$28,294 |
| TJPC-P-2023-079 | \$159,702 |

B. The Texas Juvenile Justice Department provided the County with a reimbursement appropriation of \$187,891 under Senate Bill 30. This is an allocation of supplemental money to those departments that maintained youth in detention as part of a waitlist.

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 receipted in the year ended August 31, 2023, is required and presented below.

| Regional Diversion Alternatives Contract Number | Amount Received (Cash Basis) August 31, 2023 |
|--|--|
| TJPC-R-2023-079 | \$43,554 |

**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 aggregate financial statement of revenues, expenditures and changes in fund balances – budget and actual – regulatory basis (the "aggregate financial report") of Texas Juvenile Justice Department Grant Funds of Fort Bend County Juvenile Probation Department (the "Department") for the year ended August 31, 2023, and the related notes to the aggregate financial statement, which collectively comprise the Department's aggregate financial statement, and have issued our report thereon dated February 15, 2024.

Internal Control over Financial Reporting

In planning and performing our audit of the aggregate financial statement and tests of compliance with provisions of laws, regulations, contracts and agreements, including the specific financial assurances contained in Section VIII.J. of the General Grant Requirements, 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 opinion on the aggregate financial statement, 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 Department’s aggregate financial statement 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 or significant deficiencies 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 aggregate financial statement 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 aggregate financial statement. 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 Department'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 Department's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

Houston, Texas
February 15, 2024

FORT BEND COUNTY JUVENILE PROBATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended August 31, 2023

I. Summary of Auditor's Results

Aggregate Financial Statement

| | |
|--|---------------|
| 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 aggregate financial statement noted? | No |

II. Aggregate 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, 2023

I. Status of Prior Year Findings

None Noted