

**FORT BEND COUNTY
COMMUNITY SUPERVISION AND
CORRECTIONS DEPARTMENT -
COMMUNITY JUSTICE ASSISTANCE
DIVISION FUNDED PROGRAM FUNDS**

**ANNUAL FINANCIAL AND
COMPLIANCE REPORT**

August 31, 2008

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Independent Auditors' Report

Mr. Leighton Iles, Director
Fort Bend County Community Supervision
and Corrections Department
Fort Bend County, Texas

We have audited the accompanying combined financial statements of Fort Bend County Community Supervision and Corrections Department and the combining and individual funds of Fort Bend County Community Supervision and Corrections Department, as of and for the year ended August 31, 2008 as listed in the table of contents. These financial statements are the responsibility of the management of the Fort Bend County Community Supervision and Corrections Department. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and *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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes 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 described in Note 1, the financial statements are prepared using the prescribed basis of accounting that demonstrates compliance with TDCJ-CJAD financial reporting requirements, which is a comprehensive basis of accounting other than generally accepted accounting principles.

As discussed in Note 1, the financial statements present only the Fort Bend County Community Supervision and Corrections Department, and are not intended to present fairly the financial position of Fort Bend County, Texas and the results of its operations in conformity with generally accepted accounting principles.

In our opinion, the combined financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Fort Bend County Community Supervision and Corrections Department, as of August 31, 2008, and the results of its operations for the year then ended, in conformity with the basis of accounting described in the notes. Also, in our opinion, the combining and individual funds referred to above present fairly, in all material respects, the financial position of each of the individual funds of Fort Bend County Community Supervision and Corrections Department, as of August 31, 2008, and the results of operations of such funds for the year then ended in conformity with the basis of accounting described in the notes.

In accordance with *Government Auditing Standards*, we have also issued a report dated January 31, 2009 on our consideration of the Department's internal control over financial reporting and on our tests of its compliance with certain provisions or laws, regulations, contracts, and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal 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, which can be found on page 25 of this report, is an integral part of an audit performed in accordance with *Government Auditing 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 the management, others within the organization, Fort Bend County Community Supervision and Corrections Department and the Texas Department of Criminal Justice – Community Justice Assistance and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Mull & Laism, P.C." in a cursive, flowing script.

Houston, Texas
January 31, 2009

FINANCIAL STATEMENTS

**FORT BEND COUNTY COMMUNITY SUPERVISION
AND CORRECTIONS DEPARTMENT**
COMBINED STATEMENT OF FINANCIAL POSITION
August 31, 2008

	<u>Basic Supervision</u>	<u>Community Corrections</u>	<u>Diversion Program</u>	<u>TAIP/ Rider 84</u>	<u>Total</u>
ASSETS					
Cash and temporary investments	\$ 828,418	\$ 83,683	\$ 71,900	\$375,740	\$ 1,359,741
Other receivables	163,345	55,838		76,778	295,961
Prepaid expense	175				175
Total Assets	<u>\$ 991,938</u>	<u>\$ 139,521</u>	<u>\$ 71,900</u>	<u>\$ 452,518</u>	<u>\$ 1,655,877</u>
LIABILITIES					
Accrued payroll	\$ 45,919	\$ 9,660	\$ 13,082	\$ 1,832	\$ 70,493
Due to State	50,154	23,588	33,046	104,437	211,225
Total Liabilities	96,073	33,248	46,128	106,269	281,718
FUND BALANCE					
Fund Balance at August 31, 2008	895,865	106,273	25,772	346,249	1,374,159
Total Liabilities and Fund Balance	<u>\$ 991,938</u>	<u>\$ 139,521</u>	<u>\$ 71,900</u>	<u>\$ 452,518</u>	<u>\$ 1,655,877</u>

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

**FORT BEND COUNTY COMMUNITY SUPERVISION
AND CORRECTIONS DEPARTMENT**
*COMBINED STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE*
For the year ended August 31, 2008

	<u>Basic Supervision</u>	<u>Community Corrections</u>	<u>Diversion Program</u>	<u>TAIP/ Rider 84</u>	<u>Total</u>
REVENUE					
State Aid	\$ 862,961	\$ 566,227	\$ 655,888	\$ 922,581	\$ 3,007,657
State Aid: SAFPF Payments	21,315				21,315
Probation Fees	1,720,278				1,720,278
Payments by Program Participants	306,743	194,139			500,882
Interest Income	46,218				46,218
Other Revenue	6,390				6,390
Total Revenue	<u>2,963,905</u>	<u>760,366</u>	<u>655,888</u>	<u>922,581</u>	<u>5,302,740</u>
EXPENDITURES					
Salaries and Fringe Benefits	2,319,699	465,853	734,083	57,708	3,577,343
Travel and Furnished Transpo	41,213				41,213
Contract Services	137,886	103,267		511,530	752,683
Professional Fees	159,878	3,991	4,920	7,094	175,883
Supplies and Operating Expen	135,832				135,832
Equipment	12,426				12,426
Total Expenditures	<u>2,806,934</u>	<u>573,111</u>	<u>739,003</u>	<u>576,332</u>	<u>4,695,380</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES					
	156,971	187,255	(83,115)	346,249	607,360
Fund Balance - September 1, 2007	766,799				766,799
Interfund Transfer In (Out)	<u>(27,905)</u>	<u>(80,982)</u>	<u>108,887</u>		
FUND BALANCE - August 31, 2008	<u>\$ 895,865</u>	<u>\$ 106,273</u>	<u>\$ 25,772</u>	<u>\$ 346,249</u>	<u>\$ 1,374,159</u>

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

**FORT BEND COUNTY COMMUNITY SUPERVISION
AND CORRECTIONS DEPARTMENT
ALL COMMUNITY CORRECTION FUNDS
COMBINED STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE
For the year ended August 31, 2008**

	<u>Pre-Trial</u>	<u>Non English Speaking</u>	<u>Sex Offenders</u>	<u>Total</u>
REVENUE				
State Aid	\$ 270,884	\$ 151,672	\$ 143,671	\$ 566,227
Payments by Program Participants	<u>194,139</u>	<u></u>	<u></u>	<u>194,139</u>
Total Revenue	<u>465,023</u>	<u>151,672</u>	<u>143,671</u>	<u>760,366</u>
EXPENDITURES				
Salaries and Fringe Benefits	225,053	134,920	105,880	465,853
Contract Services	90,607		12,660	103,267
Professional Fees	<u>1,775</u>	<u>1,138</u>	<u>1,078</u>	<u>3,991</u>
Total Expenditures	<u>317,435</u>	<u>136,058</u>	<u>119,618</u>	<u>573,111</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES				
	147,588	15,614	24,053	187,255
Fund Balance - September 1, 2007				
Interfund Transfer In (Out)	<u>(72,856)</u>	<u>(4,220)</u>	<u>(3,906)</u>	<u>(80,982)</u>
FUND BALANCE - August 31, 2008	<u>\$ 74,732</u>	<u>\$ 11,394</u>	<u>\$ 20,147</u>	<u>\$ 106,273</u>

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

**FORT BEND COUNTY COMMUNITY SUPERVISION
AND CORRECTIONS DEPARTMENT
BASIC SUPERVISION
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET, ACTUAL, AND PRIOR YEAR
For the year ended August 31, 2008**

	2008 Budget	2008 Actual	Variance Favorable (Unfavorable)	2007 Actual
REVENUE				
State Aid	\$ 862,961	\$ 862,961	\$	\$ 827,441
State Aid: SAFFP Payments	20,000	21,315	1,315	25,527
Probation Fees	1,700,000	1,720,278	20,278	1,415,179
Payments by Program Participants	215,371	306,743	91,372	298,247
Interest Income	50,000	46,218	(3,782)	72,065
Other Revenue	4,000	6,390	2,390	9,433
Total Revenue	2,852,332	2,963,905	111,573	2,647,892
EXPENDITURES				
Salaries and Fringe Benefits	2,386,127	2,319,699	66,428	2,221,203
Travel and Furnished Transportation	93,500	41,213	52,287	54,492
Contract Services	185,554	137,886	47,668	144,718
Professional Fees	209,712	159,878	49,834	36,865
Supplies and Operating Expenditures	667,264	135,832	531,432	184,278
Utilities	7,000	7,000	7,000	7,000
Equipment	26,082	12,426	13,656	36,012
Total Expenditures	3,575,239	2,806,934	768,305	2,677,568
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	(722,907)	156,971	879,878	(29,676)
Fund Balance - September 1	753,561	766,797	13,236	796,473
Interfund Transfer In (Out)	(30,654)	(27,905)	2,749	
FUND BALANCE - August 31	\$	\$ 895,863	\$ 895,863	\$ 766,797

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

**FORT BEND COUNTY COMMUNITY SUPERVISION
AND CORRECTIONS DEPARTMENT
COMMUNITY CORRECTIONS PROGRAM
PRE-TRIAL INTERVENTION
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET, ACTUAL, AND PRIOR YEAR
For the year ended August 31, 2008**

	2008 Budget	2008 Actual	Variance Favorable (Unfavorable)	2007 Actual
REVENUE				
State Aid	\$ 236,705	\$ 270,884	\$ 34,179	\$ 175,373
Payments by Program Participants	190,000	194,139	4,139	165,667
Total Revenue	426,705	465,023	38,318	341,040
EXPENDITURES				
Salaries and Fringe Benefits	227,072	225,053	2,019	207,138
Contract Services	122,747	90,607	32,140	60,239
Professional Fees	1,775	1,775		1,315
Supplies and Operating Expenditures				36,054
Total Expenditures	351,594	317,435	34,159	304,746
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES				
	75,111	147,588	72,477	36,294
Fund Balance - September 1				31,887
Interfund Transfer In (Out)	(75,111)	(72,856)	2,255	(62,181)
Fund Balance before Refund to TDCJ-CJAD		74,732	74,732	6,000
Refund Due to TCDJ-CJAD				(6,000)
FUND BALANCE - August 31	\$	\$ 74,732	\$ 74,732	\$

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

**FORT BEND COUNTY COMMUNITY SUPERVISION
AND CORRECTIONS DEPARTMENT
COMMUNITY CORRECTIONS PROGRAM
NON-ENGLISH SPEAKING CASELOAD
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET, ACTUAL, AND PRIOR YEAR
For the year ended August 31, 2008**

	2008 Budget	2008 Actual	Variance Favorable (Unfavorable)	2007 Actual
REVENUE				
State Aid	\$ 151,672	\$ 151,672	\$	\$ 160,538
Total Revenue	<u>151,672</u>	<u>151,672</u>		<u>160,538</u>
EXPENDITURES				
Salaries and Fringe Benefits	145,314	134,920	10,394	158,421
Professional Fees	1,138	1,138		1,204
Supplies and Operating Expenditures				4,961
Total Expenditures	<u>146,452</u>	<u>136,058</u>	<u>10,394</u>	<u>164,586</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	5,220	15,614	10,394	(4,048)
Fund Balance - September 1				4,706
Interfund Transfer In (Out)	<u>(5,220)</u>	<u>(4,220)</u>	<u>1,000</u>	
Fund Balance before Refund to TDCJ-CJAD		11,394	11,394	658
Refund Due to TCDJ-CJAD				<u>(658)</u>
FUND BALANCE - AUGUST 31	<u><u>\$</u></u>	<u><u>\$ 11,394</u></u>	<u><u>\$ 11,394</u></u>	<u><u>\$</u></u>

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

**FORT BEND COUNTY COMMUNITY SUPERVISION
AND CORRECTIONS DEPARTMENT
COMMUNITY CORRECTIONS PROGRAM
SEX OFFENDER CASELOAD
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET, ACTUAL, AND PRIOR YEAR
For the year ended August 31, 2008**

	2008 Budget	2008 Actual	Variance Favorable (Unfavorable)	2007 Actual
REVENUE				
State Aid	\$ 143,671	\$ 143,671	\$	\$ 157,086
Total Revenue	143,671	143,671		157,086
EXPENDITURES				
Salaries and Fringe Benefits	111,102	105,880	5,222	113,023
Contract Services	27,585	12,660	14,925	23,795
Professional Fees	1,078	1,078		1,178
Total Expenditures	139,765	119,618	20,147	137,996
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	3,906	24,053	20,147	19,090
Fund Balance - September 1				4,168
Interfund Transfer In (Out)	(3,906)	(3,906)		(20,501)
Fund Balance before Refund to TDCJ-CJAD		20,147	20,147	2,758
Refund Due to TCDJ-CJAD				(2,758)
FUND BALANCE - AUGUST 31	\$	\$ 20,147	\$ 20,147	\$

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

**FORT BEND COUNTY COMMUNITY SUPERVISION
AND CORRECTIONS DEPARTMENT
DIVERSION PROGRAM
DAY REPORTING CENTER
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET, ACTUAL, AND PRIOR YEAR
For the year ended August 31, 2008**

	<u>2008 Budget</u>	<u>2008 Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>2007 Actual</u>
REVENUE				
State Aid	\$ 44,079	\$ 44,079	\$	\$ 46,279
Total Revenue	<u>44,079</u>	<u>44,079</u>		<u>46,279</u>
EXPENDITURES				
Salaries and Fringe Benefits	44,198	37,719	6,479	41,078
Professional Fees	331	331		331
Supplies and Operating Expenditures				5,999
Total Expenditures	<u>44,529</u>	<u>38,050</u>	<u>6,479</u>	<u>47,408</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES				
	(450)	6,029	6,479	(1,129)
Fund Balance - September 1				4,786
Interfund Transfer In (Out)	<u>450</u>	<u>450</u>		
Fund Balance before Refund to TDCJ-CJAD		6,479	6,479	3,657
Refund Due to TCDJ-CJAD				<u>(3,657)</u>
FUND BALANCE - AUGUST 31	<u>\$</u>	<u>\$ 6,479</u>	<u>\$ 6,479</u>	<u>\$</u>

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

**FORT BEND COUNTY COMMUNITY SUPERVISION
AND CORRECTIONS DEPARTMENT
DIVERSION PROGRAM
DRUG COURT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET, ACTUAL, AND PRIOR YEAR
For the year ended August 31, 2008**

	2008 Budget	2008 Actual	Variance Favorable (Unfavorable)	2007 Actual
REVENUE				
State Aid	\$ 88,511	\$ 88,511	\$	\$ 88,511
Total Revenue	88,511	88,511		88,511
EXPENDITURES				
Salaries and Fringe Benefits	103,403	101,161	2,242	98,661
Professional Fees	664	664		664
Supplies and Operating Expenditures				5,502
Total Expenditures	104,067	101,825	2,242	104,827
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	(15,556)	(13,314)	2,242	(16,316)
Fund Balance - September 1				891
Interfund Transfer In (Out)	15,556	15,556		15,586
Fund Balance before Refund to TDCJ-CJAD		2,242	2,242	161
Refund Due to TCDJ-CJAD				(161)
FUND BALANCE - AUGUST 31	\$	\$ 2,242	\$ 2,242	\$

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

**FORT BEND COUNTY COMMUNITY SUPERVISION
AND CORRECTIONS DEPARTMENT
DIVERSION PROGRAM
MENTAL IMPAIRMENT CASELOAD
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET, ACTUAL, AND PRIOR YEAR
For the year ended August 31, 2008**

	<u>2008 Budget</u>	<u>2008 Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>2007 Actual</u>
REVENUE				
State Aid	\$ 83,136	\$ 83,136	\$	\$ 83,136
Total Revenue	<u>83,136</u>	<u>83,136</u>		<u>83,136</u>
EXPENDITURES				
Salaries and Fringe Benefits	83,193	79,669	3,524	88,853
Professional Fees	624	624		624
Total Expenditures	<u>83,817</u>	<u>80,293</u>	<u>3,524</u>	<u>89,477</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	(681)	2,843	3,524	(6,341)
Fund Balance - September 1				2,499
Interfund Transfer In (Out)	681			6,413
Fund Balance before Refund to TDCJ-CJAD		2,843	3,524	2,571
Refund Due to TCDJ-CJAD				(2,571)
FUND BALANCE - AUGUST 31	<u>\$</u>	<u>\$ 2,843</u>	<u>\$ 3,524</u>	<u>\$</u>

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

**FORT BEND COUNTY COMMUNITY SUPERVISION
AND CORRECTIONS DEPARTMENT
DIVERSION PROGRAM
PROGRESSIVE SANCTIONS
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET, ACTUAL, AND PRIOR YEAR
For the year ended August 31, 2008**

	2008 Budget	2008 Actual	Variance Favorable (Unfavorable)	2007 Actual
REVENUE				
State Aid	\$ 329,892	\$ 329,892	\$	\$ 322,492
Total Revenue	<u>329,892</u>	<u>329,892</u>		<u>322,492</u>
EXPENDITURES				
Salaries and Fringe Benefits	381,313	368,539	12,774	370,459
Professional Fees	2,474	2,474		2,419
Total Expenditures	<u>383,787</u>	<u>371,013</u>	<u>12,774</u>	<u>372,878</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	(53,895)	(41,121)	12,774	(50,386)
Fund Balance - September 1				10,693
Interfund Transfer In (Out)	53,895	53,895		43,859
Fund Balance before Refund to TDCJ-CJAD		12,774	12,774	4,166
Refund Due to TCDJ-CJAD				(4,166)
FUND BALANCE - AUGUST 31	<u>\$</u>	<u>\$ 12,774</u>	<u>\$ 12,774</u>	<u>\$</u>

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

**FORT BEND COUNTY COMMUNITY SUPERVISION
AND CORRECTIONS DEPARTMENT
DIVERSION PROGRAM
SUBSTANCE ABUSE CASELOAD
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET, ACTUAL, AND PRIOR YEAR
For the year ended August 31, 2008**

	2008 Budget	2008 Actual	Variance Favorable (Unfavorable)	2007 Actual
REVENUE				
State Aid	\$ 110,270	\$ 110,270	\$	\$ 113,270
Total Revenue	110,270	110,270		113,270
EXPENDITURES				
Salaries and Fringe Benefits	152,752	146,995	5,757	138,645
Professional Fees	827	827		8,350
Supplies and Operating Expenditures	1,000		1,000	
Total Expenditures	154,579	147,822	6,757	146,995
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES				
	(44,309)	(37,552)	6,757	(33,725)
Fund Balance - September 1				16,953
Interfund Transfer In (Out)	44,309	38,986	(5,323)	16,824
Fund Balance before Refund to TDCJ-CJAD		1,434	1,434	52
Refund Due to TCDJ-CJAD				(52)
FUND BALANCE - AUGUST 31	\$	\$ 1,434	\$ 1,434	\$

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

**FORT BEND COUNTY COMMUNITY SUPERVISION
AND CORRECTIONS DEPARTMENT
TREATMENT ALTERNATIVE TO INCARCERATION/RIDER 84
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET, ACTUAL, AND PRIOR YEAR
For the year ended August 31, 2008**

	2008 Budget	2008 Actual	Variance Favorable (Unfavorable)	2007 Actual
REVENUE				
State Aid	\$ 922,581	\$ 922,581	\$	\$ 310,704
Total Revenue	<u>922,581</u>	<u>922,581</u>		<u>310,704</u>
EXPENDITURES				
Salaries and Fringe Benefits	60,740	57,708	3,032	48,058
Contract Services	854,922	511,530	343,392	207,700
Professional Fees	6,919	7,094	(175)	2,330
Total Expenditures	<u>922,581</u>	<u>576,332</u>	<u>346,249</u>	<u>258,088</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES		346,249	346,249	52,616
Fund Balance - September 1				31,629
Fund Balance before Refund to TDCJ-CJAD		346,249	346,249	84,245
Refund Due to TCDJ-CJAD				(84,245)
FUND BALANCE - AUGUST 31	<u>\$</u>	<u>\$ 346,249</u>	<u>\$ 346,249</u>	<u>\$</u>

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

**FORT BEND COUNTY COMMUNITY SUPERVISION AND
CORRECTIONS DEPARTMENT**
COMMUNITY JUSTICE ASSISTANCE DIVISION FUNDED PROGRAM FUNDS
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The accompanying financial statements include only certain special revenue funds of Fort Bend County, Texas, which include the Texas Department of Criminal Justice Community Justice Assistance Division Funded Programs (CJAD Programs) administered by the Fort Bend County Community Supervision and Corrections Department (Department). These financial statements include the Department's revenue, local fees collected for its use, and the expenditure of those funds. All other financial activities and funds of the Department and of Fort Bend County, Texas (County), the primary government of which the Department is a part, have been excluded from these financial statements.

B. Fund Accounting

The accounts of individual CJAD Programs are organized on the basis of funds, 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 comprises its assets, liabilities, fund balances, revenues and expenditures.

C. Basis of Accounting

The accounts of these funds are maintained, and the financial statements have been prepared, on the modified accrual basis of accounting. Under this basis of accounting, revenues are recognized when they become susceptible to accrual (i.e., both measurable and available) and expenditures are recognized in the accounting period in which the fund liability is incurred. Available means collected within the current year or soon enough thereafter to be used to pay the liabilities of the current year. TDCJ-CJAD requires that expenditures are paid and revenues received by October 31st in order to be accrued.

Under the Basic Supervision Program, a refund formula is calculated by the TDCJ-CJAD. The balance of unexpended monies multiplied by the percentage of TDCJ-CJAD Basic Supervision State aid to the total revenue earned will be refunded to TDCJ-CJAD at the end of the biennium. For the Community Correction and Diversion Programs, remaining fund balances for all programs are refunded at the end of the biennium. The TDCJ-CJAD requires fund balances for the Treatment Alternative to Incarceration Programs to be refunded at the end of each fiscal year ended August 31st.

D. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**FORT BEND COUNTY COMMUNITY SUPERVISION AND
CORRECTIONS DEPARTMENT**
COMMUNITY JUSTICE ASSISTANCE DIVISION FUNDED PROGRAM FUNDS
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Budgets and Budgetary Accounting

The budget presentations in the financial statements reflect annual budgets prepared by the Chief Adult Probation Officer or Director as approved by the Texas Department of Criminal Justice Community Justice Assistance Division (TDCJ-CJAD) in accordance with the TDCJ-CJAD Program agreements and guidelines pursuant to TDCJ-CJAD's Financial Management Manual. The annual budgets are prepared on the modified accrual basis of accounting. The budgets are prepared individually for the Basic Supervision Program, the Treatment Alternatives to Incarceration Program and all programs under the Community Corrections Program and the Diversion Program.

The TDCJ-CJAD requires that the CSCDs submit budgets biennially and are approved for the two-year period at the beginning of each biennium with the exception of Treatment Alternative to Incarceration Programs that are funded annually. The CSCD must submit information to the TDCJ-CJAD regarding approval for budget adjustments prior to the expenditure of funds for the following situations that apply to the CSCD:

- Line item changes that exceed \$15,000 or 15%, whichever is greater, of the approved line item amount (including interfund transfers to other programs or for cash-matching grants from other agencies);
- New equipment purchases from Community Correction Programs and the Diversion Program funds exceeding \$5,000 (cumulatively);
- New equipment purchases, regardless of cost, from Treatment Alternative to Incarceration Program funds;
- For Diversion Program funded residential facilities, receive prior approval from the TDCJ-CJAD for any increases of the annual salary of individual personnel positions or for the number of personnel positions or for the total salaries' line item;
- Basic Supervision expenditures of facilities, utilities or equipment which require the TDCJ-CJAD approval of the county's certification of inability to provide funds for such items for expansion purposes and for increases in lease payments during an approved fixed-year period of certification;
- Matching funds for grants from agencies other than TDCJ-CJAD; and
- Consultant and computer programming development contracts.

The Department complied, in all material respects, with the annual program budgets as provided by the program agreements for the year ended August 31, 2008.

**FORT BEND COUNTY COMMUNITY SUPERVISION AND
CORRECTIONS DEPARTMENT**
COMMUNITY JUSTICE ASSISTANCE DIVISION FUNDED PROGRAM FUNDS
NOTES TO FINANCIAL STATEMENTS

NOTE 2 - CASH AND TEMPORARY INVESTMENTS

The County as part of the County's overall cash management program manages the CJAD Programs' cash and temporary investments. As a result, the CJAD Programs demand deposits, at August 31, 2008, were entirely covered by federal depository insurance or by pledged collateral held at a third-party bank (the County's agent) in the County's name as prescribed by state statutes.

State statutes authorize the County to invest in fully collateralized or insured time deposits, direct debt securities of the United States and fully collateralized repurchase agreements. The repurchase agreements must be purchased pursuant to a master repurchase agreement that specifies the rights and obligations of both parties and requires that the securities involved in the transaction be held in a safekeeping account subject to the control and custody of the County. Investments in security repurchase agreements may be made only with the County's depository bank or with state or national banks domiciled in the State of Texas.

During the year ended August 31, 2008, the CJAD Programs investments consisted entirely of deposits in Southern National Bank. The carrying value, which approximates market value, of the CJAD Programs cash and temporary investments at year-end was \$ 1,359,741 .

NOTE 3 - FUNDING SOURCES - STATE AID

The CJAD Programs consist of the following programs:

Basic Supervision Program is a multi-level system of supervision that achieves public protection through control, rehabilitation and reintegration of offenders placed on community supervision for determinate periods of time. This state funding is a per capita allocation based on statistics from the previous full calendar year. For example, fiscal year 2008 funding (September 1, 2007 through August 31, 2008) is calculated on statistics from Calendar Year 2006. The per capita formula includes felony and misdemeanor direct cases as well as felony pre-trial cases and is calculated by first allocating misdemeanor funding based on the number of misdemeanor placements of the previous calendar year times \$ 0.70 per day for 182 days. Then, the felony allocation is based on the proportion of the state's felons under direct community supervision and the pretrial supervision for the previous calendar year times funds remaining. Basic Supervision is distributed on to CSCDs.

Government Code 509.011 authorizes TDCJ-CJAD to withhold Basic Supervision (per capita) funds from CSCDs that have over six months of operating funds in their fund balance at the end of a biennium. TDCJ-CJAD may adopt policies permitting a CSCD to maintain reserves in amounts greater than otherwise permitted to cover certain costs. TDCJ-CJAD may distribute these unallocated funds to other CSCDs.

**FORT BEND COUNTY COMMUNITY SUPERVISION AND
CORRECTIONS DEPARTMENT**
COMMUNITY JUSTICE ASSISTANCE DIVISION FUNDED PROGRAM FUNDS
NOTES TO FINANCIAL STATEMENTS

NOTE 3 - FUNDING SOURCES - STATE AID (continued)

Community Corrections Programs Funding (CCP) – This appropriation line item is also 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 CCP funds. The CCP programs administered within Fort Bend County include Pre-Trial Intervention, Non-English Speaking and Sex Offenders.

Government Code 509.011 authorizes TDCJ-CJAD to withhold Community Corrections Programs (formula) funds from CSCDs that have over six (6) months of Basic Supervision operating funds in their fund balance at the end of a biennium. TDCJ-CJAD may distribute these unallocated funds to other CSCDs.

Diversions Programs Funding (DP) – This 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 and approved by management. Municipalities, non-profit organizations, state agencies, CSCDs and counties are eligible to receive DP funds. DP funds are not to be used for Basic Supervision services. The DP programs administered within Fort Bend County include Day Reporting Center, Mental Impairment, Drug Court, Substance Abuse Treatment, and Progressive Sanctions.

Substance Abuse Felony Punishment Facility (SAFPF) aftercare caseloads are funded on a per case basis and must meet specific supervision requirements set by TDCJ-CJAD. Funding for SAFP aftercare caseloads is allocated by TDCJ-CJAD through the DP line item but is budgeted and reported by CSCDs as state aid under Basic Supervision.

Treatment Alternatives to Incarceration Programs (TAIP) – This substance abuse funding is awarded on a competitive basis. The priorities for distribution are determined biennially; however, TAIP grants are awarded annually. All requests are reviewed by TDCJ-CJAD staff and approved by management. CSCDs are the only entities eligible for TAIP funds. Included in TAIP, are activities associated with the Rider 84 program.

**FORT BEND COUNTY COMMUNITY SUPERVISION AND
CORRECTIONS DEPARTMENT**
COMMUNITY JUSTICE ASSISTANCE DIVISION FUNDED PROGRAM FUNDS
NOTES TO FINANCIAL STATEMENTS

NOTE 4 – INTERFUND ACTIVITIES

Transfers between funds for the year ended August 31, 2008 consisted of the following:

Transfers In:	Transfers Out:				
	Pre-Trial Diversion	CCP - Non- English	CCP-Sex Offender	Basic Supervision	Total
Mental Impairment	\$	\$ 4,220	\$ 3,456	\$	\$ 7,676
Substance Abuse	3,405			27,905	31,310
Drug Court	15,556				15,556
Day Reporting Center			450		450
Progressive Sanctions	53,895				53,895
Total	\$ 72,856	\$ 4,220	\$ 3,906	\$ 27,905	\$ 108,887

NOTE 5 – RISK MANAGEMENT

The Department is exposed to various risks of loss related to torts: theft of, damage to and destruction of assets; errors and omissions, personal injuries; and natural disasters. The risk of loss is covered by Fort Bend County under their risk management plan. The CSCD has additional insurance coverage for property loss under the Texas Association of Counties (TAC) Comprehensive General Liability Coverage policy. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

NOTE 6 – ASSOCIATE JUDGE SALARY BEING PAID FROM CJAD FUNDS

The Special Sanctions Court (Progressive Sanctions Program) is funded through a TDCJ-CJAD Diversion Program Grant which was approved by TDCJ-CJAD as an exclusive pilot program for the State of Texas on June 22, 2004. The purpose of the program is for exploring new sentencing practices on non-violent felony offenders traditionally sentenced to jail or prison for technically violating their probation supervision. The program's budget was approved on February 21, 2008 and includes a portion of the salary of a part-time judge.

**FORT BEND COUNTY COMMUNITY SUPERVISION AND
CORRECTIONS DEPARTMENT**
COMMUNITY JUSTICE ASSISTANCE DIVISION FUNDED PROGRAM FUNDS
NOTES TO FINANCIAL STATEMENTS

NOTE 7– VENDORS FOR OFFENDER SERVICES CONTRACTS

Vendors for offender service contracts with the County with a value of \$100,000 or above are listed below. The County has entered a valid contract with all vendors listed.

Vendor name	Contract Amount
Brazos Place	\$173,000
*Fort Bend Regional Council on Substance Abuse	\$280,750
Pathway To Recovery, Inc	\$275,000
*Turning Point, Inc	\$150,000

*These vendor contracts were funded with TDCJ-CJAD funds,
as well as, other sources

**FORT BEND COUNTY COMMUNITY SUPERVISION AND
CORRECTIONS DEPARTMENT**
COMMUNITY JUSTICE ASSISTANCE DIVISION FUNDED PROGRAM FUNDS
NOTES TO FINANCIAL STATEMENTS

NOTE 8-FUNDS COLLECTED BY THE CSCD FROM SOURCES OTHER THAN TDCJ-CJAD

The Department received the following sources during the 2008 fiscal period. Management believes that any limitations regarding the use of such funds were complied with.

<u>Source</u>	<u>Amount</u>	<u>Restrictions for use</u>
Fort Bend County	\$507,173	none
Office of the Governor CJD Drug Court Grant	146,458	criminal justice planning
VOCA (Office of the Governor CJD Grant)	41,243	crime victim assistance
Drug Court Program	200	substance abuse rehabilitation
<u>Total</u>	<u>\$695,074</u>	

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***Independent Auditors' Report on Compliance and on Internal Control
Based on an Audit of Financial Statements Performed
in Accordance with Government Auditing Standards***

Mr. Leighton Iles, Director
Fort Bend County Community Supervision
and Corrections Department
Fort Bend County, Texas

We have audited the accompanying financial statements of Fort Bend County Community Supervision and Corrections Department, as of and for the year ended August 31, 2008, and have issued our report thereon dated January 31, 2009. We conducted our audit in accordance with generally accepted auditing standards and the *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Fort Bend County Community Supervision and Corrections Department's financial statements are free of material misstatement, we performed tests of, its compliance with certain provision of laws, regulations, contracts and grants, 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 that are required to be reported under Government Auditing Standards.

Internal Control over Financial Reporting

In planning and performing our audit, we considered Fort Bend County Community Supervision and Corrections Department's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an assurance 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 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 in amounts that would be material in relation to the financial statements 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.

This report is intended solely for the information of management and others within the organization, Fort Bend Community Supervision and Corrections Department and the Texas Department of Criminal Justice and is not intended to be and should not be used by anyone other than these specified parties.



Houston, Texas
January 31, 2009

**FORT BEND COUNTY COMMUNITY SUPERVISION AND
CORRECTIONS DEPARTMENT**
*COMMUNITY JUSTICE ASSISTANCE DIVISION FUNDED PROGRAM FUNDS
COMPLIANCE REQUIREMENTS CHECKLIST*

The following checklist indicates whether the compliance requirements have been met.

Yes	No	
X		Separate accountability is maintained for TDCJ-CJAD funds.
X		Revenues and Expenditures reported to TDCJ-CJAD are in agreement with, or reconcilable to, the funding recipient's accounting records and with audited expenditures in each budget category.
X		TDCJ-CJAD funds and locally generated revenues are expended in accordance with <i>The Financial Management Manual for TDCJ-CJAD Funding, TDCJ-CJAD Funding and Fiscal Management Updates, TDCJ-CJAD Standards, TDCJ-CJAD Field Correspondence, TDCJ-CJAD Policy Statements</i> and applicable laws.
X		Proper cut-off procedures are to be observed at the end of each fiscal period. The cutoff date for revenues recognition and expenditure payment of FY 2008 is October 31, 2008. The modified accrual basis of accounting must be used in preparing the fourth quarterly reports for submission to TDCJ-CJAD.
N/A		If the CSCD serves both juveniles and adults, expenditures that benefit both adults and juveniles are prorated on an equitable basis. Determination of the method of prorating such expenditures must be supported by adequate documentation.
	X	TDCJ-CJAD funds are not used to pay judges' salaries, community justice council members' salaries or other court related expenses. (See Note 6)
X		Expenditures and revenues are supported by adequate documentation.
X		If the CSCD determines that an increase or decrease in revenue or expenditures is required, budget adjustments are submitted to TDCJ-CJAD in accordance with fiscal guidelines
X		Idle funds are invested according to Vernon's Texas Codes Annotated Local Government Code Section 140.003(f).
X		All employees with access to funds are covered by a surety bond.
X		Locally generated funds, and other collections, are documented with a proper receipt system.
X		All non-CJAD funded program fees are expended in accordance with applicable limitations.
X		All equipment is physically inventoried and adequately supported with a TDCJ-CJAD inventory form. Surplus equipment is disposed of in accordance with TDCJ-CJAD guidelines.
X		Restitution is accounted for in accordance with <u>Vernon's Texas Codes Annotated Government Code, Section 76.013.</u>
X		TDCJ-CJAD policies regarding contracts with vendors have been followed.
N/A		All leases have received TDCJ-CJAD approval prior to the expenditure of funds.

**FORT BEND COUNTY COMMUNITY SUPERVISION AND
CORRECTIONS DEPARTMENT**
*COMMUNITY JUSTICE ASSISTANCE DIVISION FUNDED PROGRAM FUNDS
COMPLIANCE REQUIREMENTS CHECKLIST*

X		All purchases adhere to the requirements of the <u>Vernon's Texas Codes Annotated Local Government Code</u> , Section 262.023 regarding competitive bids.
X		The CSCD has policy in place to monitor vendor contract compliance and operates by the policy.
X		The CSCD has existing policy on budget approval and operates by the policy.
X		The CSCD has a policy regarding eligibility for employee salary merit increases.

**FORT BEND COUNTY COMMUNITY SUPERVISION AND
CORRECTIONS DEPARTMENT**
*COMMUNITY JUSTICE ASSISTANCE DIVISION FUNDED PROGRAM FUNDS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED AUGUST 31, 2008*

Findings: **None**

**FORT BEND COUNTY COMMUNITY SUPERVISION AND
CORRECTIONS DEPARTMENT
SUPERVISION PROGRAM
SCHEDULE OF DIFFERENCES BETWEEN
AUDIT REPORTS AND CSCD REPORTS
Year Ended August 31, 2008**

	<u>Audit</u>	<u>Per CSCD Reports</u>	<u>Difference</u>
Revenues			
State aid	\$ 862,961	\$ 862,961	\$
SAFPF payments	21,315	21,315	
Probation fees	1,720,278	1,720,278	
Payments by program participants	306,743	306,743	
Interest income	46,218	46,218	
Other revenue	6,390	6,390	
Total Revenues	<u>2,963,905</u>	<u>2,963,905</u>	
Expenditures			
Salaries	2,319,699	2,319,699	
Travel	41,213	41,213	
Contract service for offenders	137,886	137,886	
Professional fees	159,878	159,878	
Supplies and operating	135,832	135,832	
Equipment	12,426	12,426	
Total Expenditures	<u>2,806,934</u>	<u>2,806,934</u>	
Revenues Over (Under) Expenditures	156,971	156,971	
Fund balances - September 1	766,799	753,561	13,238
Transfers in (out)	<u>(27,905)</u>	<u>(27,905)</u>	
Fund balances, prior to refund to TDCJ-CJAD	895,865	882,627	13,238
Prior Period Adjustment		<u>13,238</u>	<u>(13,238)</u>
Fund Balances - August 31	<u>\$ 895,865</u>	<u>\$ 895,865</u>	<u>\$</u>

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

The cause for the difference between the FY 2008 audited amounts and the quarterly reports relates to amounts reported in the prior year's audit and reflected as a prior period adjustment in the current fiscal year. These amounts totaling \$13,238 were comprised of:

- An interest allocation underreported in the prior year totaling \$13,438.
- Travel expense under reported in the prior year totaling \$200.

Both these amounts were disclosed in the prior years' audit report.

**FORT BEND COUNTY COMMUNITY SUPERVISION AND
CORRECTIONS DEPARTMENT
DIVERSION PROGRAM
DAY REPORTING CENTER
SCHEDULE OF DIFFERENCES BETWEEN
AUDIT REPORTS AND CSCD REPORTS
Year Ended August 31, 2008**

	<u>Audit</u>	<u>Per CSCD Reports</u>	<u>Difference</u>
Revenues			
State aid	\$ 44,079	\$ 44,079	\$
Total Revenues	<u>44,079</u>	<u>44,079</u>	
Expenditures			
Salaries	37,719	37,719	
Professional fees	331	331	
Total Expenditures	<u>38,050</u>	<u>38,050</u>	
Revenues Over (Under) Expenditures	6,029	6,029	
Fund balances - September 1		3,657	(3,657)
Transfers in (out)	450	450	
Fund balances, prior to refund to TDCJ-CJAD	6,479	10,136	(3,657)
Prior Period Adjustment		<u>(3,657)</u>	<u>3,657</u>
Fund Balances - August 31	<u>\$ 6,479</u>	<u>\$ 6,479</u>	<u>\$</u>

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

The differences shown above are due to the remaining balance in the fund at the end of FY2007 being reported incorrectly as fund balance in the fourth quarter report. This amount was correctly reported as a refund due to the State in the Department's annual audit. Once Department personnel noted the correct presentation, the FY 2008 second quarter report was changed to reflect a prior period adjustment.

**FORT BEND COUNTY COMMUNITY SUPERVISION AND
CORRECTIONS DEPARTMENT
DIVERSION PROGRAM
MENTAL IMPAIRMENT
SCHEDULE OF DIFFERENCES BETWEEN
AUDIT REPORTS AND CSCD REPORTS
Year Ended August 31, 2008**

	<u>Audit</u>	<u>Per CSCD Reports</u>	<u>Difference</u>
Revenues			
State aid	\$ 83,136	\$ 83,136	\$
Expenditures			
Salaries	79,669	79,669	
Professional fees	624	624	
Total Expenditures	<u>80,293</u>	<u>80,293</u>	
Revenues Over (Under) Expenditures	2,843	2,843	
Fund balances - September 1		2,571	(2,571)
Transfers in (out)			
Fund balances, prior to refund to TDCJ-CJAD	2,843	5,414	(2,571)
Prior Period Adjustment		(2,571)	2,571
Fund Balances - August 31	<u>\$ 2,843</u>	<u>\$ 2,843</u>	<u>\$</u>

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

The differences shown above are due to the remaining balance in the fund at the end of FY2007 being reported incorrectly as fund balance in the fourth quarter report. This amount was correctly reported as a refund due to the State in the Department's annual audit. Once Department personnel noted the correct presentation, the FY 2008 second quarter report was changed to reflect a prior period adjustment.

**FORT BEND COUNTY COMMUNITY SUPERVISION AND
CORRECTIONS DEPARTMENT
DIVERSION PROGRAM
DRUG COURT
SCHEDULE OF DIFFERENCES BETWEEN
AUDIT REPORTS AND CSCD REPORTS
Year Ended August 31, 2008**

	<u>Audit</u>	<u>Per CSCD Reports</u>	<u>Difference</u>
Revenues			
State aid	\$ 88,511	\$ 88,511	\$
Expenditures			
Salaries	101,161	101,161	
Professional fees	664	664	
Total Expenditures	<u>101,825</u>	<u>101,825</u>	
Revenues Over (Under) Expenditures	(13,314)	(13,314)	
Fund balances - September 1		161	(161)
Transfers in (out)	<u>15,556</u>	<u>15,556</u>	
Fund balances, prior to refund to TDCJ-CJAD	2,242	2,403	(161)
Prior Period Adjustment		<u>(161)</u>	<u>161</u>
Fund Balances - August 31	<u>\$ 2,242</u>	<u>\$ 2,242</u>	<u>\$</u>

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

The differences shown above are due to the remaining balance in the fund at the end of FY2007 being reported incorrectly as fund balance in the fourth quarter report. This amount was correctly reported as a refund due to the State in the Department's annual audit. Once Department personnel noted the correct presentation, the FY 2008 second quarter report was changed to reflect a prior period adjustment.

**FORT BEND COUNTY COMMUNITY SUPERVISION AND
CORRECTIONS DEPARTMENT
DIVERSION PROGRAM
SUBSTANCE ABUSE TREATMENT
SCHEDULE OF DIFFERENCES BETWEEN
AUDIT REPORTS AND CSCD REPORTS
Year Ended August 31, 2008**

	<u>Audit</u>	<u>Per CSCD Reports</u>	<u>Difference</u>
Revenues			
State aid	\$ 110,270	\$ 110,270	\$
Expenditures			
Salaries	146,995	146,995	
Professional fees	827	827	
Total Expenditures	<u>147,822</u>	<u>147,822</u>	
Revenues Over (Under) Expenditures	(37,552)	(37,552)	
Fund balances - September 1		52	(52)
Transfers in (out)	<u>38,986</u>	<u>38,986</u>	
Fund balances, prior to refund to TDCJ-CJAD	1,434	1,486	(52)
Prior Period Adjustment		<u>(52)</u>	<u>52</u>
Fund Balances - August 31	<u>\$ 1,434</u>	<u>\$ 1,434</u>	<u>\$</u>

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

The differences shown above are due to the remaining balance in the fund at the end of FY2007 being reported incorrectly as fund balance in the fourth quarter report. This amount was correctly reported as a refund due to the State in the Department's annual audit. Once Department personnel noted the correct presentation, the FY 2008 second quarter report was changed to reflect a prior period adjustment.

**FORT BEND COUNTY COMMUNITY SUPERVISION AND
CORRECTIONS DEPARTMENT
DIVERSION PROGRAM
PROGRESSIVE SANCTIONS
SCHEDULE OF DIFFERENCES BETWEEN
AUDIT REPORTS AND CSCD REPORTS
Year Ended August 31, 2008**

	<u>Audit</u>	<u>Per CSCD Reports</u>	<u>Difference</u>
Revenues			
State aid	\$ 329,892	\$ 329,892	\$
Expenditures			
Salaries	368,539	368,539	
Professional fees	2,474	2,474	
Total Expenditures	<u>371,013</u>	<u>371,013</u>	
Revenues Over (Under) Expenditures	(41,121)	(41,121)	
Fund balances - September 1		4,166	(4,166)
Transfers in (out)	<u>53,895</u>	<u>53,895</u>	
Fund balances, prior to refund to TDCJ-CJAD	12,774	16,940	4,166
Prior Period Adjustment		<u>(4,166)</u>	<u>4,166</u>
Fund Balances - August 31	<u>\$ 12,774</u>	<u>\$ 12,774</u>	<u>\$</u>

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

The differences shown above are due to the remaining balance in the fund at the end of FY2007 being reported incorrectly as fund balance in the fourth quarter report. This amount was correctly reported as a refund due to the State in the Department's annual audit. Once Department personnel noted the correct presentation, the FY 2008 second quarter report was changed to reflect a prior period adjustment.

**FORT BEND COUNTY COMMUNITY SUPERVISION AND
CORRECTIONS DEPARTMENT
COMMUNITY CORRECTIONS PROGRAM
PRE-TRIAL
SCHEDULE OF DIFFERENCES BETWEEN
AUDIT REPORTS AND CSCD REPORTS
Year Ended August 31, 2008**

	<u>Audit</u>	<u>Per CSCD Reports</u>	<u>Difference</u>
Revenues			
State aid	\$ 270,884	\$ 270,884	\$
Payments by participants	194,139	194,139	
Total Revenues	<u>465,023</u>	<u>465,023</u>	
Expenditures			
Salaries	225,053	225,053	
Contract service for offenders	90,607	90,607	
Professional fees	1,775	1,775	
Total Expenditures	<u>317,435</u>	<u>317,435</u>	
Revenues Over (Under) Expenditures	147,588	147,588	
Fund balances - September 1		6,000	(6,000)
Transfers in (out)	<u>(72,856)</u>	<u>(72,856)</u>	
Fund balances, prior to refund to TDCJ-CJAD	74,732	80,732	(6,000)
Prior Period Adjustment		<u>(6,000)</u>	<u>6,000</u>
Fund Balances - August 31	<u>\$ 74,732</u>	<u>\$ 74,732</u>	<u>\$</u>

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

The differences shown above are due to the remaining balance in the fund at the end of FY2007 being reported incorrectly as fund balance in the fourth quarter report. This amount was correctly reported as a refund due to the State in the Department's annual audit. Once Department personnel noted the correct presentation, the FY 2008 second quarter report was changed to reflect a prior period adjustment.

**FORT BEND COUNTY COMMUNITY SUPERVISION AND
CORRECTIONS DEPARTMENT
COMMUNITY CORRECTIONS PROGRAM
NON-ENGLISH SPEAKING
SCHEDULE OF DIFFERENCES BETWEEN
AUDIT REPORTS AND CSCD REPORTS
Year Ended August 31, 2008**

	<u>Audit</u>	<u>Per CSCD Reports</u>	<u>Difference</u>
Revenues			
State aid	\$ 151,672	\$ 151,672	\$
Expenditures			
Salaries	134,920	134,920	
Professional fees	1,138	1,138	
Total Expenditures	<u>136,058</u>	<u>136,058</u>	
Revenues Over (Under) Expenditures	15,614	15,614	
Fund balances - September 1		658	(658)
Transfers in (out)	<u>(4,220)</u>	<u>(4,220)</u>	
Fund balances, prior to refund to TDCJ-CJAD	11,394	12,052	(658)
Prior Period Adjustment		<u>(658)</u>	<u>658</u>
Fund Balances - August 31	<u>\$ 11,394</u>	<u>\$ 11,394</u>	<u>\$</u>

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

The differences shown above are due to the remaining balance in the fund at the end of FY2007 being reported incorrectly as fund balance in the fourth quarter report. This amount was correctly reported as a refund due to the State in the Department's annual audit. Once Department personnel noted the correct presentation, the FY 2008 second quarter report was changed to reflect a prior period adjustment.

**FORT BEND COUNTY COMMUNITY SUPERVISION AND
CORRECTIONS DEPARTMENT
COMMUNITY CORRECTIONS PROGRAM
SEX OFFENDERS
SCHEDULE OF DIFFERENCES BETWEEN
AUDIT REPORTS AND CSCD REPORTS
Year Ended August 31, 2008**

	<u>Audit</u>	<u>Per CSCD Reports</u>	<u>Difference</u>
Revenues			
State aid	\$ 143,671	\$ 143,671	\$
Expenditures			
Salaries	105,880	105,880	
Contract services for offenders	12,660	12,660	
Professional fees	1,078	1,078	
Total Expenditures	<u>119,618</u>	<u>119,618</u>	
Revenues Over (Under) Expenditures	24,053	24,053	
Fund balances - September 1		2,758	(2,758)
Transfers in (out)	<u>(3,906)</u>	<u>(3,906)</u>	
Fund balances, prior to refund to TDCJ-CJAD	20,147	22,905	(2,758)
Prior Period Adjustment		<u>(2,758)</u>	<u>2,758</u>
Fund Balances - August 31	<u>\$ 20,147</u>	<u>\$ 20,147</u>	<u>\$</u>

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

The differences shown above are due to the remaining balance in the fund at the end of FY2007 being reported incorrectly as fund balance in the fourth quarter report. This amount was correctly reported as a refund due to the State in the Department's annual audit. Once Department personnel noted the correct presentation, the FY 2008 second quarter report was changed to reflect a prior period adjustment.

**FORT BEND COUNTY COMMUNITY SUPERVISION AND
CORRECTIONS DEPARTMENT
COMMUNITY CORRECTIONS PROGRAM
TREATMENT ALTERNATIVE TO INCARCERATION/RIDER 84
SCHEDULE OF DIFFERENCES BETWEEN
AUDIT REPORTS AND CSCD REPORTS
Year Ended August 31, 2008**

	<u>Audit</u>	<u>Per CSCD Reports</u>	<u>Difference</u>
Revenues			
State aid	\$ 922,581	\$ 922,581	\$
Expenditures			
Salaries	57,708	57,708	
Contract service for offenders	511,530	511,530	
Professional fees	7,094	7,094	
Total Expenditures	<u>576,332</u>	<u>576,332</u>	
Revenues Over (Under) Expenditures	346,249	346,249	
Fund balances - September 1		84,246	<u>(84,246)</u>
Fund balances, prior to refund to TDCJ-CJAD	346,249	430,495	(84,246)
Prior Period Adjustment		<u>(84,246)</u>	<u>84,246</u>
Fund Balances - August 31	<u>\$ 346,249</u>	<u>\$ 346,249</u>	<u>\$</u>

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

The differences shown above are due to the remaining balance in the fund at the end of FY2007 being reported incorrectly as fund balance in the fourth quarter report. This amount was correctly reported as a refund due to the State in the Department's annual audit. Once Department personnel noted the correct presentation, the FY 2008 second quarter report was changed to reflect a prior period adjustment.