

State of Texas
Department of Public Safety

ANNUAL
Financial Report

STEVEN C. McCRAW
DIRECTOR
DAVID G. BAKER
ROBERT J. BODISCH, SR.
DEPUTY DIRECTORS



COMMISSION
A. CYNTHIA LEON, CHAIR
MANNY FLORES
FAITH JOHNSON
STEVEN P. MACH
RANDY WATSON

FOR THE PERIOD SEPTEMBER 1, 2015 THROUGH AUGUST 31, 2016

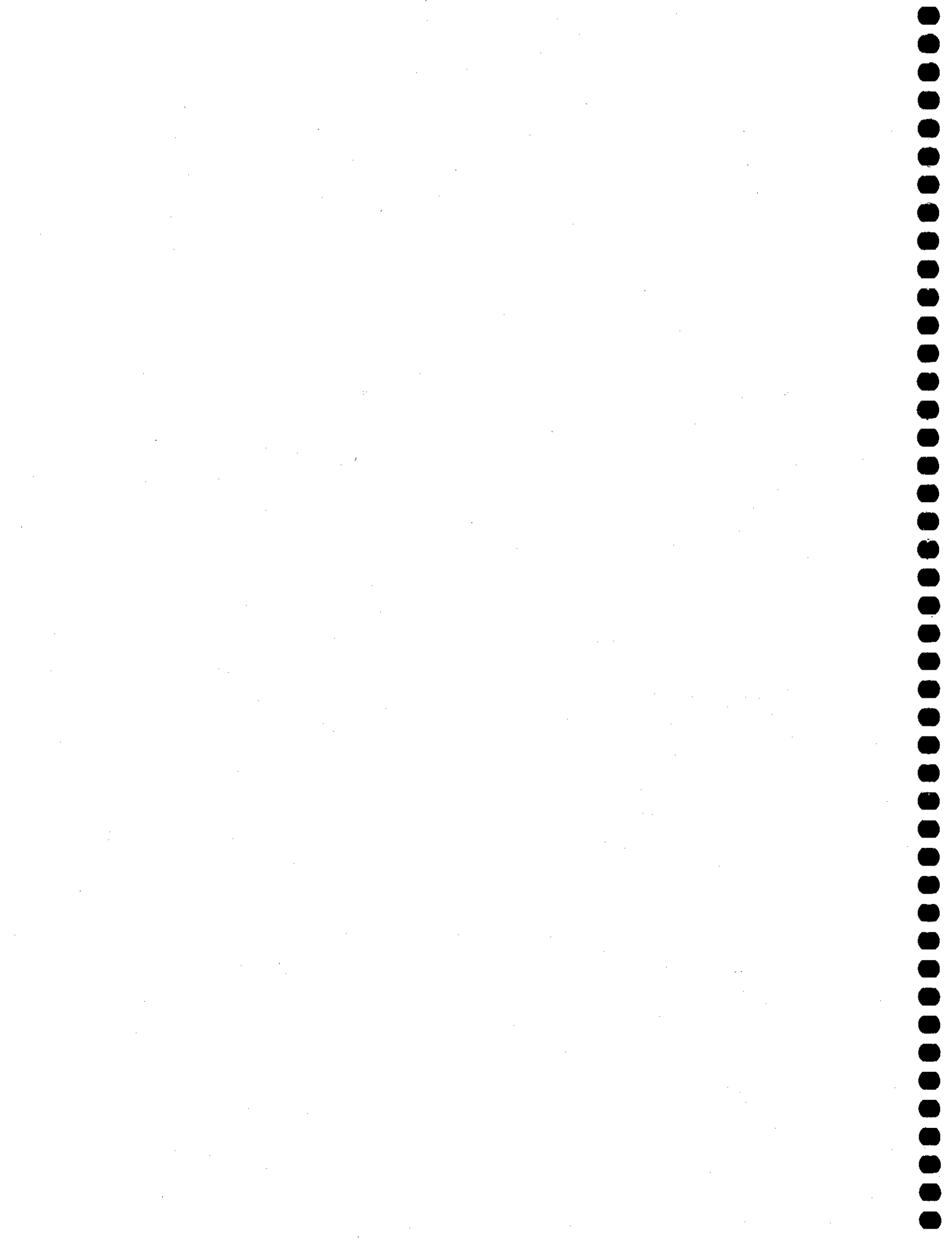




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Annual Financial Report
For the Year Ended August 31, 2016

Prepared for:
Texas Department of Public Safety



TEXAS DEPARTMENT OF PUBLIC SAFETY

ANNUAL FINANCIAL REPORT

For the Year Ended August 31, 2016

Steven C. McCraw
Director



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TEXAS DEPARTMENT OF PUBLIC SAFETY

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November 18, 2016

Honorable Greg Abbott, Governor
Honorable Glenn Hegar, Texas Comptroller
Ursula Parks, Director, Legislative Budget Board
Lisa Collier, CPA, Assistant State Auditor

Ladies and Gentlemen:

We are pleased to submit the Annual Financial Report of the Texas Department of Public Safety for the year ended August 31, 2016, in compliance with TEX. GOV'T CODE ANN §2101.011, and in accordance with the requirements established by the Comptroller of Public Accounts.

Due to the statewide requirements embedded in Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, the Comptroller of Public Accounts does not require the accompanying annual financial report to comply with all the requirements in this statement. The financial report will be considered for audit by the State Auditor as part of the audit of the State of Texas Comprehensive Annual Financial Report; therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

If you have any questions, please contact Kelley Glaeser at (512) 462-6169. Kathy Hubert may be contacted at (512) 424-7998 for questions related to the Schedule of Expenditures of Federal Awards.

Sincerely,

Steven C. McCraw
Director

UNAUDITED

Texas Department of Public Safety (405)

Exhibit I - Combined Balance Sheet / Statement of Net Assets - Governmental Funds

For the Fiscal Year Ended August 31, 2016

	Governmental Fund Types			Governmental Funds Total
	General Funds (Exh A-1)	Special Revenue Funds (Exh B-1)	Capital Projects Funds (Exh C-1)	
ASSETS				
Current Assets:				
Cash				
Cash on Hand	\$ 1,146,250.00	\$ -	\$ -	\$ 1,146,250.00
Cash in Bank	432,000.00			432,000.00
Cash in State Treasury	55,574,859.62			55,574,859.62
Legislative Appropriations	280,498,532.92			280,498,532.92
Receivables from:				
Federal	57,249,415.48			57,249,415.48
Accounts Receivable	61,636.81			61,636.81
Due From Other Funds				-
Due From Other Agencies	14,324,456.45	5,698,186.40	353,687.26	20,376,330.11
Consumable Inventories	147,973.85			147,973.85
Merchandise Inventories	3,247,712.30			3,247,712.30
Total Current Assets	<u>\$ 412,682,837.43</u>	<u>\$ 5,698,186.40</u>	<u>\$ 353,687.26</u>	<u>\$ 418,734,711.09</u>
Non-Current Assets:				
Total Non-Current Assets:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Assets:	<u>\$ 412,682,837.43</u>	<u>\$ 5,698,186.40</u>	<u>\$ 353,687.26</u>	<u>\$ 418,734,711.09</u>
LIABILITIES AND FUND BALANCES				
Current Liabilities:				
Payables from:				
Accounts	\$ 20,689,403.30	\$ 895,479.87	\$ 353,687.26	\$ 21,938,570.43
Payroll	65,559,823.46	(362.56)		65,559,460.90
Due to Other Funds				-
Due to Other Agencies	48,208,192.79			48,208,192.79
Deferred Revenues (Sch. 1A - Note 7)	3,641,896.62			3,641,896.62
Total Current Liabilities:	<u>\$ 138,099,316.17</u>	<u>\$ 895,117.31</u>	<u>\$ 353,687.26</u>	<u>\$ 139,348,120.74</u>
Non-Current Liabilities:				
Total Non-Current Liabilities:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Liabilities:	<u>\$ 138,099,316.17</u>	<u>\$ 895,117.31</u>	<u>\$ 353,687.26</u>	<u>\$ 139,348,120.74</u>
FUND FINANCIAL STATEMENT				
Fund Balances (Deficits):				
Nonspendable In Inventory	\$ 3,395,686.15	\$ -	\$ -	\$3,395,686.15
Restricted	22,234,099.94	4,803,069.09		27,037,169.03
Committed	40,058,128.26			40,058,128.26
Unassigned	208,895,606.91			208,895,606.91
Total Fund Balances	<u>\$ 274,583,521.26</u>	<u>\$ 4,803,069.09</u>	<u>\$ -</u>	<u>\$ 279,386,590.35</u>
Total Liabilities and Fund Balances	<u>\$ 412,682,837.43</u>	<u>\$ 5,698,186.40</u>	<u>\$ 353,687.26</u>	<u>\$ 418,734,711.09</u>

The accompanying notes to the financial statements are an integral part of this statement.

UNAUDITED

Texas Department of Public Safety (405)
 Exhibit II - Combined Statement of Revenues, Expenditures, and Changes in Fund Balances /
 Statement of Activities - Governmental Funds
 For the Fiscal Year Ended August 31, 2016

	General Funds (Exh A-2)	Special Revenue Funds (Exh B-2)	Capital Projects Funds (Exh C-2)	Governmental Funds Total
REVENUES				
Legislative Appropriations:				
Original Appropriations	\$ 990,165,866.25	\$ -	\$ -	\$ 990,165,866.25
Additional Appropriations	204,902,295.58			204,902,295.58
Federal Revenue	339,958,172.47	755,922.90		340,714,095.37
Federal Grant Pass-Through Revenue	3,697,640.12	54,036.66		3,751,676.78
State Grant Pass-Through Revenue	3,892,378.76			3,892,378.76
Licenses, Fees & Permits	119,550,402.13	1,492,292.42		121,042,694.55
Interest and Other Investment Income	49,556.81			49,556.81
Land Income	-			-
Settlement of Claims	1,991,182.40			1,991,182.40
Sales of Goods and Services	8,431,445.14	2,036,357.03		10,467,802.17
Other	820,698.83	1,708,109.00		2,528,807.83
Total Revenues	\$ 1,673,459,638.49	\$ 6,046,718.01	\$ -	\$ 1,679,506,356.50
EXPENDITURES				
Salaries and Wages	\$ 682,955,887.84	\$ 4,112,510.60	\$ -	\$ 687,068,398.44
Payroll Related Costs	204,205,305.37	(19,410,528.21)		184,794,777.16
Professional Fees and Services	35,475,823.04	2,477,983.40	585,991.31	38,539,797.75
Travel	20,513,376.16	284,162.66		20,797,538.82
Materials and Supplies	59,367,903.51	7,733,791.65	386,383.64	67,488,078.80
Communication and Utilities	24,600,158.61	431,051.14	8,148.26	25,039,358.01
Repairs and Maintenance	34,990,637.72	1,084,999.31	343,041.22	36,418,678.25
Rentals and Leases	16,045,855.08	77,329.51		16,123,184.59
Printing and Reproduction	7,113,207.75	720,240.32		7,833,448.07
Claims and Judgments	1,144,790.42	(323.68)		1,144,466.74
Federal Grant Pass-Through Expenditures	65,542,779.67			65,542,779.67
State Grant Pass-Through Expenditures	156,372,285.42			156,372,285.42
Intergovernmental Payments	75,442,817.54			75,442,817.54
Public Assistance Payments	8,166,519.51			8,166,519.51
Other Expenditures	95,060,254.74	5,040,798.72	24,864.82	100,125,918.28
Capital Outlay (Note 2)	38,131,349.08	12,466,968.83	1,469,330.60	52,067,648.51
Debt service:				
Principal	3,600,000.00	-	-	3,600,000.00
Total Expenditures/Expenses	\$ 1,528,728,951.46	\$ 15,018,984.25	\$ 2,817,759.85	\$ 1,546,565,695.56
Excess (Deficiency) of Revenues over Expenditures	\$ 144,730,687.03	\$ (8,972,266.24)	\$ (2,817,759.85)	\$ 132,940,660.94
OTHER FINANCING SOURCES (USES)				
Sale of Capital Assets	\$ 2,732,446.72	\$ 772,992.00	\$ -	\$ 3,505,438.72
Insurance Recoveries	415,289.95			415,289.95
Transfers In	8,152,271.32	11,003,353.19	2,817,759.85	21,973,384.36
Transfers Out	(2,410,869.23)			(2,410,869.23)
Total Other Financing Sources (Uses)	\$ 8,889,138.76	\$ 11,776,345.19	\$ 2,817,759.85	\$ 23,483,243.80
Net Change in Fund Balances/Net Assets	\$ 153,619,825.79	\$ 2,804,078.95	\$ -	\$ 156,423,904.74
FUND FINANCIAL STATEMENT - FUND BALANCES				
Fund Balances - Beginning	\$ 139,558,401.12	\$ 4,373,341.29	\$ -	\$ 143,931,742.41
Restatements	(169,173.52)	(2,374,351.15)		(2,543,524.67)
Fund Balances as Restated	139,389,227.60	1,998,990.14		141,388,217.74
Appropriations Lapsed	(18,425,532.13)			(18,425,532.13)
Fund Balances - Ending	\$ 274,583,521.26	\$ 4,803,069.09	\$ -	\$ 279,386,590.35

UNAUDITED

Texas Department of Public Safety (405)

Exhibit VI - Combined Statement of Net Assets - Fiduciary Funds

For the Fiscal Year Ended August 31, 2016

	Agency Funds (Exhibit J-1)	Totals
ASSETS		
Cash and Cash Equivalents:		
Cash in State Treasury	\$ 3,309,508.98	\$ 3,309,508.98
Cash in Bank	3,496.29	3,496.29
Securities Held in Trust	6,399,079.83	6,399,079.83
Total Current Assets	<u>\$ 9,712,085.10</u>	<u>\$ 9,712,085.10</u>
 Total Assets	 <u>\$ 9,712,085.10</u>	 <u>\$ 9,712,085.10</u>
LIABILITIES		
Funds Held for Others	9,712,085.10	9,712,085.10
Total Current Liabilities	<u>\$ 9,712,085.10</u>	<u>\$ 9,712,085.10</u>
 Total Liabilities	 <u>\$ 9,712,085.10</u>	 <u>\$ 9,712,085.10</u>

The accompanying notes to the financial statements are an integral part of this statement.

Note 1: Summary of Significant Accounting Policies

Entity

The Texas Department of Public Safety is an agency of the State of Texas and its financial records comply with state statutes and regulations. This includes compliance with the Texas Comptroller of Public Accounts' Reporting Requirements for State Agencies.

The Department of Public Safety was created under the provisions of S.B. 146, 44th Legislature, Regular Session (1935), which incorporated the Texas Rangers and the State Highway Patrol into a new department. The principal objectives of the Department are to protect the life, rights, privileges and well-being of the people of Texas.

Due to the statewide requirements embedded in Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, the Comptroller of Public Accounts does not require the accompanying annual financial report to comply with all the requirements in this statement. The financial report will be considered for audit by the State Auditor as part of the audit of the State of Texas Comprehensive Annual Financial Report; therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

Blended Component Units: No component units have been identified which should have been blended into an appropriate fund.

Fund Structure

The accompanying financial statements are presented on the basis of funds, each of which is considered a separate accounting entity.

Governmental Fund Types & Government-wide Adjustment Fund Types

General Fund: The general fund is the principal operating fund used to account for most of the state's general activities. It accounts for all financial resources except those accounted for in other funds. The funds and purpose are listed below:

Fund 0092 - Federal Disaster Fund is part of the General Revenue Fund. Fund 0092 was established to receive state and federal revenue which is used to pay for disaster related activities.

Fund 0099 - Operator & Chauffeur License Fund - This fund was created to receive federal funds and other authorized revenue. Since FY 2015 DPS remains the controlling agency but does not have authority to spend out of this fund.

Fund 0221 - Federal Civil Defense & Disaster Relief Fund - This fund was created to hold federal funds appropriated to support the organization and coordination of a program of civil defense and disaster relief.

Fund 0222 - Department of Public Safety Federal Fund - This fund was created to receive federal funds for use in accordance with the "Federal Emergency Planning Program" and other Federal programs.

Fund 0453 - Disaster Contingency Fund - This fund was created to receive funds appropriated by legislature and gifts, grants or loans. Used for purposes appropriated by legislature in accordance with Texas Disaster Act 1975.

Fund 0501 - Motorcycle Education Fund - This fund was created to receive \$5 of each Class M license renewal fee. Funds may be used to defray the costs of administering the motorcycle operation training and safety program.

Fund 0582 - Motor Carrier Act Enforcement Federal - This fund was created to receive federal dollars to enforce the safety certificate, rate or other provision of the Motor Carrier Act.

Fund 0599 - Economic Stabilization Fund - To receive transfer of one-half of any unencumbered positive balance in the General Revenue Fund (0001) on the last day of the preceding biennium and an amount equal to 75 percent of excess oil and gas production taxes received in fiscal year 1987 and any other money appropriated to the fund by the legislature. HB 1025; Section 21, appropriated the Department \$2,700,000.00 for Disasters during the 83rd Legislature. These funds were to be use during appropriation year 2012 and 2013 (appropriation year 2013 ran through fiscal year 2015.)

Fund 5010 – Sexual Assault Program – This appropriated fund receives fees collected from sexually oriented businesses. Amounts in the account may only be appropriated to the Attorney General, Department of State Health Services, UT Austin, Texas State University, Governor's Office, Department of Public Safety, Comptroller Judiciary, Department of Criminal Justice, Juvenile Justice Department, Comptroller and Supreme Court for uses specified in law. Primarily for grants to such programs as: sexual violence awareness and prevention campaigns; victims of human trafficking; sexual assault nurse examiner programs; increase the level of sexual assault services in this state; victim assistance coordinators; and technology in rape crisis centers.

Fund 5013 - Breath Alcohol Testing Fund - This account is created in General Revenue to receive court costs from defendants convicted under the Penal Code.

Fund 5124 – Texas Emerging Technology Fund – On November 17, 2014 as part of the Budget Execution proposal signed by Rick Perry, David Dewhurst, and Joe Straus, awarded DPS seven million dollars from this fund for the purpose of increasing the department’s border security operations which included capital equipment.

Fund 5153 - Emergency Radio Infrastructure Fund - Fees are deposited in the account as provided by Section 133.102(e) (11), Local Government Code.

Special Revenue Funds: Special revenue funds are used to account for the proceeds of specific revenue sources (other than for private-purpose trusts or for major capital projects) that are legally restricted to use for specified purposes.

Fund 0006 - State Highway Fund - This fund receives funds allocated by law for public road construction, maintenance, and monitoring and law enforcement of the state's highway system. DPS activity in this fund is winding down. All activity related to this fund relates to prior years. In FY2018 DPS will no longer report this fund.

Capital Projects Funds: These funds are used to finance construction of new DPS buildings and Crime lab facilities in various state locations.

Fund 7211 - T.P.F.A. G.O. Series 2009B DPS Project Fund - The purpose of this fund is to deposit proceeds from the sale of bonds (except for amounts deposited to the interest and Sinking Fund) and Investment earnings. To be used to pay cost of issuance and project costs as defined in the bond resolution.

Fund 7629 - T.P.F.A. G.O. Commercial Paper Series 2008 DPS Project 1A Fund - The purpose of this fund is to deposit proceeds from the sale of bonds (except accrued interest) and investment earnings. To be used to pay cost of issuance and project costs as defined in the bond resolution.

Fund 7648 - T.P.F.A. G.O. Commercial Paper Series 2008 DPS Project 1B Fund - The purpose of this fund is to deposit proceeds from the sale of bonds (except accrued interest) and investment earnings. To be used to pay cost of issuance and project costs as defined in the bond resolution.

Fund 7656 - T.P.F.A. G.O. Commercial Paper Series 2008 DPS Project 1C Fund - The purpose of this fund is to deposit proceeds from the sale of bonds (except accrued interest) and investment earnings. To be used to pay cost of issuance and project costs as defined in the bond resolution.

Fiduciary Fund Types

Fiduciary funds account for assets held by the state in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. When assets are held under the terms of a formal trust agreement, either a pension trust fund, or a private purpose trust fund is used.

Agency Funds: Agency funds are used to account for assets the government holds on behalf of others in a purely custodial capacity. Agency funds involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

Basis of Accounting

The basis of accounting determines when revenues and expenditures or expenses are recognized in the accounts reported in the financial statements. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.

Governmental fund types that build the fund financial statements are accounted for using the modified accrual basis of accounting. Under the modified accrual basis, revenues are recognized in the period in which they become both measurable and available to finance operations of the fiscal year or liquidate liabilities existing at fiscal year-end. The State of Texas considers receivables collected within **sixty days** after year-end to be available and recognizes them as revenues of the current year for Fund Financial Statements prepared on the modified accrual basis. Expenditures and other uses of financial resources are recognized when the related liability is incurred.

Governmental adjustment fund types that will build the government-wide financial statements are accounted for using the full accrual basis of accounting. This includes capital assets, accumulated depreciation, unpaid Employee Compensable leave, the unmatured debt service (principal and interest) on general long-term liabilities, long-term capital leases, long-term claims and judgments and full accrual revenues and expenses. The activity will be recognized in these fund types.

Budgets and Budgetary Accounting

The budget is prepared biennially and represents appropriations authorized by the legislature and approved by the Governor (the General Appropriations Act).

Unencumbered appropriations are generally subject to lapse 60 days after the end of the fiscal year for which they were appropriated.

Assets, Liabilities, and Fund Balances/Net Assets

Assets

Cash and Cash Equivalents: Short-term highly liquid investments with an original maturity of three months or less are considered cash equivalents.

Inventories and Prepaid Items: Inventories include both merchandise inventories on hand for sale and consumable inventories. Inventories are valued at cost generally utilizing the last-in, first-out method. The consumption method of accounting is used to account for inventories and prepaid items that appear in the governmental and proprietary fund types. The cost of these items is expensed when the items are consumed.

Capital Assets: Assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year should be capitalized. These assets are capitalized at cost or, if not purchased, at appraised fair value as of the date of acquisition. Purchases of assets by governmental funds are reported as expenditures. Depreciation is reported on all "exhaustible" assets. "Inexhaustible" assets such as works of art and historical treasures are not depreciated. Road and highway infrastructure is reported on the modified basis. Assets are depreciated over the estimated useful life of the asset using the straight-line method.

Current Receivables - Other: Other receivables include year-end revenue accruals. This account can appear in governmental and proprietary fund types.

Liabilities

Accounts Payable: Accounts Payable represents the liability for the value of assets or services received at the balance sheet date for which payment is pending.

Current Payables - Other: Payables are the accrual at year-end of expenditure transactions. Payables may be included in either the governmental or proprietary fund types.

Employees' Compensable Leave Balances: Employees' Compensable Leave Balances represent the liability that becomes "due" upon the occurrence of relevant events such as resignations, retirements, and uses of leave balances by covered employees. Liabilities are reported separately as either current or non-current in the statement of net assets.

Fund Balance / Net Assets

The difference between fund assets and liabilities is 'Net Assets' on the government-wide, proprietary and fiduciary fund statements, and the 'Fund Balance' is the difference between fund assets and liabilities on the governmental fund statements.

Fund Balance Components: Fund balances for governmental funds are classified as non-spendable, restricted, committed, assigned or unassigned in the fund financial statements.

- Non-spendable fund balance includes amounts not available to be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact.

- Restricted fund balance includes those resources that have constraints placed on their use through external parties or by law through constitutional provisions.
- Committed fund balance can be used only for specific purposes pursuant to constraints imposed by a formal action of the Texas Legislature, the state's highest level of decision making authority.
- Assigned fund balance includes amounts constrained by the state's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (1) the Texas Legislature or (2) a body (for example, a budget or finance committee) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.
- Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that was not assigned to other funds and was not restricted, committed or assigned to specific purposes within the general fund.

Invested In Capital Assets, Net Of Related Debt: Invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bond, notes and other debt that are attributed to the acquisition, construction or improvement of those assets.

Restricted Net Assets: Restricted net assets result when constraints placed on net asset use are either externally imposed by creditors, grantors, contributors and the like or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Assets: Unrestricted net assets consist of net assets that do not meet the definition of the two preceding categories. Unrestricted net assets often have constraints on resources, which are imposed by management but can be removed or modified

Interfund Activities and Balances

The agency has the following types of transactions between funds:

Transfers: Legally required transfers that are reported when incurred as 'Transfers In' by the recipient fund and as 'Transfers Out' by the disbursing fund.

Reimbursements: Reimbursements are repayments from funds responsible for expenditures or expenses to funds that made the actual payment. Reimbursements of expenditures made by one fund for another that are recorded as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund. Reimbursements are not displayed in financial statements.

Interfund Receivables and Payables: Interfund loans are reported as interfund receivables and payables. If repayment is due during the current year or soon thereafter it is classified as "Current", repayment for two (or more) years is classified as "Non-Current".

Interfund Sales and Purchases: Charges or collections for services rendered by one fund to another that are recorded as revenues of the recipient fund and expenditures or expenses of the disbursing fund.

Note 2: Capital Assets

A summary of changes in Capital Assets for the year ended August 31, 2016, is presented below:

	Balance 9/1/2015	Adj	Reclassifications			Additions	Deletions	Balance 8/31/2016
			Completed CIP	Inc-Int'gy Trans	Dec-Int'gy Trans			
GOVERNMENTAL ACTIVITIES								
Non-Depreciable Assets								
Land and Land Improvements	\$13,691,502.20						(\$49,301.76)	\$13,642,200.44
Construction in Progress	122,698,078.93					9,655,032.74		132,353,111.67
Other Capital Assets								
Total Non-Depreciable Assets	\$136,389,581.13	\$ -	\$ -	\$ -	\$ -	\$9,655,032.74	\$ (49,301.76)	\$145,995,312.11
Depreciable Assets								
Buildings and Building Improvements	\$251,739,708.90	(\$264,721.11)				\$248,525.55		\$251,723,513.34
Infrastructure	823,109.00							823,109.00
Facilities and Other Improvements	900,669.10							900,669.10
Furniture and Equipment	210,403,510.27	861,085.99			(274,946.00)	19,339,318.29	(5,802,407.74)	224,526,560.81
Vehicle, Boats & Aircraft	210,576,415.99			14,167.00	(2,230,211.41)	21,703,445.36	(14,617,414.68)	215,446,402.26
Other Capital Assets	33,500.00						(5,000.00)	28,500.00
Total Depreciable Assets at Historical Cost	\$674,476,913.26	\$596,364.88	\$ -	\$14,167.00	(\$2,505,157.41)	\$41,291,289.20	(\$20,424,822.42)	\$693,448,754.51
Less Accumulated Depreciation for:								
Buildings and Improvements	(\$110,483,969.70)					(\$5,887,300.60)		(\$116,371,270.30)
Infrastructure	(171,481.00)					(82,310.88)		(253,791.88)
Facilities and Other Improvements	(225,450.26)					(36,624.36)		(262,074.62)
Furniture and Equipment	(127,923,893.83)	(1,026,990.84)			260,071.00	(21,656,954.04)	5,479,019.60	(144,868,748.11)
Vehicles, Boats & Aircraft	(126,671,459.54)			(11,333.60)	2,101,241.55	(24,112,246.80)	13,648,571.12	(135,045,227.27)
Other Capital Assets	(10,231.52)					(4,249.80)	892.80	(13,588.52)
Total Accumulated Depreciation	(\$365,486,485.85)	(\$1,026,990.84)	\$ -	(\$11,333.60)	\$2,361,312.55	(\$51,779,686.48)	\$19,128,483.52	(\$396,814,700.70)
Amortizable Assets - Intangible								
Computer Software	\$17,076,940.34	(\$985,316.87)				\$1,308,461.73	(\$733,873.00)	\$16,666,212.20
Total Depreciable Assets at Historical Cost	\$17,076,940.34	\$ (985,316.87)	\$ -	\$ -	\$ -	\$1,308,461.73	\$ (733,873.00)	\$16,666,212.20
Less Accumulated Amortization for:								
Computer Software	(\$11,053,936.03)	\$ 334,555.80				(\$1,743,496.66)	\$ 392,514.83	(\$12,070,362.06)
Other Intangible Capital Assets								-
Total Accumulated Amortization	(\$11,053,936.03)	\$ 334,555.80	\$ -	\$ -	\$ -	(\$1,743,496.66)	\$ 392,514.83	(\$12,070,362.06)
Governmental Activities Capital Assets, net	\$451,403,012.85	(\$1,081,387.03)	\$ -	\$2,833.40	(\$143,844.86)	(\$1,268,399.47)	(\$1,686,998.83)	\$447,225,216.06

Note 3: Deposits, Investments, & Repurchase Agreements

Texas Department of Public Safety is authorized by statute to make investments following the “prudent person rule.” There were no significant violations of legal provisions during the period.

Deposits of Cash in Bank

As of August 31, 2016, the carrying amount of deposits was \$435,496.29 as presented below.

Governmental and Business-Type Activities	
Cash in Bank – Carrying Value	\$ 432,000.00
Cash in Bank per AFR	\$ 432,000.00

Fiduciary Funds	
Cash in Bank – Carrying Value	\$ 3,496.29
Cash in Bank per AFR	\$ 3,496.29

Note 4: Short-Term Debt*Not Applicable*

Note 5: Long-Term Liabilities

Changes in Long-Term Liabilities

During the year ended August 31, 2016 the following changes occurred in liabilities.

Governmental Activities	Balance 9/01/15	Additions	Reductions	Balance 8/31/16	Amounts Due Within 1 Year	Amounts Due Thereafter
Capital Lease Obligations	\$29,703,654.59	-	3,600,000.00	\$26,103,654.59	\$3,600,000.00	\$22,503,654.59
Claims and Judgements	\$147,797.76	1,015,165.85	1,144,466.74	\$18,496.87	\$18,496.87	-
Compensable Leave	\$84,699,427.98	66,101,759.07	67,914,905.25	\$82,886,281.80	\$34,854,086.53	\$48,032,195.27
Pollution Remediation	\$259,380.00	101,500.00	257,880.00	\$103,000.00	\$103,000.00	-
Total Governmental Activities	\$114,810,260.33	67,218,424.92	72,917,251.99	\$109,111,433.26	\$38,575,583.40	\$70,535,849.86

Employees' Compensable Leave

A state employee is entitled to be paid for all unused vacation time accrued, in the event of the employee's resignation, dismissal, or separation from State employment, provided the employee has had continuous employment with the State for six months. Expenditures for accumulated annual leave balances are recognized in the period paid or taken in governmental fund types. For these fund types, the liability for unpaid benefits is recorded in the Statement of Net Assets. An expense and liability for proprietary fund types are recorded in the proprietary funds as the benefits accrue to employees. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

Pollution Remediation Obligations

The Agency is responsible for: the maintenance of DPS state owned underground storage tanks and is currently managing 8 sites; conducting mold and lead remediation at the North Lamar and Florence shooting ranges; the cleanup and preventative measures for the protection of Waller Creek; asbestos abatement in DPS state owned offices; and also managing chemical spill sites.

Note 6: Bonded Indebtedness*Not Applicable***Note 7: Derivatives***Not Applicable***Note 8: Leases****Operating Leases**

Included in the expenditures reported in the financial statements are the following amounts of rent paid or due under operating lease obligations:

Fund Type	Amount
General Fund	\$ 16,045,855.08
Special Revenue Fund	\$ 77,329.51

Future minimum lease rental payments under non-cancelable operating leases having an initial term in excess of one year are as follows:

Year Ending August 31, 2017	\$11,183,079.22
Year Ending August 31, 2018	10,590,105.36
Year Ending August 31, 2019	11,664,695.94
Year Ending August 31, 2020	10,606,551.54
Year Ending August 31, 2021	9,502,300.56
Year Ending August 31, 2022	10,068,721.96
Year Ending August 31, 2023	6,925,320.12
Year Ending August 31, 2024	6,300,776.62
Year Ending August 31, 2025 and beyond	13,664,939.02
Total Minimum Future Lease Rental Payments	\$90,506,490.34

Capital Leases

The Department of Public Safety has entered into long-term leases for financing the purchase of certain capital assets. Such leases are classified as capital leases for accounting purposes; therefore, such leases are recorded at the present value of the future minimum lease payments at the inception of the lease. The following is a summary of the original capital costs of all such property under the lease in addition to the accumulated depreciation as of 8/31/16:

Governmental Activities			
Class of Property	Assets under Capital Lease	Accumulated Depreciation	Total Governmental Activities
Furniture & Equipment	\$ 35,836,800.00	(\$14,122,890.60)	\$ 21,713,909.40
Totals	\$35,836,800.00	(\$14,122,890.60)	\$21,713,909.40

Future minimum lease payments under these capital leases, together with the present value of the net minimum lease payments at fiscal year-end, are as follows:

	Principal	Interest	Total Future Minimum Lease Payments
Year Ending August 31, 2017	3,600,000.00	0	3,600,000.00
Year Ending August 31, 2018	3,600,000.00	0	3,600,000.00
Year Ending August 31, 2019	3,600,000.00	0	3,600,000.00
Year Ending August 31, 2020	3,600,000.00	0	3,600,000.00
Year Ending August 31, 2021	3,600,000.00	0	3,600,000.00
Year Ending August 31, 2022 and beyond	8,103,654.59	0	8,103,654.59
Total Capital Lease Payments	\$26,103,654.59	\$0	\$26,103,654.59

Note 9: Pension Plans

Not Applicable

Note 10: Deferred Compensation

Not Applicable

Note 11: Post Employment Health Care and Life Insurance

Not Applicable

Note 12: Interfund Activities and Transactions*Not Applicable***Note 13: Continuance Subject to Review**

Under the Texas Sunset Act, the Agency will be abolished effective September 1, 2019, unless continued in existence by the Legislature as provided by the Act. If abolished, the agency may continue until September 1, 2020 to close out its operations.

Note 14: Adjustments to Fund Balances/Net Assets

During FY 2016, adjustments were made which required the restatement of the amounts in fund balances and fund equity as shown and discussed below:

- a. Capital Assets related error corrections
- b. Error correction

	Capital Assets	Fund 0001	Fund 0092	Fund 0221	Fund 0222	Fund 0006
Fund Balance August 31, 2015	\$451,403,012.85	\$90,737,086.71	\$3,162,831.90	\$439,706.81	\$231,599.85	\$4,377,085.41
Restatements						
a. Capital Assets and related Accumulated Depreciation	(1,081,387.03)					
b. Error correction		(8,665.91)	(150,697.59)	(9,895.60)	0.00	(2,374,351.15)
Fund Balance September 1, 2015 as Restated	\$450,321,625.82	\$90,728,420.80	\$3,012,134.31	\$429,811.21	\$231,599.85	\$2,002,734.26

Note 15: Contingent Liabilities**Unpaid Claims and Lawsuits**

Unpaid claims totaled \$18,496.87 as of August 31, 2016. These miscellaneous claims were set up as liabilities. (Please see note 5.)

As of August 31, 2016, the Texas Department of Public Safety or employees of the Texas Department of Public Safety sued on behalf of their official acts were named as defendants in 109 lawsuits. These included suits arising from tort claims, civil rights, wrongful death and third party claims. The monetary range of potential damages claimed against the Department range from \$0 (i.e. injunctive relief only sought) to \$35,000,000. Some cases are clearly frivolous in nature. Adverse judgment of suits determined valid could result in liabilities to the Department, but based on prior experience, it is unlikely that the outcome for these claims will materially affect the financial position of the Department. It is anticipated that any resulting judgments of consequence would be presented to a forthcoming session of the legislature for its consideration as to method of funding.

Federal Assistance

The Department has received several federal grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to a request for reimbursements from grantor agencies for expenditures disallowed under the terms of the grant. Based on prior experience, management believes such disallowances, if any, will be immaterial.

Note 16: Subsequent Events	<i>Not Applicable</i>
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Note 17: Risk Management

DPS is exposed to a variety of civil claims resulting from the performance of its duties. It is agency policy to periodically assess the proper combination of commercial insurance and retention of risk to cover losses to which it may be exposed.

The agency assumes substantially all risks associated with tort and liability claims due to the performance of its duties. Currently there is no purchase of commercial insurance nor is the agency involved in any risk pools with other government entities.

The agency's liabilities are reported when it is both probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Liabilities are reevaluated periodically to consider current settlements, frequency of claims, past experience and economic factors. There were no significant reductions in insurance coverage in the past year and losses did not exceed funding arrangements during the past three years. Changes in the balances of the agency's claims liabilities during fiscal 2016 were:

	Beginning Balance	Increases	Decreases	Ending Balance
2016	\$147,797.76	\$1,015,165.85	(\$1,144,466.74)	\$18,496.87

Note 18: Management Discussion & Analysis

DPS had three notable items in FY 2016:

- 1) In fiscal year 2016 a major change in funding occurred. DPS is primarily being funded out of Fund 0001. Large variances will be noted between increase activity in Fund 0001 and large decreases in Fund 0006.
- 2) DPS was appropriated additional funding to secure the border including additional equipment and personnel.
- 3) Five disasters were declared in fiscal year 2016 by the Federal Emergency Management Agency (FEMA), four severe storm and flooding declarations and the Hidden Pines fire.

Note 19: The Financial Reporting Entity

The Texas Department of Public Safety Foundation, a non-profit 501C (3) organization, was established in 2012 to support DPS in fulfilling its mission to serve the people of Texas. The Foundation was set up to:

- 1) Strengthen the agency by providing financial assistance to DPS to fulfill its mission
- 2) Recognize employee valor and sacrifice, and
- 3) Contribute to employee injured in the line of duty and families of employees killed in the line of duty.

Note 20: Stewardship, Compliance, & Accountability

Confiscated/Entrusted Property

Confiscated/Entrusted Property represents assets held by the Department as the result of criminal investigations or stolen assets recovered by the Department. Those seized assets are held in the custody of the Department at the request of various courts in the State until court decisions have been made. At the time of the decisions, the property will either be returned to the defendant or awarded to the State, county, or federal government. Stolen assets recovered by the Department are held until positive identification is made and those items can be returned to the rightful owner.

Confiscated/Entrusted Property may consist of cash, foreign currency, automobiles, airplanes, weapons, precious metals and various other assets of value and is maintained throughout the State in Department-secured locations. On August 31, 2016, a physical count of the property was performed. U.S. monetary assets are recorded in Agency Funds. The values of the other confiscated assets cannot be readily determined and are disclosed only by type as listed above.

Note 21:	<i>Not Applicable</i>
Note 22: Donor-Restricted Endowments	<i>Not Applicable</i>
Note 23: Extraordinary or Special Items	<i>Not Applicable</i>
Note 24: Disaggregation of Receivable and Payable Balances	<i>Not Applicable</i>
Note 25: Termination Benefits	<i>Not Applicable</i>
Note 26: Segment Information	<i>Not Applicable</i>
Note 27: Service Concession Arrangements	<i>Not Applicable</i>
Note 28: Deferred Outflows of Resources & Deferred Inflows of Resources	<i>Not Applicable</i>
Note 29: Trouble Debt Restructuring	<i>Not Applicable</i>
Note 30: Non Exchange Financial Guarantees	<i>Not Applicable</i>

UNAUDITED

Texas Department of Public Safety (405)
 Exhibit A-1 - Combining Balance Sheet - All General and Consolidated Funds
 For the Fiscal Year Ended August 31, 2016

	Consolidated Accounts					
	General Revenue Fund (0001)	Federal Disaster Fund (0092)	Operator & Chauffeur License Fund (0099)	Fed. Civil Defense & Disaster Relief Fund (0221)	Federal Fund (0222)	Disaster Contingency Fund (0453)
ASSETS						
Current Assets:						
Cash						
Cash on Hand	\$ 1,143,250.00				\$ 3,000.00	
Cash in Bank	\$ 432,000.00					
Cash in State Treasury		4,679,946.50	403,154.76	964,310.54	3,802,933.63	6,152,310.10
Legislative Appropriations	280,498,532.92					
Receivables from:						
Federal	5,152,578.69	52,096,836.79				
Accounts Receivable				61,636.81		
Due From Other Funds						
Due From Other Agencies	1,743,877.03	34,471.78				
Consumable Inventories	147,973.85					
Merchandise Inventories	3,247,712.30					
Total Current Assets	\$ 292,365,924.79	\$ 56,811,255.07	\$ 403,154.76	\$ 1,025,947.35	\$ 3,805,933.63	\$ 6,152,310.10
Non-Current Assets:						
Total Non-Current Assets:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Assets:	\$ 292,365,924.79	\$ 56,811,255.07	\$ 403,154.76	\$ 1,025,947.35	\$ 3,805,933.63	\$ 6,152,310.10
LIABILITIES AND FUND BALANCES						
Current Liabilities:						
Payables from:						
Accounts	\$ 15,654,221.29	\$ 3,435,129.57		\$ 27,234.14	\$ 395,352.20	
Payroll	64,152,575.10	1,168,088.39		118,121.76		
Due To Other Funds						
Due To Other Agencies	267,835.34	47,537,527.86	402,829.59			
Unearned Revenues		346,057.31		140,996.52	3,154,842.79	
Total Current Liabilities	\$ 80,074,631.73	\$ 52,486,803.13	\$ 402,829.59	\$ 286,352.42	\$ 3,550,194.99	\$ -
Non-Current Liabilities:						
Total Non-Current Liabilities:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liabilities:	\$ 80,074,631.73	\$ 52,486,803.13	\$ 402,829.59	\$ 286,352.42	\$ 3,550,194.99	\$ -
Fund Balances (Deficits):						
Nonspendable in Inventory	\$ 3,395,686.15					
Restricted		\$ 4,324,451.94		\$ 739,594.93	\$ 255,738.64	
Committed			325.17			6,152,310.10
Unassigned	208,895,606.91					
Total Fund Balances	\$ 212,291,293.06	\$ 4,324,451.94	\$ 325.17	\$ 739,594.93	\$ 255,738.64	\$ 6,152,310.10
Total Liabilities and Fund Balances	\$ 292,365,924.79	\$ 56,811,255.07	\$ 403,154.76	\$ 1,025,947.35	\$ 3,805,933.63	\$ 6,152,310.10

The accompanying notes to the financial statements are an integral part of this statement.

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Consolidated Accounts (cont'd)

Motorcycle Education Fund (0501)	Motor Carrier Act Enforcement Fund (0582)	Economic Stabilization Fund (0599)	Sexual Assault Kits (FUND 5010)	Breath Alcohol Testing Fund (5013)	Emerging Technology Fund (5124)	Emergency Radio Infrastructure Fund (5153)	TOTALS
							\$ -
							1,146,250.00
							432,000.00
17,815,583.78	76,947.52			13,031,479.88		8,648,192.91	55,574,859.62
							280,498,532.92
							-
							57,249,415.48
							61,636.81
		2,031.30	3,090,959.81		1,263,942.53	8,189,174.00	14,324,456.45
							147,973.85
							3,247,712.30
\$ 17,815,583.78	\$ 76,947.52	\$ 2,031.30	\$ 3,090,959.81	\$ 13,031,479.88	\$ 1,263,942.53	\$ 16,837,366.91	\$ 412,682,837.43
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 17,815,583.78	\$ 76,947.52	\$ 2,031.30	\$ 3,090,959.81	\$ 13,031,479.88	\$ 1,263,942.53	\$ 16,837,366.91	\$ 412,682,837.43
\$ 354,251.25		\$ 2,031.30	\$ 821,183.55				\$ 20,689,403.30
45,581.91			75,456.30				65,559,823.46
							-
							48,208,192.79
							3,641,896.62
\$ 399,833.16	\$ -	\$ 2,031.30	\$ 896,639.85	\$ -	\$ -	\$ -	\$ 138,099,316.17
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 399,833.16	\$ -	\$ 2,031.30	\$ 896,639.85	\$ -	\$ -	\$ -	\$ 138,099,316.17
	\$ 76,947.52					\$ 16,837,366.91	\$ 3,395,686.15
17,415,750.62			2,194,319.96	13,031,479.88	1,263,942.53		\$ 22,234,099.94
							\$ 40,058,128.26
\$ 17,415,750.62	\$ 76,947.52	\$ -	\$ 2,194,319.96	\$ 13,031,479.88	\$ 1,263,942.53	\$ 16,837,366.91	\$ 208,895,606.91
							\$ 274,583,521.26
\$ 17,815,583.78	\$ 76,947.52	\$ 2,031.30	\$ 3,090,959.81	\$ 13,031,479.88	\$ 1,263,942.53	\$ 16,837,366.91	\$ 412,682,837.43

The accompanying notes to the financial statements are an integral part of this statement.

UNAUDITED

Texas Department of Public Safety (405)
 Exhibit A-2 - Combining Statement of Revenues, Expenditures, and Changes in Fund Balances -
 All General and Consolidated Funds
 For the Fiscal Year Ended August 31, 2016

	General		Consolidated Accounts		
	General	Federal	Operator &	Fed. Civil	Federal
	Revenue	Disaster	Chaffeur	Defense &	Federal
	Fund (0001)	Fund (0092)	Fund (0099)	Fund (0221)	Fund (0222)
REVENUES					
Legislative Appropriations:					
Original Appropriations	\$ 990,165,866.25				
Additional Appropriations	204,902,295.58				
Federal Revenue (Schedule 1A)	25,785,930.45	242,240,482.38		71,592,703.94	339,055.70
Federal Grant Pass-Through Revenue (Schedule 1A)	3,517,272.48	180,367.64			
State Grant Pass-Through Revenue (Schedule 1B)	3,892,378.76				
Licenses, Fees & Permits	105,246,564.51				
Interest and Other Investment Income	22,501.79			6,465.64	20,589.38
Land Income					
Settlement of Claims	1,991,182.40				
Sales of Goods and Services	8,431,445.14				
Other	646,913.31	148,437.59		25,347.93	
Total Revenues	\$ 1,344,602,350.67	\$ 242,569,287.61	\$ -	\$ 71,624,517.51	\$ 359,646.08
EXPENDITURES					
Salaries and Wages	\$ 667,375,712.97	\$ 10,875,318.21		\$ 1,382,269.04	
Payroll Related Costs	200,824,976.95	2,074,347.21		166,449.11	
Professional Fees and Services	33,426,546.51	1,156,146.11		808,223.68	
Travel	20,091,462.27	237,376.02		81,115.11	
Materials and Supplies	55,894,523.69	1,649,192.07		73,918.57	222,184.16
Communication and Utilities	23,203,693.13	772,903.64		581,851.60	
Repairs and Maintenance	34,154,658.35	421,875.11		3,799.83	12,443.72
Rentals and Leases	14,851,437.89	1,045,124.07		131,482.00	
Printing and Reproduction	7,109,327.34	1,502.87		15.33	
Claims and Judgments	1,127,877.77				
Federal Grant Pass-Through Expenditures		65,517,240.87		25,538.80	
State Grant Pass-Through Expenditures (Schedule 1B)	20,203,339.27	136,168,946.15			
Intergovernmental Payments	8,042,911.78			67,399,905.76	
Public Assistance Payments	123,202.09	7,792,708.30		250,609.12	
Other Expenditures	81,520,537.47	12,567,901.38		409,555.84	29,204.25
Debt service:					
Principal	3,600,000.00				
Capital Outlay	34,436,570.38	976,437.47		-	71,674.16
Total Expenditures	\$ 1,205,986,777.86	\$ 241,257,019.48	\$ -	\$ 71,314,733.79	\$ 335,506.29
Excess (Deficiency) of Revenues over Expenditures	\$ 138,615,572.81	\$ 1,312,268.13	\$ -	\$ 309,783.72	\$ 24,138.79
OTHER FINANCING SOURCES (USES)					
Sale of Capital Assets	\$ 2,732,397.22	\$ 49.50			
Insurance Recoveries	415,289.95				
Transfers In			325.17		
Transfers Out	(1,774,941.17)				
Total Other Financing Sources (Uses)	\$ 1,372,746.00	\$ 49.50	\$ 325.17	\$ -	\$ -
Net Change in Fund Balances	\$ 139,988,318.81	\$ 1,312,317.63	\$ 325.17	\$ 309,783.72	\$ 24,138.79
FUND FINANCIAL STATEMENT - FUND BALANCES					
Fund Balances - Beginning	\$ 90,737,086.71	\$ 3,162,831.90	\$ -	\$ 439,706.81	\$ 231,599.85
Restatements	(8,580.33)	(150,697.59)		(9,895.60)	
Fund Balances as Restated	90,728,506.38	3,012,134.31		429,811.21	231,599.85
Appropriations Lapsed	(18,425,532.13)				
Fund Balances--Ending (See Note 18)	\$ 212,291,293.06	\$ 4,324,451.94	\$ 325.17	\$ 739,594.93	\$ 255,738.64

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Consolidated Accounts (cont'd)

Disaster Contingency Fund (0453)	Motorcycle Education Fund (0501)	Motor Carrier Act Enforcement Fund (0582)	Economic Stabilization Fund (0599)	Sexual Assault Kits (FUND 5010)	Breath Alcohol Testing Fund (5013)	Emerging Technology Fund (5124)	Emergency Radio Infrastructure Fund (5153)	TOTALS
								\$ 990,165,866.25
								204,902,295.58
								339,958,172.47
								3,697,640.12
								3,892,378.76
	1,248,764.00			2,898,053.85	920,223.62		9,236,796.15	119,550,402.13
								49,556.81
								-
								1,991,182.40
								8,431,445.14
								820,698.83
\$ -	\$ 1,248,764.00	\$ -	\$ -	\$ 2,898,053.85	\$ 920,223.62	\$ -	\$ 9,236,796.15	\$ 1,673,459,638.49
	\$ 419,080.94			\$ 1,365,990.40	\$ 920,987.28	\$ 616,529.00		\$ 682,955,887.84
79.55	339,182.82			800,269.73				204,205,305.37
	84,541.74			365.00				35,475,823.04
	41,277.40			62,145.36				20,513,376.16
	494,922.19			466,575.57		566,587.26		59,367,903.51
	3,220.85					38,489.39		24,600,158.61
	27,853.79			6,285.60		363,721.32		34,990,637.72
	17,811.12							16,045,855.08
	2,362.21							7,113,207.75
	16,912.65							1,144,790.42
								65,542,779.67
								156,372,285.42
								75,442,817.54
								8,166,519.51
				35,483.94		497,571.86		95,060,254.74
								3,600,000.00
	14,924.00			18,564.44		2,613,178.63		38,131,349.08
\$ 79.55	\$ 1,462,089.71	\$ -	\$ -	\$ 2,755,680.04	\$ 920,987.28	\$ 4,696,077.46	\$ -	\$ 1,528,728,951.46
\$ (79.55)	\$ (213,325.71)	\$ -	\$ -	\$ 142,373.81	\$ (763.66)	\$ (4,696,077.46)	\$ 9,236,796.15	\$ 144,730,687.03
								\$ 2,732,446.72
								415,289.95
6,100,000.00				2,051,946.15				8,152,271.32
(635,928.06)								(2,410,869.23)
\$ 5,464,071.94	\$ -	\$ -	\$ -	\$ 2,051,946.15	\$ -	\$ -	\$ -	\$ 8,889,138.76
\$ 5,463,992.39	\$ (213,325.71)	\$ -	\$ -	\$ 2,194,319.96	\$ (763.66)	\$ (4,696,077.46)	\$ 9,236,796.15	\$ 153,619,825.79
\$ 688,317.71	\$ 17,629,076.33	\$ 76,947.52			\$ 13,032,243.54	\$ 5,960,019.99	\$ 7,600,570.76	\$ 139,558,401.12
								(169,173.52)
688,317.71	17,629,076.33	76,947.52			13,032,243.54	5,960,019.99	7,600,570.76	139,389,227.60
								(18,425,532.13)
\$ 6,152,310.10	\$ 17,415,750.62	\$ 76,947.52	\$ -	\$ 2,194,319.96	\$ 13,031,479.88	\$ 1,263,942.53	\$ 16,837,366.91	\$ 274,583,521.26

The accompanying notes to the financial statements are an integral part of this statement.

UNAUDITED

Texas Department of Public Safety (405)
Exhibit B-1 - Combining Balance Sheet - Special Revenue Funds
 For the Fiscal Year Ended August 31, 2016

	<u>Special Revenue</u>	
	<u>State Highway</u>	
	<u>Fund (0006)</u>	<u>TOTALS</u>
ASSETS		
Current Assets:		
Cash		
Cash on Hand	\$ -	\$ -
Cash in Bank		
Cash in State Treasury		
Legislative Appropriations		
Receivables from:		
Federal		
Accounts Receivable		
Due From Other Funds		
Due From Other Agencies	5,698,186.40	5,698,186.40
Total Current Assets	<u>\$ 5,698,186.40</u>	<u>\$ 5,698,186.40</u>
 Total Assets:	 <u>\$ 5,698,186.40</u>	 <u>\$ 5,698,186.40</u>
LIABILITIES AND FUND BALANCES		
Liabilities		
Current Liabilities:		
Payables from:		
Accounts	\$ 895,479.87	\$ 895,479.87
Payroll	(362.56)	(362.56)
Due to Other Funds		
Due To Other Agencies		
Interfund Payable		
Deferred Revenue		
Total Current Liabilities	<u>\$ 895,117.31</u>	<u>\$ 895,117.31</u>
 Non-Current Liabilities:	 <u>\$ -</u>	 <u>\$ -</u>
Total Non-Current Liabilities:	<u>\$ -</u>	<u>\$ -</u>
 Total Liabilities:	 <u>\$ 895,117.31</u>	 <u>\$ 895,117.31</u>
 Fund Balances (Deficits):		
Restricted	4,803,069.09	4,803,069.09
Unreserved/Undesignated		
Unassigned		
Total Fund Balances	<u>\$ 4,803,069.09</u>	<u>\$ 4,803,069.09</u>
 Total Liabilities and Fund Balances	 <u>\$ 5,698,186.40</u>	 <u>\$ 5,698,186.40</u>

The accompanying notes to the financial statements are an integral part of this statement.

UNAUDITED

Texas Department of Public Safety (405)

Exhibit B-2 - Combining Statement of Revenues, Expenditures, and Changes in Fund Balances -

Special Revenue Funds

For the Fiscal Year Ended August 31, 2016

	<u>Special Revenue</u>	
	<u>State Highway</u>	
	<u>Fund (0006)</u>	<u>TOTALS</u>
REVENUES		
Federal Revenue	\$ 755,922.90	\$ 755,922.90
Federal Grant Pass-Through Revenue	54,036.66	54,036.66
State Grant Pass-Through Revenue		
Licenses, Fees & Permits	1,492,292.42	1,492,292.42
Interest and Other Investment Income		
Land Income		
Settlement of Claims		
Sales of Goods and Services	2,036,357.03	2,036,357.03
Other	1,708,109.00	1,708,109.00
Total Revenues	<u>\$ 6,046,718.01</u>	<u>\$ 6,046,718.01</u>
EXPENDITURES		
Salaries and Wages	\$ 4,112,510.60	\$ 4,112,510.60
Payroll Related Costs	(19,410,528.21)	(19,410,528.21)
Professional Fees and Services	2,477,983.40	2,477,983.40
Travel	284,162.66	284,162.66
Materials and Supplies	7,733,791.65	7,733,791.65
Communication and Utilities	431,051.14	431,051.14
Repairs and Maintenance	1,084,999.31	1,084,999.31
Rentals and Leases	77,329.51	77,329.51
Printing and Reproduction	720,240.32	720,240.32
Claims and Judgments	(323.68)	(323.68)
Federal Grant Pass-Through Expenditures		
Intergovernmental Payments		
Public Assistance Payments		
Other Expenditures	5,040,798.72	5,040,798.72
Debt service:		
Principal		
Capital Outlay	12,466,968.83	12,466,968.83
Total Expenditures	<u>\$ 15,018,984.25</u>	<u>\$ 15,018,984.25</u>
Excess (Deficiency) of Revenues over Expenditures	\$ (8,972,266.24)	\$ (8,972,266.24)
OTHER FINANCING SOURCES (USES)		
Sale of Capital Assets	\$ 772,992.00	\$ 772,992.00
Increase in Obligations Under Capital Leases		
Insurance Recoveries		
Transfers In	11,003,353.19	11,003,353.19
Transfers Out		
Other Financing Sources (Uses)		
Total Other Financing Sources (Uses)	<u>\$ 11,776,345.19</u>	<u>\$ 11,776,345.19</u>
Net Change in Fund Balances/Net Assets	<u>\$ 2,804,078.95</u>	<u>\$ 2,804,078.95</u>
FUND FINANCIAL STATEMENT - FUND BALANCES		
Fund Balances - Beginning	\$ 4,373,341.29	\$ 4,373,341.29
Restatements	(2,374,351.15)	(2,374,351.15)
Fund Balances as Restated	1,998,990.14	1,998,990.14
Fund Balances - Ending	<u>\$ 4,803,069.09</u>	<u>\$ 4,803,069.09</u>

The accompanying notes to the financial statements are an integral part of this statement.

UNAUDITED

Texas Department of Public Safety (405)
 Exhibit C-1 - Combining Balance Sheet - Capital Project Funds
 For the Fiscal Year Ended August 31, 2016

	Capital Projects Fund (7211)	Capital Projects Fund (7629)	Capital Projects Fund (7648)	Capital Projects Fund (7656)	TOTALS
ASSETS					
Current Assets:					
Cash					
Cash on Hand	\$ -	\$ -	\$ -	\$ -	\$ -
Cash in Bank					
Receivables from:					
Federal					
Accounts Receivable					
Due From Other Agencies		\$ 126,715.46		\$ 226,971.80	\$ 353,687.26
Total Current Assets	\$ -	\$ 126,715.46	\$ -	\$ 226,971.80	\$ 353,687.26
Total Assets:	\$ -	\$ 126,715.46	\$ -	\$ 226,971.80	\$ 353,687.26
LIABILITIES AND FUND BALANCES					
Liabilities					
Current Liabilities:					
Payables from:					
Accounts Payable	\$ -	\$ 126,715.46	\$ -	\$ 226,971.80	\$ 353,687.26
Payroll					
Due To Other Agencies					
Total Current Liabilities	\$ -	\$ 126,715.46	\$ -	\$ 226,971.80	\$ 353,687.26
Non-Current Liabilities:	\$ -	\$ -	\$ -	\$ -	\$ -
Total Non-Current Liabilities:	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liabilities:	\$ -	\$ 126,715.46	\$ -	\$ 226,971.80	\$ 353,687.26
Fund Balances (Deficits):					
Restricted	\$ -	\$ -	\$ -	\$ -	\$ -
Unassigned	\$ -	\$ -	\$ -	\$ -	\$ -
Total Fund Balances	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liabilities and Fund Balances	\$ -	\$ 126,715.46	\$ -	\$ 226,971.80	\$ 353,687.26

The accompanying notes to the financial statements are an integral part of this statement.

UNAUDITED

Texas Department of Public Safety (405)

Exhibit C-2 - Combining Statement of Revenues, Expenditures, and Changes in Fund Balances -

Capital Project Funds

For the Fiscal Year Ended August 31, 2016

	Capital Projects Fund (7211)	Capital Projects Fund (7629)	Capital Projects Fund (7648)	Capital Projects Fund (7656)	TOTALS
REVENUES					
Interest and Investment Income	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Revenue					
Federal Grant Pass-Through Revenue					
State Grant Pass-Through Revenue					
Licenses, Fees & Permits					
Land Income					
Settlement of Claims					
Sales of Goods and Services					
Other					
Total Revenues	\$ -	\$ -	\$ -	\$ -	\$ -
EXPENDITURES					
Salaries and Wages	\$ -	\$ -	\$ -	\$ -	\$ -
Payroll Related Costs					
Professional Fees and Services		14,530.00		571,461.31	585,991.31
Travel					-
Materials and Supplies	23,817.00	362,566.64			386,383.64
Communication and Utilities		8,148.26			8,148.26
Repairs and Maintenance		109,623.03	18,646.00	214,772.19	343,041.22
Rentals and Leases					
Printing and Reproduction					
Claims and Judgments					
Federal Grant Pass-Through Expenditures					
Intergovernmental Payments					
Public Assistance Payments					
Other Expenditures		12,780.26	10,884.56	1,200.00	24,864.82
Debt service:					
Principal					
Capital Outlay	47,436.00	680,441.14	333,247.70	408,205.76	1,469,330.60
Total Expenditures	\$ 71,253.00	\$ 1,188,089.33	\$ 362,778.26	\$ 1,195,639.26	\$ 2,817,759.85
Excess (Deficiency) of Revenues over Expenditures	\$ (71,253.00)	\$ (1,188,089.33)	\$ (362,778.26)	\$ (1,195,639.26)	\$ (2,817,759.85)
OTHER FINANCING SOURCES (USES)					
Sale of Capital Assets	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance Recoveries					
Transfers In	71,253.00	1,188,089.33	362,778.26	1,195,639.26	2,817,759.85
Transfers Out					
Total Other Financing Sources (Uses)	\$ 71,253.00	\$ 1,188,089.33	\$ 362,778.26	\$ 1,195,639.26	\$ 2,817,759.85
Net Change in Fund Balances/Net Assets	\$ -	\$ -	\$ -	\$ -	\$ -
FUND FINANCIAL STATEMENT - FUND BALANCES					
Fund Balances - Beginning	\$ -	\$ -	\$ -	\$ -	\$ -
Appropriations Lapsed					
Fund Balances - Ending	\$ -	\$ -	\$ -	\$ -	\$ -

The accompanying notes to the financial statements are an integral part of this statement.

UNAUDITED

Texas Department of Public Safety (405)

Exhibit J-1 - Combining Statement of Changes in Assets and Liabilities - Agency Funds

For the Fiscal Year Ended August 31, 2016

	Beginning Balance September 1, 2015	Additions	Deductions	Ending Balance August 31, 2016
<u>Veterans Donation (0368)</u>				
ASSETS				
Cash in State Treasury	\$ -	\$ 1,462,425.01	\$ 1,306,087.32	\$ 156,337.69
Total Assets	\$ -	\$ 1,462,425.01	\$ 1,306,087.32	\$ 156,337.69
LIABILITIES				
Funds Held for Others	\$ -	\$ 1,462,425.01	\$ 1,306,087.32	\$ 156,337.69
Total Liabilities	\$ -	\$ 1,462,425.01	\$ 1,306,087.32	\$ 156,337.69
<u>Donate Life (0801)</u>				
ASSETS				
Cash in State Treasury	\$ 9,977.92	\$ 501,747.25	\$ 496,781.90	\$ 14,943.27
Total Assets	\$ 9,977.92	\$ 501,747.25	\$ 496,781.90	\$ 14,943.27
LIABILITIES				
Funds Held for Others	\$ 9,977.92	\$ 501,747.25	\$ 496,781.90	\$ 14,943.27
Total Liabilities	\$ 9,977.92	\$ 501,747.25	\$ 496,781.90	\$ 14,943.27
<u>Child Support Deductions (0807)</u>				
ASSETS				
Cash in State Treasury	\$ 321,889.63	\$ 4,254,848.12	\$ 4,253,590.59	\$ 323,147.16
Total Assets	\$ 321,889.63	\$ 4,254,848.12	\$ 4,253,590.59	\$ 323,147.16
LIABILITIES				
Funds Held for Others	\$ 321,889.63	\$ 4,254,848.12	\$ 4,253,590.59	\$ 323,147.16
Total Liabilities	\$ 321,889.63	\$ 4,254,848.12	\$ 4,253,590.59	\$ 323,147.16
<u>City MTA & SPD Account (0882)</u>				
ASSETS				
Cash in State Treasury	\$ -	\$ 7,725.19	\$ 7,725.19	\$ -
Total Assets	\$ -	\$ 7,725.19	\$ 7,725.19	\$ -
LIABILITIES				
Funds Held for Others	\$ -	\$ 7,725.19	\$ 7,725.19	\$ -
Total Liabilities	\$ -	\$ 7,725.19	\$ 7,725.19	\$ -
<u>Departmental Suspense - FBI fee (Fund 0900)</u>				
ASSETS				
Cash in State Treasury	\$ 2,066,238.68	\$ 19,200,950.61	\$ 18,740,711.14	\$ 2,526,478.15
Total Assets	\$ 2,066,238.68	\$ 19,200,950.61	\$ 18,740,711.14	\$ 2,526,478.15
LIABILITIES				
Funds Held for Others	\$ 2,066,238.68	\$ 19,200,950.61	\$ 18,740,711.14	\$ 2,526,478.15
Total Liabilities	\$ 2,066,238.68	\$ 19,200,950.61	\$ 18,740,711.14	\$ 2,526,478.15

The accompanying notes to the financial statements are an integral part of this statement.

UNAUDITED

Texas Department of Public Safety (405)

Exhibit J-1 - Combining Statement of Changes in Assets and Liabilities - Agency Funds

For the Fiscal Year Ended August 31, 2016

	Beginning Balance September 1, 2015	Additions	Deductions	Ending Balance August 31, 2016
<u>Safety Responsibility Trust (Fund 0914)</u>				
ASSETS				
Cash in State Treasury	\$ 235,514.10	\$ 142,227.80	\$ 94,746.64	\$ 282,995.26
Total Assets	<u>\$ 235,514.10</u>	<u>\$ 142,227.80</u>	<u>\$ 94,746.64</u>	<u>\$ 282,995.26</u>
LIABILITIES				
Funds Held for Others	\$ 235,514.10	\$ 142,227.80	\$ 94,746.64	\$ 282,995.26
Total Liabilities	<u>\$ 235,514.10</u>	<u>\$ 142,227.80</u>	<u>\$ 94,746.64</u>	<u>\$ 282,995.26</u>
<u>Motor Vehicle Proof of Responsibility (Fund 0940)</u>				
ASSETS				
Securities Held in Trust	\$ 6,399,079.83	\$ 55,000.00	\$ 55,000.00	\$ 6,399,079.83
Total Assets	<u>\$ 6,399,079.83</u>	<u>\$ 55,000.00</u>	<u>\$ 55,000.00</u>	<u>\$ 6,399,079.83</u>
LIABILITIES				
Funds Held for Others	\$ 6,399,079.83	\$ 55,000.00	\$ 55,000.00	\$ 6,399,079.83
Total Liabilities	<u>\$ 6,399,079.83</u>	<u>\$ 55,000.00</u>	<u>\$ 55,000.00</u>	<u>\$ 6,399,079.83</u>
<u>Direct Deposit Correction (0980)</u>				
ASSETS				
Cash in State Treasury	\$ 20,976.61	\$ 109,130.55	\$ 124,499.71	\$ 5,607.45
Total Assets	<u>\$ 20,976.61</u>	<u>\$ 109,130.55</u>	<u>\$ 124,499.71</u>	<u>\$ 5,607.45</u>
LIABILITIES				
Funds Held for Others	\$ 20,976.61	\$ 109,130.55	\$ 124,499.71	\$ 5,607.45
Total Liabilities	<u>\$ 20,976.61</u>	<u>\$ 109,130.55</u>	<u>\$ 124,499.71</u>	<u>\$ 5,607.45</u>
<u>Funds Held Outside Treasury (Fund 9999)</u>				
ASSETS				
Cash in Bank	\$ 2,177.29	\$ 1,319.00	\$ -	\$ 3,496.29
Total Assets	<u>\$ 2,177.29</u>	<u>\$ 1,319.00</u>	<u>\$ -</u>	<u>\$ 3,496.29</u>
LIABILITIES				
Funds Held for Others	\$ 2,177.29	\$ 1,319.00	\$ -	\$ 3,496.29
Total Liabilities	<u>\$ 2,177.29</u>	<u>\$ 1,319.00</u>	<u>\$ -</u>	<u>\$ 3,496.29</u>
Totals - All Agency Funds				
ASSETS				
Cash in State Treasury	\$ 2,654,596.94	\$ 25,679,054.53	\$ 25,024,142.49	\$ 3,309,508.98
Cash in Bank	2,177.29	1,319.00	-	3,496.29
Securities Held in Trust	6,399,079.83	55,000.00	55,000.00	6,399,079.83
Total Assets	<u>\$ 9,055,854.06</u>	<u>\$ 25,735,373.53</u>	<u>\$ 25,079,142.49</u>	<u>\$ 9,712,085.10</u>
LIABILITIES				
Funds Held for Others	\$ 9,055,854.06	\$ 25,735,373.53	\$ 25,079,142.49	\$ 9,712,085.10
Total Liabilities	<u>\$ 9,055,854.06</u>	<u>\$ 25,735,373.53</u>	<u>\$ 25,079,142.49</u>	<u>\$ 9,712,085.10</u>

The accompanying notes to the financial statements are an integral part of this statement.

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**SUPPLEMENTAL
SCHEDULES**

**Agency 405 - Department of Public Safety
Schedule 1A
For the Fiscal Year Ended August 31, 2016**

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From		Direct Program Amount
				Pass-Through From Agencies or Universities Amount	Pass-Through From Non-State Entities Amount	
U.S. Department of Commerce						
State and Local Implementation Program	11.549					\$ 721,869.04
Total - U. S. Department of Commerce				\$ -	\$ -	\$ 721,869.04
U.S. Department of Justice						
<u>Pass-Through From:</u>						
Crime Victim Assistance	16.575					
<u>Pass-Through From:</u> <i>Governor - Fiscal</i>						
			300	\$ 305,105.22		
Edward Byrne Memorial Formula Grant I	16.579					\$ 36,418.56
Public Safety Partnership and Community Policing Grant	16.710					\$ 31,417.80
<u>Pass-Through From:</u>						
Edward Byrne Memorial Justice Assista	16.738					
<u>Pass-Through From:</u> <i>Governor - Fiscal</i>						
			300	\$ 602,234.58		
DNA Backlog Reduction Program	16.741					\$ 1,530,626.57
Paul Coverdell Forensic Sciences Impro	16.742					
<u>Pass-Through From:</u> <i>Governor - Fiscal</i>						
			300	\$ 343,837.42		
Equitable Sharing Program	16.922					\$ 235,572.90
Totals - U.S. Department of Justice				\$ 1,251,177.22	\$ -	\$ 1,834,035.83
U.S. Department of Transportation						
National Motor Carrier Safety	20.218					\$ 8,393,256.24
Performance and Registration Informati	20.231					\$ 385,420.00
Border Enforcement Grants	20.233					\$ 16,023,732.47
Interagency Hazardous Materials Public	20.703					\$ 1,362,927.66
Totals - U.S. Department of Transportation				\$ -	\$ -	\$ 26,165,336.37
U.S. Department of the Treasury						
U.S. Department of the Treasury	21.000	9101036151				\$ 103,482.80
Totals- U.S. Department of the Treasury				\$ -	\$ -	\$ 103,482.80
General Services Administration						
<u>Pass-Through From:</u>						
Donation of Federal Surplus Personal Pi	39.003					
<u>Pass-Through From:</u> <i>Texas Facilities Commission</i>						
			303	\$ 7,049.06		
Totals - General Services Administration				\$ 7,049.06	\$ -	\$ -

Total PT From and Direct Prog. Amount	Agy/ Univ No	Pass-through To		Expenditures Amount	Total PT To and Expenditures Amount
		Pass-Through To Agencies or Universities Amount	Pass-Through To Non-State Entities Amount		
\$ 721,869.04				\$ 721,869.04	\$ 721,869.04
\$ 721,869.04		\$ -	\$ -	\$ 721,869.04	\$ 721,869.04
\$ 305,105.22				\$ 305,105.22	\$ 305,105.22
\$ 36,418.56				\$ 36,418.56	\$ 36,418.56
\$ 31,417.80				\$ 31,417.80	\$ 31,417.80
\$ 602,234.58				\$ 602,234.58	\$ 602,234.58
\$ 1,530,626.57				\$ 1,530,626.57	\$ 1,530,626.57
\$ 343,837.42				\$ 343,837.42	\$ 343,837.42
\$ 235,572.90				\$ 235,572.90	\$ 235,572.90
\$ 3,085,213.05		\$ -	\$ -	\$ 3,085,213.05	\$ 3,085,213.05
\$ 8,393,256.24				\$ 8,393,256.24	\$ 8,393,256.24
\$ 385,420.00				\$ 385,420.00	\$ 385,420.00
\$ 16,023,732.47				\$ 16,023,732.47	\$ 16,023,732.47
\$ 1,362,927.66				\$ 1,362,927.66	\$ 1,362,927.66
\$ 26,165,336.37		\$ -	\$ -	\$ 26,165,336.37	\$ 26,165,336.37
\$ 103,482.80				\$ 103,482.80	\$ 103,482.80
\$ 103,482.80		\$ -	\$ -	\$ 103,482.80	\$ 103,482.80
\$ 7,049.06				\$ 7,049.06	\$ 7,049.06
\$ 7,049.06		\$ -	\$ -	\$ 7,049.06	\$ 7,049.06

Agency 405 - Department of Public Safety
Schedule 1A
For the Fiscal Year Ended August 31, 2016

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From		Direct Program Amount
				Pass-Through From Agencies or Universities Amount	Pass-Through From Non-State Entities Amount	
U.S. Department of Energy						
Transport of Transuranic Wastes to the 1	81.106					
<i>Pass-Through From:</i>						
<i>Comptroller - State Energy Conservation Office</i>			907	\$ 111,646.68		
Environmental Monitoring/Cleanup, Cultu	81.214					
<i>Pass-Through From:</i>						
<i>Comptroller - State Energy Conservation Office</i>			907	\$ 108,125.76		
Totals - U.S. Department of Energy				\$ 219,772.44	\$ -	\$ -
Executive Office of the President						
High Intensity Drug Trafficking Areas Prc	95.001					\$ 140,981.71
Totals- Executive Office of the President				\$ -	\$ -	\$ 140,981.71
U.S. Department of Homeland Security						
Non-Profit Security Program	97.008					\$ 187,084.42
Crisis Counseling	97.032					\$ 413,507.26
<i>Pass-Through To:</i>						
<i>Department of State Health Services</i>						
Disaster Grants - Public Assistance (Pre	97.036					\$ 105,203,440.24
Disaster Grants - Public Assistance (Pre	97.036					\$ 333,089.49
<i>Pass-Through To:</i>						
<i>Texas Military Department</i>						
Disaster Grants - Public Assistance (Pre	97.036					\$ 53,518.47
<i>Pass-Through To:</i>						
<i>Department of State Health Services</i>						
Disaster Grants - Public Assistance (Pre	97.036					\$ 10,197.27
<i>Pass-Through To:</i>						
<i>Texas Animal Health Commission</i>						
Disaster Grants - Public Assistance (Pre	97.036					\$ 3,796,463.52
<i>Pass-Through To:</i>						
<i>Texas A&M Forest Service</i>						
Disaster Grants - Public Assistance (Pre	97.036					\$ 444,314.15
<i>Pass Through To:</i>						
<i>Texas Commission on Environmental Quality</i>						
Disaster Grants - Public Assistance (Pre	97.036					\$ 403,784.94
<i>Pass Through To:</i>						
<i>Texas Department of Transportation</i>						
Disaster Grants - Public Assistance (Pre	97.036					\$ 2,319,744.15
<i>Pass-Through To:</i>						
<i>Texas Department of Criminal Justice</i>						
Disaster Grants - Public Assistance (Pre	97.036					\$ (288,752.03)
<i>Pass-Through To:</i>						
<i>Texas A&M University System</i>						
Disaster Grants - Public Assistance (Pre	97.036					\$ 45,846.65
<i>Pass-Through To:</i>						
<i>Texas A & M University</i>						
Disaster Grants - Public Assistance (Pre	97.036					\$ 3,659,905.93
<i>Pass-Through To:</i>						
<i>Texas A&M Engineering Extension Service</i>						
Disaster Grants - Public Assistance (Pre	97.036					\$ 1,777,576.60
<i>Pass-Through To:</i>						
<i>Texas Southern University</i>						
Disaster Grants - Public Assistance (Pre	97.036					\$ 40,632,355.77
<i>Pass-Through To:</i>						
<i>University of Texas Medical Branch at Galveston</i>						

Total PT From and Direct Prog. Amount	Agy/ Univ No	Pass-through To		Expenditures Amount	Total PT To and Expenditures Amount
		Pass-Through To Agencies or Universities Amount	Pass-Through To Non-State Entities Amount		
\$ 111,646.68				\$ 111,646.68	\$ 111,646.68
\$ 108,125.76				\$ 108,125.76	\$ 108,125.76
\$ 219,772.44		\$ -	\$ -	\$ 219,772.44	\$ 219,772.44
\$ 140,981.71				\$ 140,981.71	\$ 140,981.71
\$ 140,981.71		\$ -	\$ -	\$ 140,981.71	\$ 140,981.71
\$ 187,084.42			\$ 187,086.00	\$ (1.58)	\$ 187,084.42
\$ 413,507.26					\$ 413,507.26
	537	\$ 413,507.26			
\$ 105,203,440.24			\$ 93,005,683.29	\$ 12,197,756.95	\$ 105,203,440.24
\$ 333,089.49					\$ 333,089.49
	401	\$ 333,089.49			
\$ 53,518.47					\$ 53,518.47
	537	\$ 53,518.47			
\$ 10,197.27					\$ 10,197.27
	554	\$ 10,197.27			
\$ 3,796,463.52					\$ 3,796,463.52
	576	\$ 3,796,463.52			
\$ 444,314.15					\$ 444,314.15
	582	\$ 444,314.15			
\$ 403,784.94					\$ 403,784.94
	601	\$ 403,784.94			
\$ 2,319,744.15					\$ 2,319,744.15
	696	\$ 2,319,744.15			
\$ (288,752.03)					\$ (288,752.03)
	710	\$ (288,752.03)			
\$ 45,846.65					\$ 45,846.65
	711	\$ 45,846.65			
\$ 3,659,905.93					\$ 3,659,905.93
	716	\$ 3,659,905.93			
\$ 1,777,576.60					\$ 1,777,576.60
	717	\$ 1,777,576.60			
\$ 40,632,355.77					\$ 40,632,355.77
	723	\$ 40,632,355.77			

Agency 405 - Department of Public Safety
Schedule 1A
For the Fiscal Year Ended August 31, 2016

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From		Direct Program Amount			
				Pass-Through From Agencies or Universities Amount	Pass-Through From Non-State Entities Amount				
Disaster Grants - Public Assistance (Pre	97.036					\$ 314,936.87			
<i>Pass-Through To:</i>									
<i>University of Houston</i>									
Disaster Grants - Public Assistance (Pre	97.036					\$ 21,415.32			
<i>Pass-Through To:</i>									
<i>Texas Woman's Univerisity</i>									
Disaster Grants - Public Assistance (Pre	97.036					\$ 430,991.00			
<i>Pass-Through To:</i>									
<i>Texas State University</i>									
Disaster Grants - Public Assistance (Pre	97.036					\$ 22,930.49			
<i>Pass-Through To:</i>									
<i>Parks and Wildlife Department</i>									
Hazard Mitigation Grant	97.039					\$ 50,014,233.47			
Hazard Mitigation Grant	97.039					\$ 1,742,026.39			
<i>Pass-Through To:</i>									
<i>University of Texas M. D. Anderson Cancer Center</i>									
Hazard Mitigation Grant	97.039					\$ 93,374.61			
<i>Pass-Through To:</i>									
<i>Texas A&M Forest Service</i>									
Hazard Mitigation Grant	97.039					\$ 171,777.16			
<i>Pass-Through To:</i>									
<i>University of Texas at Austin</i>									
Hazard Mitigation Grant	97.039					\$ 9,110,035.48			
<i>Pass-Through To:</i>									
<i>University of Texas Medical Branch at Galveston</i>									
Hazard Mitigation Grant	97.039					\$ 2,625.00			
<i>Pass-Through To:</i>									
<i>University of Houston</i>									
Hazard Mitigation Grant	97.039					\$ 5,576.38			
<i>Pass-Through To:</i>									
<i>University of Texas Rio Grande Valley</i>									
Emergency Management Performance (97.042					\$ 19,936,518.58			
Emergency Management Performance (97.042					\$ -			
<i>Pass-Through To:</i>									
<i>Texas A&M Engineering Extension Service</i>									
Fire Management Assistance Grant	97.046					\$ (453,278.49)			
Pre-Disaster Mitigation	97.047					\$ 657,504.23			
Homeland Security Grant Program	97.067					\$ 70,658,211.68			
Homeland Security Grant Program	97.067					\$ 25,538.80			
<i>Pass-Through From:</i>									
<i>University of Texas at el Paso</i>									
Homeland Security Grant Program	97.067								
<i>Pass-Through From:</i>									
<i>Governor - Fiscal</i>									
Repetitive Flood Claims	97.092		300	\$ 1,176,252.24		\$ 1,895.82			
Totals - U.S. Department of Homeland Security				\$	1,176,252.24	\$	-	\$	311,748,389.62
Highway Safety Cluster									
U.S. Department of Transportation									
<i>Pass-Through From:</i>									
<i>State and Community Highway Safety</i>									
<i>Texas Department of Transportation</i>									
	20.600		601	\$	271,562.51				
<i>National Priority Safety Programs</i>									
<i>Pass-Through From:</i>									
<i>Texas Department of Transportation</i>									
	20.616		601	\$	832,912.37				
Totals - U.S. Department of Transportation				\$	1,104,474.88	\$	-	\$	-
Total Expenditures of Federal Awards				\$	3,758,725.84	\$	0.00	\$	340,714,095.37

Total PT From and Direct Prog. Amount	Agy/ Univ No	Pass-through To		Expenditures Amount	Total PT To and Expenditures Amount
		Pass-Through To Agencies or Universities Amount	Pass-Through To Non-State Entities Amount		
\$ 314,936.87					\$ 314,936.87
	730	\$ 314,936.87			
\$ 21,415.32					\$ 21,415.32
	731	\$ 21,415.32			
\$ 430,991.00					\$ 430,991.00
	754	\$ 430,991.00			
\$ 22,930.49					\$ 22,930.49
	802	\$ 22,930.49			
\$ 50,014,233.47			\$ 47,367,895.32	\$ 2,646,338.15	\$ 50,014,233.47
\$ 1,742,026.39					\$ 1,742,026.39
	506	\$ 1,742,026.39			
\$ 93,374.61					\$ 93,374.61
	576	\$ 93,374.61			
\$ 171,777.16					\$ 171,777.16
	721	\$ 171,777.16			
\$ 9,110,035.48					\$ 9,110,035.48
	723	\$ 9,110,035.48			
\$ 2,625.00					\$ 2,625.00
	730	\$ 2,625.00			
\$ 5,576.38					\$ 5,576.38
	746	\$ 5,576.38			
\$ 19,936,518.58			\$ 3,455,328.01	\$ 16,481,190.57	\$ 19,936,518.58
\$ -					\$ -
	716	\$ -	\$ (467,863.71)	\$ 14,585.22	\$ (453,278.49)
\$ (453,278.49)				\$ 14,585.22	\$ (453,278.49)
\$ 657,504.23			\$ 600,611.54	\$ 56,892.69	\$ 657,504.23
\$ 70,658,211.68			\$ 67,463,428.88	\$ 3,194,782.80	\$ 70,658,211.68
\$ 25,538.80					\$ 25,538.80
	724	\$ 25,538.80			
\$ 1,176,252.24				\$ 1,176,252.24	\$ 1,176,252.24
\$ 1,895.82			\$ 1,895.82		\$ 1,895.82
\$ 312,924,641.86		\$ 65,542,779.67	\$ 211,614,065.15	\$ 35,767,797.04	\$ 312,924,641.86
\$ 271,562.51				\$ 271,562.51	\$ 271,562.51
\$ 832,912.37				\$ 832,912.37	\$ 832,912.37
\$ 1,104,474.88		\$ -	\$ -	\$ 1,104,474.88	\$ 1,104,474.88
\$344,472,821.21		\$65,542,779.67	\$211,614,065.15	\$67,315,976.39	\$344,472,821.21

SCHEDULE 1A – SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS *continued*

For the Fiscal Year Ended August 31, 2016

Note 1: Non-Monetary Assistance

DPS received personal property as part of the General Service Administration (GSA) donation of the Federal Surplus Program (CFDA 39.003) from Texas Facilities Commission (Agency 303). Original federal acquisition cost was valued at \$31,371.00, the dollar value of the personal property for the fiscal year ended August 31, 2016 was \$7,049.06.

Note 2 – Reconciliation

Below is a reconciliation of the total of federal pass-through and federal expenditures as reported on the Schedule of Federal Financial Assistance to the total of **federal revenues** and **federal grant pass-through revenues** as reported in the general-purpose financial statement. Generally, federal funds are not earned until expended; therefore, federal revenues equal federal expenditures for the reporting period.

Per Combined Governmental Operating Statement/Statement
of Activities and Proprietary Statement of Changes in Revenues, Expenses and Net Assets

Governmental Funds – Federal Revenue (Ex. II)	\$340,714,095.37
Governmental Funds – Federal Pass-Through Revenue	<u>\$3,751,676.78</u>
 Total Pass Through and Expenditures per Federal Schedule	 <u>\$344,465,772.15</u>
Non -Monetary	<u>7,049.06</u>
SEFA balance	<u>\$344,472,821.21</u>

Note 7 – Deferred Revenue

CFDA Number	Federal Title	Deferred Revenue
11.549	State and Local Implementation Grant Program	13,338.76
16.922	Equitable Sharing Program	2,281,989.85
21.000	U.S. Department of the Treasury	872,852.94
97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	190,426.59
97.039	Hazard Mitigation Grant	42,515.77
97.042	Emergency Management Performance Grants	109,606.11
97.047	Pre-disaster Mitigation	3,508.84
97.067	Homeland Security Grant Program	127,657.76
	Total Deferred Revenue	<u>\$ 3,641,896.62</u>

Disclosure Note – Disaster Grants Public Assistance (CFDA 97.036)

In 2016, DPS reported \$1,590,000.00 eligible expenditures for public assistance for the disaster grants. Of this approved amount, \$118,700.00 approved eligible expenditures were incurred in the prior year and are included in SEFA 2016, per A-133 Single Audit Compliance Supplement.

Texas Department of Public Safety (405)
 Schedule 1B
 Schedule of State Grant Pass-Throughs From/To State Agencies
 For the Year Ended August 31, 2016

Pass-through From	Grant ID	Agency Number	Amount
DISASTER GRANTS - GENERAL REVENUE FUND 0001	300.0001		
Governor - Fiscal		300	\$ 4,020,561.36
			<u>\$ 4,020,561.36</u>
CRIME STOPPERS ASSISTANCE GRANTS - GR -D FUND 5012	300.0005		
Governor - Fiscal		300	\$ 9,584.59
			<u>\$ 9,584.59</u>
DISASTER GRANTS - GR-D Fund 0599	300.0008		
Governor - Fiscal		300	\$ (355,000.00)
			<u>\$ (355,000.00)</u>
Enhancement of DPS Regional Victim Services	302.0002		
Office of the Attorney General		302	\$ 199,808.00
			<u>\$ 199,808.00</u>
BATIC	608.0001		
Texas Department of Motor Vehicles		608	\$ 17,390.61
			<u>\$ 17,390.61</u>
Stolen Vehicles	608.0002		
Texas Department of Motor Vehicles		608	\$ 34.20
			<u>\$ 34.20</u>
Total Pass-Through from Other Agencies (Exh. II):			\$ 3,892,378.76

Pass-through To	Grant ID	Agency Number	Amount
Missing Persons DNA Database	405.0015		
University of North Texas Health Science Center - Fort Worth		763	\$ 825,000.00
			<u>\$ 825,000.00</u>
Operation Security Texas DPS	405.0016		
Texas Military Department		402	\$ 17,300,000.00
Texas Parks and Wildlife		802	\$ 2,078,339.27
			<u>\$ 19,378,339.27</u>
Total Pass-Through to Other Agencies (Exh. II):			\$ 20,203,339.27

