

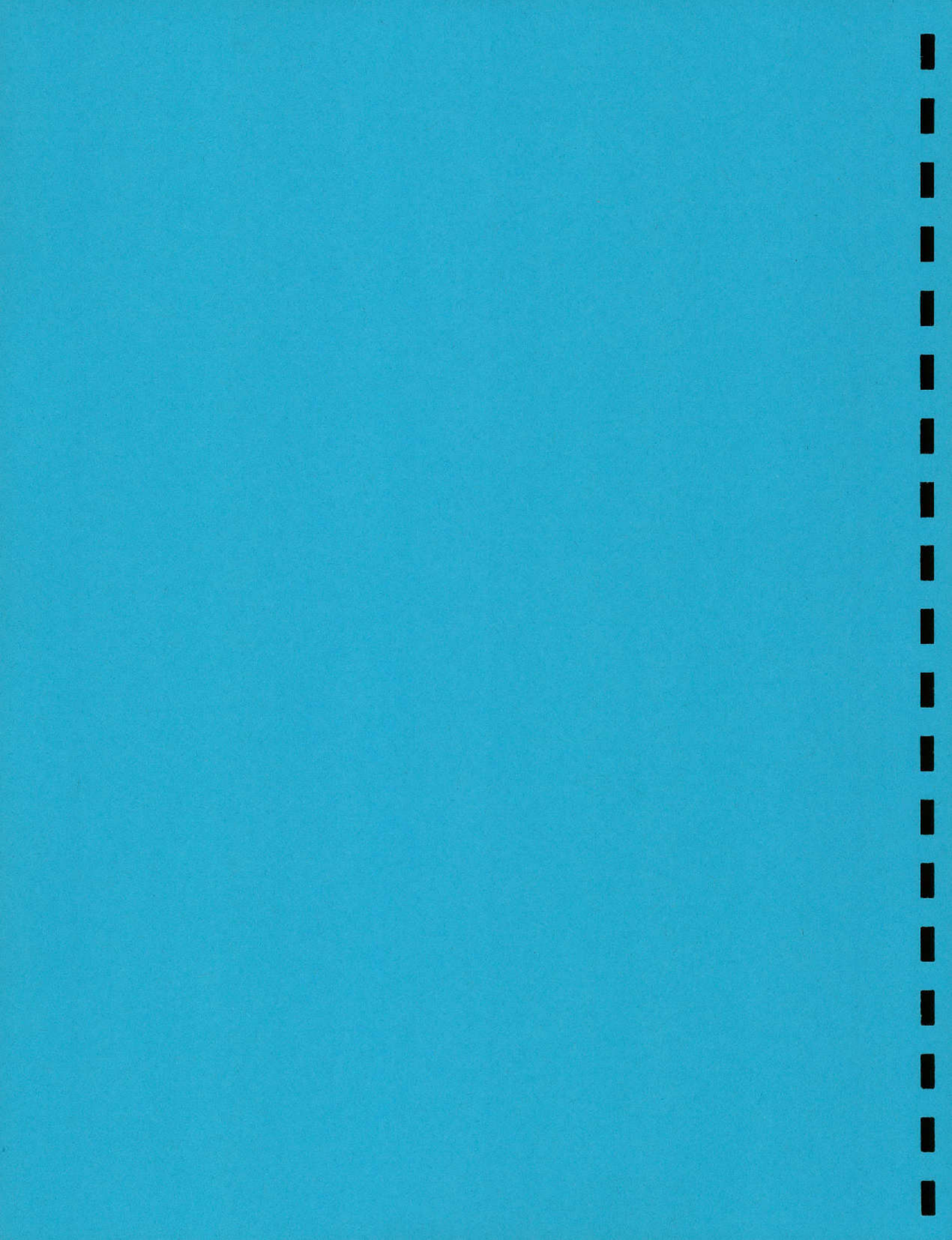
**TEXAS JUVENILE JUSTICE  
DEPARTMENT**

**ANNUAL FINANCIAL REPORT**

**FISCAL YEAR ENDED  
AUGUST 31, 2018**

**(UNAUDITED)**

**Camille Cain  
EXECUTIVE DIRECTOR**



**TEXAS JUVENILE JUSTICE  
DEPARTMENT**

**ANNUAL FINANCIAL REPORT**

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TEXAS  
JUVENILE ★ JUSTICE  
DEPARTMENT

TRANSFORMING YOUNG LIVES AND CREATING SAFER COMMUNITIES

November 20, 2018

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

Ladies and Gentlemen:

We are pleased to submit the Annual Financial Report of the Texas Juvenile Justice Department for the period ended August 31, 2018, in compliance with Texas Government Code Annotated, Section 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 (GASB) 34**, 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 (CAFR)*; 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 Glen Knipstein, Director of Fiscal Affairs and Budget at 512-490-7657. Ron Reiningger may be contacted at (512) 490-7660 for questions related to the Schedule of Expenditures of Federal Awards.

Sincerely,

A handwritten signature in black ink, appearing to read "Camille Cain".

Camille Cain  
Executive Director



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**FUND FINANCIAL STATEMENTS**

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## TEXAS JUVENILE JUSTICE DEPARTMENT

## EXHIBIT I

COMBINED BALANCE SHEET/STATEMENT OF NET ASSETS -  
GOVERNMENTAL FUNDS

For the Fiscal Year Ended August 31, 2018

	Governmental Fund Types	
	General Funds	Capital Projects Fund (Exhibit D-1)
	\$	\$
<b>ASSETS AND DEFERRED OUTFLOWS:</b>		
Current Assets:		
Cash (Note 3):		
On Hand	6,700	
In Bank	145,000	
Legislative Appropriations	40,094,659	
Receivables from:		
Accounts Receivable	3,142	
Federal		
Due from Other Agencies (Note 12)	1,426,177	321,036
Consumable Inventories	376,365	
Non-Current Assets and Deferred Outflows:		
Capital Assets (Note 2):		
Non-Depreciable or Non-Amortizable		
Depreciable or Amortizable, Net:		
Total Assets and Deferred Outflows	<u>42,052,043</u>	<u>321,036</u>

UNAUDITED

Governmental Funds Total	Government-wide Adjustments			Statement of Net Assets
	Capital Assets Adjustments	Long-Term Liabilities Adjustments	Other Adjustments	
\$	\$	\$	\$	\$
6,700				6,700
145,000				145,000
40,094,659				40,094,659
3,142				3,142
0				0
1,747,214				1,747,214
376,365				376,365
	814,614			814,614
	37,567,220			37,567,220
<u>42,373,080</u>	<u>38,381,834</u>	<u>0</u>	<u>0</u>	<u>80,754,914</u>

TEXAS JUVENILE JUSTICE DEPARTMENT

EXHIBIT I (Concluded)

COMBINED BALANCE SHEET/STATEMENT OF NET ASSETS -  
GOVERNMENTAL FUNDS

For the Fiscal Year Ended August 31, 2018

	Governmental Fund Types	
	General Funds	Capital Projects Fund (Exhibit D-1)
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>	\$	\$
<b>Liabilities and Deferred Inflows</b>		
Current Liabilities:		
Payables from:		
Accounts	2,257,194	199,113
Payroll	11,378,793	
Employees' Compensable Leave (Note 5)		
Non-Current Liabilities and Deferred Inflows:		
Employees' Compensable Leave		
<b>Total Liabilities and Deferred Inflows</b>	<u>13,635,987</u>	<u>199,113</u>
<b>Fund Financial Statement - Fund Balances</b>		
Fund Balances (Deficits):		
Nonspendable for Inventory	376,365	
Restricted	149,229	121,924
Assigned	14,332,424	
Unassigned	13,558,038	
<b>Total Fund Balances</b>	<u>28,416,056</u>	<u>121,924</u>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<u>42,052,043</u>	<u>321,037</u>

**Government-Wide Statement of Net Assets**

Net Assets:
Invested in Capital Assets, Net of Related Debt
Unrestricted
<b>Total Net Assets</b>

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

UNAUDITED

Governmental Funds Total	Capital Assets Adjustments	Long-Term Liabilities Adjustments	Other Adjustments	Statement of Net Assets
\$	\$	\$	\$	\$
2,456,307				2,456,307
11,378,793		7,382,964		11,378,793
				7,382,964
				0
<u>13,835,100</u>	<u>0</u>	<u>7,382,964</u>	<u>0</u>	<u>21,218,064</u>
376,365				376,365
271,153				271,153
14,332,424				14,332,424
13,558,038				13,558,038
<u>28,537,980</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>28,537,980</u>
<u>42,373,080</u>	<u>0</u>	<u>7,382,964</u>	<u>0</u>	<u>49,756,044</u>
	38,381,834			38,381,834
		(7,382,964)		(7,382,964)
	<u>38,381,834</u>	<u>(7,382,964)</u>	<u>0</u>	<u>59,536,850</u>

## TEXAS JUVENILE JUSTICE DEPARTMENT

## EXHIBIT II

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE/STATEMENT OF ACTIVITIES - GOVERNMENTAL FUNDS

For the Fiscal Year Ended August 31, 2018

	Governmental Fund Types	
	General Funds	Capital Projects Funds (Exhibit D-2)
<b>REVENUES</b>	\$	\$
Legislative Appropriations:		
Original Appropriations	306,679,469	
Additional Appropriations	35,464,896	
Federal Revenue		
Federal Grant Pass-Through Revenue	6,317,618	
State Grant Pass-Through Revenue	11,232,948	
Licenses, Fees and Permits	19,600	
Interest and Investment Income		
Rental of Land	264	
Sales of Goods and Services	147,377	
Other Revenues	58,845	
Total Revenues	<u>359,921,017</u>	<u>0</u>
<b>EXPENDITURES</b>		
Salaries and Wages	110,859,990	
Payroll Related Costs	37,397,490	
Professional Fees and Services	11,698,484	360,864
Travel	672,252	147
Materials and Supplies	13,467,529	334,689
Communication and Utilities	3,765,445	
Repairs and Maintenance	2,930,126	323,791
Rentals and Leases	2,411,299	1,059
Printing and Reproduction	33,221	
Claims and Judgments	112,764	
Intergovernmental Payments	149,643,171	
Public Assistance Payments	5,079,203	
Other Expenditures	5,375,339	38,206
Interest	207	
Capital Outlay	360,600	373,000
Depreciation Expense		
Total Expenditures/Expenses	<u>343,807,120</u>	<u>1,431,756</u>
Excess (Deficiency) of Revenues over Expenditures	<u>16,113,897</u>	<u>(1,431,756)</u>

UNAUDITED

Governmental Funds Total	Capital Assets Adjustments	Long-Term Liabilities Adjustments	Other Adjustments	Statement of Activities
\$	\$	\$	\$	\$
306,679,469				306,679,469
35,464,896				35,464,896
0				0
6,317,618				6,317,618
11,232,948				11,232,948
19,600				19,600
0				0
264				264
147,377				147,377
58,845				58,845
359,921,017	0	0	0	359,921,017
110,859,990		(2,176,821)		108,683,169
37,397,490				37,397,490
12,059,348				12,059,348
672,399				672,399
13,802,218				13,802,218
3,765,445				3,765,445
3,253,917				3,253,917
2,412,358				2,412,358
33,221				33,221
112,764				112,764
149,643,171				149,643,171
5,079,203				5,079,203
5,413,545				5,413,545
207				207
733,600	(733,600)			0
	4,590,062			4,590,062
345,238,876	3,856,462	(2,176,821)	0	346,918,517
14,682,141	(3,856,462)	2,176,821	0	13,002,500

## TEXAS JUVENILE JUSTICE DEPARTMENT

EXHIBIT II (Concluded)  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE/STATEMENT OF ACTIVITIES - GOVERNMENTAL FUNDS  
 For the Fiscal Year Ended August 31, 2018

	Governmental Fund Types	
	General Funds	Capital Projects Funds (Exhibit D-2)
<b>OTHER FINANCING SOURCES (USES)</b>	\$	\$
Sale of Capital Assets	1,598	
Transfer In		1,588,458
Transfer Out	(166,083)	(34,778)
Legislative Transfer In		
Legislative Transfer Out		
Gain (Loss) on Sale of Capital Assets		
Inc in Net Assets due to Interagency Transfer of Cap Assets		
(Dec) in Net Assets due to Interagency Transfer of Cap Assets		
Total Other Financing Sources (Uses)	<u>(164,485)</u>	<u>1,553,680</u>
Net Change in Fund Balances/Net Assets	<u>15,949,412</u>	<u>121,924</u>
<b>Fund Financial Statement - Fund Balances</b>		
Fund Balances - September 1, 2017	14,725,507	0
Restatements		
Fund Balances - September 1, 2017, as Restated	<u>14,725,507</u>	<u>0</u>
Appropriations Lapsed	<u>(2,258,860)</u>	<u>-</u>
Fund Balances - August 31, 2018	<u>28,416,059</u>	<u>121,924</u>
<b>Government-wide Statement - Net Assets</b>		
Net Assets/Net Change in Net Assets		
Net Assets, September 1, 2017		
Restatements		
Net Assets, September 1, 2017, as Restated		
Net Assets, August 31, 2018		

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



UNAUDITED

Governmental Funds Total	Capital Assets Adjustments	Long-Term Liabilities Adjustments	Other Adjustments	Statement of Activities
\$ 1,598	\$ (1,598)	\$	\$	\$ 0
1,588,458				1,588,458
(200,861)				(200,861)
0				0
0				0
0	1,017			1,017
0				0
0	(2,053,060)			(2,053,060)
<u>1,389,195</u>	<u>(2,053,641)</u>	<u>0</u>	<u>0</u>	<u>(664,446)</u>
<u>16,071,336</u>				<u>12,338,054</u>
14,725,507				14,725,507
0				0
<u>14,725,507</u>				<u>14,725,507</u>
<u>(2,258,860)</u>				<u>(2,258,860)</u>
<u>28,537,983</u>				<u>24,804,701</u>
<u>28,537,983</u>	<u>(5,910,103)</u>	<u>2,176,821</u>	<u>0</u>	<u>24,804,701</u>
	46,560,125	(9,559,785)	0	37,000,340
	(2,268,189)			(2,268,189)
	44,291,936	(9,559,785)	0	34,732,151
<u>28,537,983</u>	<u>38,381,833</u>	<u>(7,382,964)</u>	<u>0</u>	<u>59,536,852</u>

## TEXAS JUVENILE JUSTICE DEPARTMENT

## EXHIBIT VI

## COMBINED STATEMENT OF NET POSITION - FIDUCIARY FUNDS

For the Fiscal Year Ended August 31, 2018

	Private-Purpose Trust (Exhibit I-1)	Agency Funds (Exhibit J-1)	Totals
	\$	\$	\$
<b>ASSETS</b>			
Cash and Cash Equivalents:			
Cash in Bank	441,769		441,769
Cash in State Treasury		99,377	99,377
Cash Equivalents	2,375,000		2,375,000
Restricted:			
Cash and Cash Equivalents:			
Cash in Bank	14,423		14,423
Receivables from:			
Accounts Receivable		3,905,755	3,905,755
Capital Assets:			
Non-Depreciable:			
Land and Land Improvements	281,081		281,081
Depreciable:			
Buildings and Building Improvements	860,425		860,425
Less Accumulated Depreciation	(576,676)		(576,676)
Facilities and Other Improvements	136,253		136,253
Less Accumulated Depreciation	(90,318)		(90,318)
Total Assets	<u>3,441,956</u>	<u>4,005,132</u>	<u>7,447,088</u>
<b>LIABILITIES</b>			
Funds Held for Others	91,732	4,005,132	4,096,864
Total Liabilities	<u>91,732</u>	<u>4,005,132</u>	<u>4,096,864</u>
<b>NET ASSETS</b>			
Held in Trust For			
Individuals, Organizations, and Other Gov't	3,350,224	-	3,350,224
Total Net Assets	<u>3,350,224</u>	<u>-</u>	<u>3,350,224</u>

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

## TEXAS JUVENILE JUSTICE DEPARTMENT

## EXHIBIT VII

## COMBINED STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

For the Fiscal Year Ended August 31, 2018

	Private-Purpose Trust (Exhibit I-2)	Totals
	\$	\$
<b>ADDITIONS</b>		
Investment Income		
From Investing Activities:		
Interest and Investment Income	31,127	31,127
Total Investing Income (Loss)	31,127	31,127
Total Net Investment Income (Loss)	31,127	31,127
Other Additions		
Other Revenue	192,143	192,143
Gain/(Loss) on Capital Assets		-
Transfers In		-
Total Other Additions	192,143	192,143
Total Additions	223,270	223,270
<b>DEDUCTIONS</b>		
Depreciation Expense	38,650	38,650
Other Expense	92,535	92,535
Total Deductions	131,185	131,185
<b>NET INCREASE (DECREASE) IN NET ASSETS</b>	92,085	92,085
<b>NET ASSETS</b>		
Net Assets - September 1, 2017	3,258,140	3,258,140
Restatements		-
Net Assets - September 1, 2017, as Restated	3,258,140	3,258,140
Net Assets, August 31, 2018	3,350,225	3,350,225

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

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***NOTES TO THE FINANCIAL STATEMENTS***

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Texas Juvenile Justice Department**NOTE 1: Summary of Significant Accounting Policies****Entity**

The Texas Juvenile Justice Department (TJJD) 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.

TJJD operates under the Texas Human Resources Code, Title 12. Its responsibilities are to support a community-based continuum of effective interventions, supports and services that reduce the need for commitment to state correctional facilities; rehabilitate youths committed to state correctional facilities through a program of care, treatment, education, and training; operate and administer the State's correctional facilities for youth; and to provide a statewide parole system.

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 and 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 the other funds.

**Capital Projects Fund**

Capital Project funds are used to account for financial resources used for the acquisition, repair, renovation or construction of major capital facilities (other than those financed by proprietary or other similar trust funds).

**Capital Asset Adjustment Fund Type**

Capital Asset Adjustment fund type will be used to convert governmental fund types' capital assets from modified accrual to full accrual.

**Long-Term Liabilities Adjustment Fund Type**

Long-Term Liabilities Adjustment fund type will be used to convert governmental fund types' debt from modified accrual to full accrual.

**Other Adjustments Fund Type**

Other Adjustments fund type will be used to convert all other governmental fund types' activity from modified accrual to full accrual.

**Fiduciary Fund Types****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.

Texas Juvenile Justice Department**Fiduciary Fund Types (continued)****Private-Purpose Trust Funds**

Private-Purpose Trust funds are used to account for all other trust arrangements whose principal and interest benefit individuals, private organizations, or other governments. Trusts include non-State funds.

**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 method, 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 basis of accrual. 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 method 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, and long-term claims and judgments. The activity will be recognized in these fund types.

Proprietary funds, pension trust funds, external investment trust funds and private-purpose trust funds are accounted for on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized at the time liabilities are incurred. Proprietary funds distinguish operating from non-operating items. Operating revenues and expenses result from providing services or producing and delivering goods in connection with the proprietary funds principal ongoing operations. Operating expenses for the enterprise and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets.

**Budget 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 date of three months or less are considered cash equivalents.

**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 any 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.

Texas Juvenile Justice Department**Summary of Significant Accounting policies (continued)**

All capital assets acquired by proprietary funds or trust funds are reported at cost or estimated historical cost, if actual historical cost is not available. Donated assets are reported at fair value on the acquisition date. Depreciation is charged to operations over the estimated useful life of each asset, using the straight-line method.

**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.

**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 noncurrent in the statement of net assets.

**Fund Balances/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 nonspendable, restricted, committed, assigned or unassigned in the fund financial statements.

**Nonspendable 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 bonds, 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 assets 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, which 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.



Texas Juvenile Justice Department

**Interfund Activities and Balances**

TJJD has no interfund transactions or balances. However, TJJD has intrafund activity with other agencies. TJJD has amounts reported as "Due from Other Agencies" and "Due to Other Agencies" at year-end. Additionally, TJJD has transfers to and transfers from other agencies that are reported when incurred as "Transfer In" by the recipient agency and as "Transfer Out" by the disbursing agency. The composition of amounts due from other agencies and transfers to and transfer from other agencies is presented in Note 12.

**Note 2: Capital Assets**

Revenue received from the sale of Surplus Property has been transferred to Unappropriated General Revenue in accordance with House Bill 7, Section 20.

A summary of changes in Capital Assets for the year ended August 31, 2018, is presented below:

	Balance 09/01/17	Adjust- ments	Reclassifications		Dec-Int'gy Trans	Additions	Deletions	Balance 08/31/18
			Completed CIP	Inc- Int'gy Trans				
<b>GOVERNMENTAL ACTIVITIES</b>								
<b>Non-depreciable or Non-amortizable Assets</b>								
Land and Land Improvements	\$ 822,827	\$ -	\$ -	\$ -	\$ (8,213)	\$ -	\$ -	\$ 814,614
Total Non-depreciable or Non-amortizable Assets	822,827	-	-	-	(8,213)	-	-	814,614
<b>Depreciable Assets</b>								
Buildings and Building Improvements	131,349,665	(1,466,308)	-	-	(15,685,915)	215,857	-	114,413,099
Infrastructure	13,423,698	(481,511)	-	-	(1,439,237)	-	-	11,502,951
Facilities and Other Improvements	7,858,850	(316,411)	-	-	(1,108,137)	-	-	6,434,302
Furniture and Equipment	6,940,753	-	-	-	(139,934)	358,416	(213,573)	6,945,662
Vehicles, Boats and Aircraft	5,948,963	-	-	-	-	159,527	(36,721)	6,069,769
Other Capital Assets	333,850	-	-	-	-	-	-	333,850
Total Depreciable Assets	165,853,778	(2,264,229)	-	-	(18,373,223)	733,600	(250,293)	145,699,633
Less Accumulated Depreciation for:								
Buildings and Building Improvements	(90,815,603)	(393)	-	-	13,641,059	(3,807,138)	-	(80,982,065)
Infrastructure	(11,877,066)	-	-	-	1,439,237	(128,834)	-	(10,566,665)
Facilities and Other Improvements	(5,773,777)	(3,567)	-	-	1,108,137	(126,903)	-	(4,796,111)
Furniture and Equipment	(6,353,680)	-	-	-	139,934	(235,182)	212,992	(6,236,136)
Vehicles, Boats and Aircraft	(5,032,369)	-	-	-	-	(282,174)	36,721	(5,277,823)
Other Capital Assets	(283,783)	-	-	-	-	(9,830)	-	(273,613)
Total Accumulated Depreciation	(120,116,480)	(3,960)	-	-	16,328,376	(4,590,062)	249,713	(108,132,413)
Depreciable Assets, Net	45,737,299	(2,268,189)	-	-	(2,044,847)	(3,856,462)	(581)	37,567,220
<b>Amortizable Assets - Intangible</b>								
Computer Software	4,183,724	-	-	-	-	-	(127,774)	4,055,950
Total Amortizable Assets - Intangible	4,183,724	-	-	-	-	-	(127,774)	4,055,950
Less Accumulated Amortization for:								
Computer Software	(4,183,724)	-	-	-	-	-	127,774	(4,055,950)
Total Accumulated Amortization Amortizable Assets - Intangible, Net	(4,183,724)	-	-	-	-	-	127,774	(4,055,950)
Governmental Activities Capital Assets, Net	\$ 46,560,125	\$(2,268,189)	\$ -	\$ -	\$(2,053,080)	\$(3,856,462)	\$ (581)	\$38,381,834

Texas Juvenile Justice Department

**Capital Assets continued**

	Balance 09/01/17	Adjust- ments	Reclassifications			Additions	Deletions	Balance 08/31/18
			Completed CIP	Inc- Int'gy Trans	Dec-Int'gy Trans			
<b>PRIVATE-PURPOSE TRUST FUNDS</b>								
<b>Non-depreciable or Non-amortizable Assets</b>								
Land and Land Improvements	\$ 281,081	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 281,081
Total Non-depreciable or								281,081
Non-amortizable Assets	281,081	-	-	-	-	-	-	281,081
<b>Depreciable Assets</b>								
Buildings and Building Improvements	860,425	-	-	-	-	-	-	860,425
Facilities and Other Improvements	136,253	-	-	-	-	-	-	136,253
Total Depreciable Assets	996,678	-	-	-	-	-	-	996,678
Less Accumulated Depreciation for:								
Buildings and Building Improvements	(544,218)	-	-	-	-	(32,457)	-	(576,675)
Facilities and Other Improvements	(84,124)	-	-	-	-	(6,193)	-	(90,318)
Total Accumulated Depreciation	(628,343)	-	-	-	-	(38,650)	-	(666,993)
Depreciable Assets, Net	368,335	-	-	-	-	(38,650)	-	329,685
Private-Purpose Trust Funds								
Capital Assets, Net	\$ 649,416	\$ -	\$ -	\$ -	\$ -	\$ (38,650)	\$ -	\$ 610,766

**Note 3: Deposits, Investments and Repurchase Agreements**

The Texas Juvenile Justice Department is authorized by statute to make investments following the "prudent person rule." The adopted investment policy complies with this rule.

**Deposits of Cash in Bank**

As of August 31, 2018, the carrying amount of deposits was as presented below.

<b>Governmental and Business-Type Activities</b>	
CASH IN BANK - CARRYING VALUE	\$ 145,000
Cash in Bank per AFR	\$ 145,000
<b>Governmental Funds Current Assets Cash in Bank</b>	
Cash in Bank per AFR	\$ 145,000
	\$ 145,000
<b>Fiduciary Funds</b>	
CASH IN BANK - CARRYING VALUE	\$ 2,831,191
Less: Certificates of Deposit included in carrying value and reported as Cash Equivalent	2,375,000
Cash in Bank per AFR	\$ 456,191
Fiduciary Funds Cash in Bank	\$ 441,768
Fiduciary Funds Restricted Cash in Bank	14,423
Cash in Bank per AFR	\$ 456,191

Texas Juvenile Justice Department

**Deposits, Investments and Repurchase Agreements (continued)**

These amounts consist of all cash in local banks and a portion of short-term investments. These amounts are included on the combined statement of net assets as part of the "cash and cash equivalents" account.

As of August 31, 2018, the total bank balance was as follows:

<b>Governmental and Business-Type Activities</b>	<b>\$ 145,000</b>	<b>Fiduciary Funds</b>	<b>\$ 2,831,191</b>
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**Note 4: Short-Term Debt**

The Texas Juvenile Justice Department had no short-term debt at August 31, 2018.

**Note 5: Long-Term Liabilities**

**Changes in Long-Term Liabilities**

During the year ended August 31, 2018, the following changes occurred in liabilities.

<b>Governmental Activities</b>	<b>Balance 09/01/17</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance 08/31/18</b>	<b>Amounts Due Within One Year</b>	<b>Amounts Due Thereafter</b>
Employees' Compensable Leave	\$ 9,559,785	\$ 11,440,265	\$ 13,617,086	\$ 7,382,964	\$ 7,382,964	\$ 0
<b>Total Governmental Activities</b>	<b>\$ 9,559,785</b>	<b>\$ 11,440,265</b>	<b>\$ 13,617,086</b>	<b>\$ 7,382,964</b>	<b>\$ 7,382,964</b>	<b>\$ 0</b>

**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 benefits accrue to the employees. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

**Note 6: Bonded Indebtedness**

Not applicable.

Texas Juvenile Justice Department

**Note 7: Derivatives**

Not applicable.

**Note 8: Leases**

The Texas Juvenile Justice Department has no outstanding capital leases at August 31, 2018.

Included in the expenditures reported in the financial statements are the following amounts of rent paid or due under operating leases: **General Fund \$2,367,730**

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

Year Ended August 31	
2019	
2020	\$ 1,567,053
2021	\$1,221,280
2022	\$1,093,284
2023	\$706,667
2024-2028	\$373,276
2029-2033	\$814,307
	\$178,444
<b>Total Minimum Future Lease Rental Payments</b>	<b>\$ 5,954,310</b>

**Note 9: Defined Benefit Pension Plans and Defined Contribution Plan**

Not applicable.

**Note 10: Deferred Compensation**

Not applicable.

**Note 11: Postemployment Health Care and Life Insurance Benefits**

Not applicable.

Texas Juvenile Justice Department

**Note 12: Interfund Activity and Transactions**

As explained in Note 1 on Interfund Activities and Balances, there are numerous transactions between agencies. At year-end amounts to be received or paid are reported as:

Due From Other Agencies or Due To Other Agencies  
Transfers In or Transfers Out

The Texas Juvenile Justice Department experienced routine transfers with other state agencies, which were consistent with the activities of the fund making the transfer. The amounts Due From Other Agencies or Due to Other Agencies will be received or paid within one year from the date of the financial statements.

Individual balances and activity at August 31, 2018, follows:

	Due From Other Agencies	Due To Other Agencies	Source
<b>General Funds</b>	\$	\$	
Agency 300, Fund 0421 - Gov-Fiscal	21,287		Federal-Pass Through
Agency 530, Fund 0001 - TDFPS	633,045		Federal-Pass Through
Agency 551, Fund 0001 - TDA	125,338		Federal-Pass Through
Agency 551, Fund 0001 - TDA	197,603		Federal-Pass Through
Agency 701, Fund 0148 - TEA	351,027		Federal-Pass Through
<b>Subtotal Federal Pass Throughs</b>	<b>1,328,300</b>	<b>0</b>	
Agency 529, Fund 0001 - HHSC	97,878		State Pass-Through
<b>Subtotal State Pass Throughs</b>	<b>97,878</b>	<b>0</b>	
<b>Total General Funds</b>	<b>1,426,177</b>	<b>0</b>	
<b>Capital Projects Funds</b>			
Agency 902, Fund 0599 - CPA	188,613		Transfer
Agency 347, Fund 7663 - TPFA	132,424		Transfer
<b>Total Capital Projects Funds</b>	<b>321,036</b>	<b>0</b>	
<b>Total Due From/To Other Agencies (Exh I)</b>	<b>\$ 1,747,214</b>	<b>\$ 0</b>	

## Texas Juvenile Justice Department

**Interfund Activity and Transactions (continued)**

	Transfers In	Transfers Out	Source
<b>General Funds</b>	\$	\$	
Agency 902, Fund 0001 - CPA		166,083	Unappropriated Receipts
<b>Total General Funds</b>	0	<b>166,083</b>	
<b>Capital Projects Funds</b>			
Agency 902, Fund 0599 - CPA	479,364		Transfer
Agency 347, Fund 7637 - TPFA	11,141	11,141	Transfer
Agency 347, Fund 7645 - TPFA	29,300		Transfer
Agency 347, Fund 7663 - TPFA	1,068,653	23,637	Transfer
<b>Total Capital Projects Funds</b>	<b>1,588,458</b>	<b>34,778</b>	
<b>Total Transfers In/Out (Exh II)</b>	<b>\$ 1,588,458</b>	<b>\$ 200,861</b>	

The detailed state grant pass-through information is listed on Schedule 1B – Schedule of State Grant Pass Throughs from State Agencies.

**Note 13: Continuance Subject to Review**

Senate Bill 653, 82<sup>nd</sup> Leg., amended the Human Resources Code to abolish the Texas Youth Commission (TYC) and the Texas Juvenile Probation Commission (TJPC) and to transfer the duties of those agencies to the Texas Juvenile Justice Board and the Texas Juvenile Justice Department, as created by the bill. The bill made the abolishment and transfer of duties effective December 1, 2011. The bill continued the Board and the Department until September 1, 2017, and specified that the goal of the Department is, among other priorities, to support a county-based continuum of effective interventions, supports, and services that reduce the need for commitment to state facilities. The bill established an advisory council on juvenile services to assist the Department in specified areas. Subsequently, Senate Bill 1630, 84<sup>th</sup> Leg., extended the Board and the Department until September 1, 2021.

**Note 14: Adjustments to Fund Balances and Net Position**

The Texas Juvenile Justice Department had the following adjustment to fund balance/net position during FY 2018.

	Capital Assets
Net Assets, September 1, 2017,	\$ 46,560,125
a) Restatement due to system problems	(2,268,189)
<b>Net Assets, September 1, 2017, as Restated</b>	<b>\$ 44,291,936</b>

a) Due to system problems, some negative adjustments in our internal accounting system were not updating SPA.

Texas Juvenile Justice Department

**Adjustments to Fund Balance and Net Position (continued)**

System changes and a detail reconciliation between our internal accounting system and SPA were done to resolve this problem.

**Note 15: Contingencies and Commitments**

The Texas Juvenile Justice 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 to 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**

Not applicable.

**Note 17: Risk Management**

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

The Texas Juvenile Justice Department 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 Juvenile Justice Department's liabilities are reported when it is both probable that a loss has occurred and the amount of the 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. Losses did not exceed the funding arrangements during the past three years.

Changes in the balances of the Department's claims liabilities during fiscal 2017 and 2018 were as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
2017	\$ 0	\$ 10,578	\$ (10,578)	\$ 0
2018	\$ 0	\$ 112,764	\$ (112,764)	\$ 0

**Note 18: Management's Discussion and Analysis**

Not applicable.

Texas Juvenile Justice Department

**Note 19: The Financial Reporting Entity**

Not applicable.

**Note 20: Stewardship, Compliance and Accountability**

Not applicable.

**Note 21: Not Applicable to AFR**

Not applicable.

**Note 22: Donor Restricted Endowments**

Not applicable.

**Note 23: Extraordinary and Special Items**

Not applicable.

**Note 24: Disaggregation of Receivable and Payable Balances**

Not applicable.

**Note 25: Termination Benefits**

Not applicable.

**Note 26: Segment Information**

Not applicable.



Texas Juvenile Justice Department

**Note 27: Service Concession Arrangements**

Not applicable.

**Note 28: Deferred Outflows of Resources and Deferred Inflows of Resources**

Not applicable.

**Note 29: Troubled Debt Restructuring**

Not applicable.

**Note 30: Non-Exchange Financial Guarantees**

Not applicable.

**Note 31: Tax Abatements**

Not applicable.

**Note 32: Fund Balances**

The Texas Juvenile Justice Department shows part of the General Revenue fund balance as non-spendable related to inventory, as restricted related to federal fund encumbrances, and as assigned related to non-federal encumbrances. The TJJD has the following restrictions, which cause part of the General Revenue fund balances to be restricted:

GAAP Fund	Fund	AFR 54 Class	Citation	Comments	Restricted Amount
0001	0001	Restricted	Federal CFDA 10.553, 10.555, 84.013, 84.027, 84.048, 84.367, 93.658	Federal funds, restrictions are externally imposed by federal government and state agencies by budgets and allowable expenditures.	\$149,229

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**COMBINING FINANCIAL STATEMENTS**

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TEXAS JUVENILE JUSTICE DEPARTMENT

EXHIBIT D-1

COMBINING BALANCE SHEET - CAPITAL PROJECTS FUNDS

For the Fiscal Year Ended August 31, 2018

	Construction and Building Repair (0001) <u>U/F (0015)</u>	Construction and Building Repair (0599) <u>U/F (0599)</u>
<b>ASSETS AND DEFERRED OUTFLOWS:</b>	\$	
Current Assets:		
Legislative Appropriations		
Due from Other Agencies		188,613
 Total Assets and Deferred Outflows	<u>0</u>	<u>188,613</u>
 <b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>		
Current Liabilities:		
Payables from:		
Accounts		188,613
 Total Liabilities and Deferred Inflows	<u>0</u>	<u>188,613</u>
 <b>Fund Financial Statement - Fund Balances</b>		
Fund Balances (Deficits):		
Restricted	0	0
Total Fund Balances	<u>0</u>	<u>0</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>0</u>	<u>188,613</u>

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

UNAUDITED

Construction and Building Repair (7637) U/F (7637)	Construction and Building Repair (7645) U/F (7645)	Construction and Building Repair (7663) U/F (7663)	Totals (Exhibit I)
\$	\$	\$	\$
		132,424	0 321,037
<u>0</u>	<u>0</u>	<u>132,424</u>	<u>321,037</u>
		10,500	199,113
<u>0</u>	<u>0</u>	<u>10,500</u>	<u>199,113</u>
<u>0</u>	<u>0</u>	<u>121,924</u>	<u>121,924</u>
<u>0</u>	<u>0</u>	<u>121,924</u>	<u>121,924</u>
<u>0</u>	<u>0</u>	<u>132,424</u>	<u>321,037</u>

TEXAS JUVENILE JUSTICE DEPARTMENT

EXHIBIT D-2

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - CAPITAL PROJECTS FUNDS

For the Fiscal Year Ended August 31, 2018

	Construction and Building Repair (0001) U/F (0015)	Construction and Building Repair (0599) U/F (0599)
<b>REVENUES</b>		
Federal Grant Pass-Through Revenue	\$	
Total Revenues	<u>                    </u>	<u>                    </u>
<b>EXPENDITURES</b>		
Professional Services		357,379
Travel		44,858
Materials and Supplies		27,781
Repairs and Maintenance		1,059
Rentals and Leases		12
Other Expenditures		48,275
Capital Outlay		<u>                    </u>
Total Expenditures	<u>                    </u>	<u>                    </u>
Excess (Deficiency) of Revenues over Expenditures	<u>                    </u>	<u>                    </u>
<b>OTHER FINANCING SOURCES (USES)</b>		
Transfer In		479,364
Transfer Out		<u>                    </u>
Total Other Financing Sources (Uses)	<u>                    </u>	<u>                    </u>
Net Change in Fund Balances	<u>                    </u>	<u>                    </u>
<b>Fund Financial Statement - Fund Balances</b>		
Fund Balances - September 1, 2017	<u>                    </u>	<u>                    </u>
Fund Balances - August 31, 2018	<u>                    </u>	<u>                    </u>

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

UNAUDITED

Construction and Building Repair (7637) U/F (7637)	Construction and Building Repair (7645) U/F (7645)	Construction and Building Repair (7663) U/F (7663)	Totals (Exhibit II)
\$	\$	\$	\$
			0
		3,485	360,864
	147		147
		289,831	334,689
	29,153	266,857	323,791
			1,059
		38,194	38,206
		324,725	373,000
0	29,300	923,092	1,431,756
0	(29,300)	(923,092)	(1,431,756)
11,141	29,300	1,068,653	1,588,458
(11,141)	0	(23,637)	(34,778)
0	29,300	1,045,016	1,553,680
0	0	121,924	121,924
0	0	0	0
0	0	121,924	121,924

## TEXAS JUVENILE JUSTICE DEPARTMENT

## EXHIBIT I-1

## COMBINING STATEMENT OF FIDUCIARY NET POSITION - PRIVATE-PURPOSE TRUST FUNDS

For the Fiscal Year Ended August 31, 2018

	Parrie Haynes Endowment (9999) U/F (7401)	John Wende Endowment (9999) U/F (7401)
<b>ASSETS</b>	\$	\$
Cash and Cash Equivalents:		
Cash in Bank	183,127	166,910
Cash Equivalents	1,300,000	1,075,000
Restricted:		
Cash and Cash Equivalents:		
Cash in Bank		14,423
Capital Assets:		
Non-Depreciable:		
Land and Land Improvements	187,187	93,894
Depreciable:		
Buildings and Building Improvements	860,425	
Less Accumulated Depreciation	(576,676)	
Facilities and Other Improvements	136,253	
Less Accumulated Depreciation	(90,318)	
Total Assets	<u>1,999,999</u>	<u>1,350,226</u>
<b>LIABILITIES</b>		
Funds Held for Others		
Total Liabilities		
<b>NET ASSETS</b>		
Held in Trust For		
Individuals, Organizations, and Other Gov't	1,999,999	1,350,226
Total Net Assets	<u>1,999,999</u>	<u>1,350,226</u>

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



Student Trust Fund (9999) U/F (7403)	Totals (Exhibit VI)
\$	\$
91,732	441,769
	2,375,000
	14,423
	281,081
	860,425
	(576,676)
	136,253
	(90,318)
<u>91,732</u>	<u>3,441,957</u>
<u>91,732</u>	<u>91,732</u>
<u>91,732</u>	<u>91,732</u>
-	3,350,225
<u>-</u>	<u>3,350,225</u>

## TEXAS JUVENILE JUSTICE DEPARTMENT

## EXHIBIT I-2

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -  
PRIVATE-PURPOSE TRUST FUNDS

For the Fiscal Year Ended August 31, 2018

	Parrie Haynes Endowment (9999) U/F (7401)	John Wende Endowment (9999) U/F (7401)
	\$	\$
<b>ADDITIONS</b>		
Investment Income		
From Investing Activities:		
Interest and Investment Income	17,193	13,934
Total Investing Income (Loss)	<u>17,193</u>	<u>13,934</u>
Total Net Investment Income (Loss)	<u>17,193</u>	<u>13,934</u>
Other Additions		
Other Revenue	61,500	130,643
Gain/(Loss) on Capital Assets		
Transfers In		
Total Other Additions	<u>61,500</u>	<u>130,643</u>
Total Additions	<u>78,693</u>	<u>144,577</u>
<b>DEDUCTIONS</b>		
Depreciation Expense	38,650	
Other Expense	47,736	44,798
Total Deductions	<u>86,387</u>	<u>44,798</u>
<b>NET INCREASE (DECREASE) IN NET ASSE</b>	<u>(7,694)</u>	<u>99,779</u>
<b>NET ASSETS</b>		
Net Assets - September 1, 2017	2,007,693	1,250,447
Restatements		
Net Assets - September 1, 2017, as Restated	<u>2,007,693</u>	<u>1,250,447</u>
Net Assets, August 31, 2018	<u>1,999,999</u>	<u>1,350,226</u>

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

Student Trust Fund (9999) U/F (7403)	Totals (Exhibit VII)
\$	\$
	31,127
0	31,127
0	31,127
	192,143
0	192,143
0	223,270
	38,650
0	92,535
0	131,185
0	92,085
	3,258,140
0	3,258,140
0	3,350,225

TEXAS JUVENILE JUSTICE DEPARTMENT

EXHIBIT J-1

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -  
AGENCY FUNDS

For the Fiscal Year Ended August 31, 2018

	Beginning Balance September 1, 2017	Additions	Deductions	Ending Balance August 31, 2018
	\$	\$	\$	\$
<b>UNAPPROPRIATED RECEIPTS:</b>				
<b><u>General Revenue Fund (0001) U/F (0960/1000)</u></b>				
<b>ASSETS</b>				
Cash in State Treasury	-			-
Accounts Receivable	3,836,613	69,142	-	3,905,755
Total Assets	<u>3,836,613</u>	<u>69,142</u>	<u>-</u>	<u>3,905,755</u>
<b>LIABILITIES</b>				
Funds Held for Others	3,836,613	69,142	-	3,905,755
Total Liabilities	<u>3,836,613</u>	<u>69,142</u>	<u>-</u>	<u>3,905,755</u>
 <b>OTHER AGENCY FUNDS:</b>				
<b><u>City, Cty, MTA, SPD Sales Tax (0882) U/F (0882)</u></b>				
<b>ASSETS</b>				
Cash in State Treasury	-	-	-	-
Total Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>LIABILITIES</b>				
Funds Held for Others	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 <b>Departmental Suspense -</b>				
<b><u>Employee Housing Deductions (0900) U/F (9904)</u></b>				
<b>ASSETS</b>				
Cash in State Treasury	-	-	-	-
Total Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>LIABILITIES</b>				
Funds Held for Others	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

	Beginning Balance September 1, 2017	Additions	Deductions	Ending Balance August 31, 2018
	\$	\$	\$	\$
<b>Departmental Suspense - Suspense Fund (0900) U/F (0900)</b>				
<b>ASSETS</b>				
Cash in State Treasury	-	-	-	-
Total Assets	-	-	-	-
<b>LIABILITIES</b>				
Funds Held for Others	-	-	-	-
Total Liabilities	-	-	-	-
<b>USPS - Overpayments to Employees/ Warrant Hold Offset (0900) U/F (9015/9016)</b>				
<b>ASSETS</b>				
Cash in State Treasury	1,869	134,308	116,460	19,716
Total Assets	1,869	134,308	116,460	19,716
<b>LIABILITIES</b>				
Funds Held for Others	1,869	134,308	116,460	19,716
Total Liabilities	1,869	134,308	116,460	19,716
<b>USPS - Direct Deposit Correction (0980) U/F (9014)</b>				
<b>ASSETS</b>				
Cash in State Treasury	-	-	-	-
Total Assets	-	-	-	-
<b>LIABILITIES</b>				
Funds Held for Others	-	-	-	-
Total Liabilities	-	-	-	-

## TEXAS JUVENILE JUSTICE DEPARTMENT

## EXHIBIT J-1 (Concluded)

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -  
AGENCY FUNDS

For the Fiscal Year Ended August 31, 2018

	Beginning Balance September 1, 2017	Additions	Deductions	Ending Balance August 31, 2018
	\$	\$	\$	\$
<b>Child Support Addenda Deducts - Suspense (0807) U/F (8070)</b>				
<b>ASSETS</b>				
Cash in State Treasury	86,545	1,069,834	1,076,719	79,661
<b>Total Assets</b>	<u>86,545</u>	<u>1,069,834</u>	<u>1,076,719</u>	<u>79,661</u>
<b>LIABILITIES</b>				
Funds Held for Others	86,545	1,069,834	1,076,719	79,661
<b>Total Liabilities</b>	<u>86,545</u>	<u>1,069,834</u>	<u>1,076,719</u>	<u>79,661</u>
<b>Totals - All Agency Funds</b>				
<b>ASSETS</b>				
Cash in State Treasury	88,414	1,204,142	1,193,179	99,377
Accounts Receivable	3,836,613	69,142	-	3,905,755
<b>Total Assets</b>	<u>3,925,027</u>	<u>1,273,283</u>	<u>1,193,179</u>	<u>4,005,132</u>
<b>LIABILITIES</b>				
Funds Held for Others	3,925,027	1,273,283	1,193,179	4,005,132
<b>Total Liabilities</b>	<u>3,925,027</u>	<u>1,273,283</u>	<u>1,193,179</u>	<u>4,005,132</u>

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

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**SCHEDULES**

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**TEXAS JUVENILE JUSTICE DEPARTMENT**

**SCHEDULE 1A  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Fiscal Year Ended August 31, 2018**

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	Pass-Through From	
		Agy. #	Identifying Number
<b>U.S. Department of Justice</b>			
Pass-Through From:			
Office of the Governor		300	
Juvenile Justice Delinquency Prevention Allocation to the States - OIG	16.540		
PREA Program: Demonstration Projects to Juvenile Justice Delinquency Prevention Allocation to the States - Title II Monitor	16.540		
<b>Total, U.S. Department of Justice</b>			
<b>U.S. Department of Homeland Security</b>			
Pass-Through From:			
Texas Department of Public Safety Disaster Grants - Public Assistance	97.036	405	
<b>Total, U.S. Department of Homeland Security</b>			
<b>U.S. Department of Agriculture</b>			
Pass-Through From:			
Texas Department of Agriculture National School Breakfast Program	10.553	551	TX - 227-2013
National School Lunch Program	10.555		TX - 227-2013
Food Distribution (NON-MONETARY)	10.555		
<b>Total, U.S. Department of Agriculture</b>			



UNAUDITED

<u>Pass-Through From</u>		
<u>Agencies</u>	<u>Direct Program</u>	<u>Total PT From &amp;</u>
<u>Amount</u>	<u>Amount</u>	<u>Direct Programs</u>
\$	\$	\$
38,551		38,551
5,084		5,084
<u>43,635</u>	<u>0</u>	<u>43,635</u>
16,536		16,536
<u>16,536</u>	<u>0</u>	<u>16,536</u>
818,304		818,304
1,283,429		1,283,429
169,559		169,559
<u>2,271,292</u>	<u>0</u>	<u>2,271,292</u>

## TEXAS JUVENILE JUSTICE DEPARTMENT

**SCHEDULE 1A (Continued)**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
 For the Fiscal Year Ended August 31, 2018

Federal Grantor Pass-Through Grantor / Program Title	Federal CFDA Number	Pass-Through From	
		Agy. #	Identifying Number
<b>U.S. Department of Education</b>			
Pass-Through From:			
Texas Education Agency		701	
Elementary and Secondary Education Act- Title I State Agency Program for Neglected and Delinquent Children and Youth	84.013		17-610801 18-610801
Elementary and Secondary Education Act- Special Education - Grants to States	84.027		17-660001 18-660001
Vocational and Applied Technology Education Act- Career and Technical Education - Basic Grants to States	84.048		17-420007 18-420007
Elementary and Secondary Education Act- Improving Teacher Quality State Grants	84.367		17-694501 18-694501
<b>Total, U.S. Department of Education</b>			
<b>U.S. Department of Health and Human Services</b>			
Pass-Through From:			
Texas Department of Family and Protective Services Foster Care-Title IV-E	93.658	530	12-0224-00001
<b>Total, U.S. Department of Health and Human Services</b>			
<b>University of Texas Health Science Center at San Antonio</b>			
Pass-Through From:			
University of Texas Health Science Center at San Antonio - Teenage Pregnancy Prevention Program	93.297	745	162313 / 132199
<b>Total, University of Texas San Antonio Health Science Center</b>			

UNAUDITED

<u>Pass-Through From</u>		
<u>Agencies</u>	<u>Direct Program</u>	<u>Total PT From &amp;</u>
<u>Amount</u>	<u>Amount</u>	<u>Direct Programs</u>
\$	\$	\$
687,566		687,566
723,310		723,310
158,691		158,691
190,935		190,935
<u>1,760,502</u>	<u>0</u>	<u>1,760,502</u>
2,390,211		2,390,211
<u>2,390,211</u>	<u>0</u>	<u>2,390,211</u>
5,000		5,000
<u>5,000</u>	<u>0</u>	<u>5,000</u>

**TEXAS JUVENILE JUSTICE DEPARTMENT**

**SCHEDULE 1-A (Continued)**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**For the Fiscal Year Ended August 31, 2018**

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	Pass-Through From	
		Agy. #	Identifying Number
<b>Corporation for National and Community Service</b>			
Pass-Through From:			
AmeriCorps Volunteers in Service to America (VISTA) Project (NON-MONETARY)	94.013		18SWTX003
<b>Total, Corporation for National and Community Service</b>			
<b>TOTAL FEDERAL FINANCIAL ASSISTANCE</b>			

<u>Pass-Through From</u>		
<u>Agencies Amount</u>	<u>Direct Program Amount</u>	<u>Total PT From &amp; Direct Programs</u>
\$	\$	\$
15,925		15,925
<u>15,925</u>	<u>0</u>	<u>15,925</u>
<u>6,503,101</u>	<u>0</u>	<u>6,503,101</u>

## TEXAS JUVENILE JUSTICE DEPARTMENT

**SCHEDULE 1-A (Concluded)**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
 For the Fiscal Year Ended August 31, 2018

**Note 1 - Non-Monetary Assistance**

The Food Distribution Program is presented at the federally assigned value of the commodities distributed. The commodities are received from the U.S. Department of Agriculture (Federal CFDA Number 10.555). The estimated dollar value for fiscal year 2018 was \$169,559.

The AmeriCorps Volunteers in Service to America (VISTA) Project is presented at the estimated value of the project period in the fiscal year. The project is administered by the Corporation for National and Community Service (Federal CFDA Number 94.013). The estimated dollar value for the fiscal year 2018 was \$15,925.

**Note 2 - Reconciliation**

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

Per Combined Statement of Revenues		
Expenditures, and Changes in Fund		
Balance - Governmental Fund Types (Exh. II):		
Federal Revenue (Exh. II)	\$	
Federal Pass-Through Revenue (Exh. II)		<u>6,317,618</u>
Subtotal	\$	6,317,618
<b><u>RECONCILING ITEMS:</u></b>		
Non-monetary		
Federal Commodities		169,559
VISTA Project		<u>15,925</u>
Total Pass-Through and		
Expenditures per Federal Schedule	\$	<u><u>6,503,101</u></u>

**TEXAS JUVENILE JUSTICE DEPARTMENT**

**SCHEDULE 1B**

**SCHEDULE OF STATE GRANT PASS-THROUGHS FROM/TO STATE AGENCIES**

**For the Fiscal Year Ended August 31, 2018**

	<u>Grant ID</u>	<u>Agency Number</u>	<u>Amount</u>
<b>Pass-Through From:</b>			<b>\$</b>
Health and Human Services Commission			
North STAR Program	529.0001	529	742,403
Total Health and Human Services Commission			<u>742,403</u>
Texas Education Agency:			
Available School Fund - Per Capita	701.0007	701	245,773
FSP - Texas Juvenile Justice Department	701.0018	701	3,969,236
Subtotal Independent School District Funds			<u>4,215,009</u>
Juvenile Justice Alternative Education Program	701.0022	701	6,250,000
Subtotal Juvenile Justice Alternative Education Program			<u>6,250,000</u>
Instructional Materials Allotment	701.0048	701	25,536
Subtotal Instructional Materials Allotment			<u>25,536</u>
Total Texas Education Agency			<u>10,490,545</u>
<b>Total Pass-Through From Other State Agencies (Exh II)</b>			<b><u>11,232,948</u></b>

**TEXAS JUVENILE JUSTICE DEPARTMENT**

**SCHEDULE 2**

**VENDING MACHINE COMMISSIONS**

**For the Fiscal Year Ended August 31, 2018**

In order to meet the reporting requirements of §2203.005, Government Code, the following schedule shows the amount of vending machine commissions and the disposal of such funds.

<b>Commissions</b>	
Vending Machine	\$ <u>25,355</u>
<b>Total Commissions</b>	<b>\$ <u>25,355</u></b>
<b>Disposal of Commissions</b>	
Funds Deposited in State Treasury for Student Benefit Fund	\$ <u>25,355</u>
<b>Total Disposal of Commissions</b>	<b>\$ <u>25,355</u></b>



