

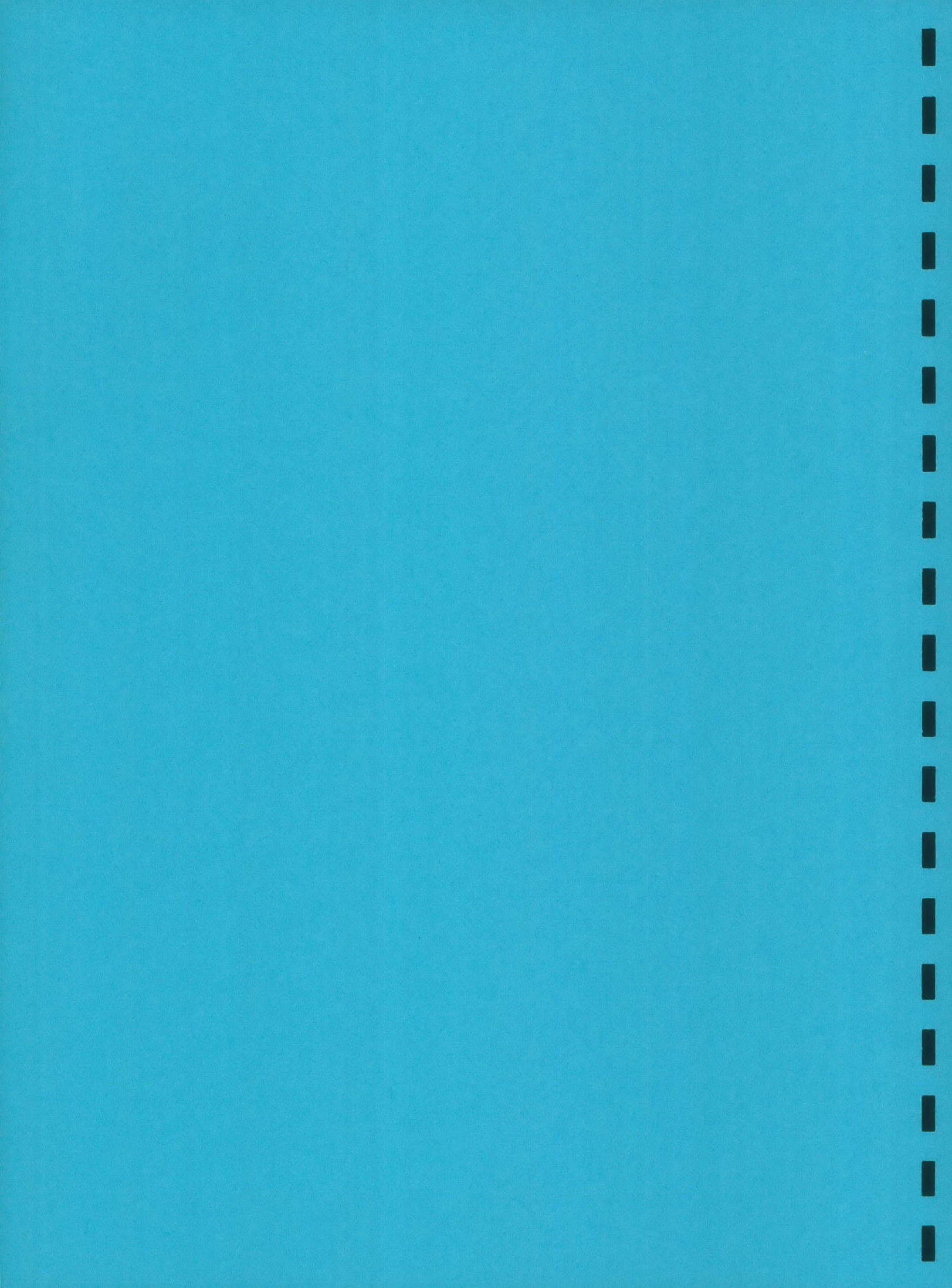
**TEXAS JUVENILE JUSTICE
DEPARTMENT**

ANNUAL FINANCIAL REPORT

**FISCAL YEAR ENDED
AUGUST 31, 2016**

(UNAUDITED)

**David Reilly
EXECUTIVE DIRECTOR**



**TEXAS JUVENILE JUSTICE
DEPARTMENT**

ANNUAL FINANCIAL REPORT

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EXECUTIVE DIRECTOR**





TEXAS
JUVENILE ★ JUSTICE
DEPARTMENT

TRANSFORMING YOUNG LIVES AND CREATING SAFER COMMUNITIES

November 20, 2016

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, 2016, 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 Emily Anderson, Director of Fiscal Affairs and Budget at 512-490-7652. Ron Reininger 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 "David Reilly".

David Reilly
Executive Director



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FUND FINANCIAL STATEMENTS



TEXAS JUVENILE JUSTICE DEPARTMENT

EXHIBIT I
 COMBINED BALANCE SHEET/STATEMENT OF NET ASSETS -
 GOVERNMENTAL FUNDS
 For the Fiscal Year Ended August 31, 2016

	<u>Governmental Fund Types</u>	
	<u>General Funds</u>	<u>Capital Projects Fund (Exhibit D-1)</u>
	\$	\$
ASSETS AND DEFERRED OUTFLOWS:		
Current Assets:		
Cash (Note 3):		
On Hand	7,200	
In Bank	145,000	
Legislative Appropriations	26,510,937	46,473
Receivables from:		
Accounts Receivable	4,908	
Federal		
Due from Other Agencies (Note 12)	1,250,623	3,159,975
Consumable Inventories	1,256,128	
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>29,174,796</u>	<u>3,206,448</u>

UNAUDITED

Governmental Funds Total	Government-wide Adjustments			Statement of Net Assets
	Capital Assets Adjustments	Long-Term Liabilities Adjustments	Other Adjustments	
\$	\$	\$	\$	\$
7,200				7,200
145,000				145,000
26,557,409				26,557,409
4,908				4,908
0				0
4,410,597				4,410,597
1,256,128				1,256,128
	822,827			822,827
	45,563,757			45,563,757
<u>32,381,243</u>	<u>46,386,584</u>	<u>0</u>	<u>0</u>	<u>78,767,827</u>

TEXAS JUVENILE JUSTICE DEPARTMENT

EXHIBIT I (Concluded)
COMBINED BALANCE SHEET/STATEMENT OF NET ASSETS -
GOVERNMENTAL FUNDS
For the Fiscal Year Ended August 31, 2016

	Governmental Fund Types	
	General Funds	Capital Projects Fund (Exhibit D-1)
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	\$	\$
Liabilities and Deferred Inflows		
Current Liabilities:		
Payables from:		
Accounts	1,259,113	380,493
Payroll	12,984,789	
Employees' Compensable Leave (Note 5)		
Non-Current Liabilities and Deferred Inflows:		
Employees' Compensable Leave		
Total Liabilities and Deferred Inflows	<u>14,243,901</u>	<u>380,493</u>
Fund Financial Statement - Fund Balances		
Fund Balances (Deficits):		
Nonspendable for Inventory	1,256,128	
Restricted	143,487	
Assigned	2,108,036	2,779,482
Unassigned	11,423,243	46,473
Total Fund Balances	<u>14,930,894</u>	<u>2,825,955</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>29,174,796</u>	<u>3,206,448</u>
Government-Wide Statement of Net Assets		
Net Assets:		
Invested in Capital Assets, Net of Related Debt		
Unrestricted		
Total Net Assets		

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
\$	\$	\$	\$	\$
1,639,606				1,639,606
12,984,789		9,483,964		12,984,789
				9,483,964
		2,932,349		2,932,349
<u>14,624,394</u>	<u>0</u>	<u>12,416,312</u>	<u>0</u>	<u>27,040,707</u>
1,256,128				1,256,128
143,487				143,487
4,887,518				4,887,518
11,469,716				11,469,716
<u>17,756,849</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>17,756,849</u>
<u>32,381,243</u>	<u>0</u>	<u>12,416,312</u>	<u>0</u>	<u>44,797,556</u>
	46,386,584			46,386,584
		(12,416,312)		(12,416,312)
	<u>46,386,584</u>	<u>(12,416,312)</u>	<u>0</u>	<u>51,727,120</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, 2016

	Governmental Fund Types	
	General Funds	Capital Projects Funds (Exhibit D-2)
	\$	\$
REVENUES		
Legislative Appropriations:		
Original Appropriations	292,747,953	
Additional Appropriations	40,823,058	
Federal Revenue		
Federal Grant Pass-Through Revenue	8,180,197	
State Grant Pass-Through Revenue	6,880,742	
Licenses, Fees and Permits	150,427	
Interest and Investment Income		
Rental of Land	264	
Sales of Goods and Services	148,165	
Other Revenues	50,419	
Total Revenues	348,981,225	0
EXPENDITURES		
Salaries and Wages	120,008,258	
Payroll Related Costs	40,130,272	
Professional Fees and Services	12,644,184	245,291
Travel	1,069,585	
Materials and Supplies	10,931,136	58,682
Communication and Utilities	4,062,403	
Repairs and Maintenance	3,122,579	489,324
Rentals and Leases	2,514,968	
Printing and Reproduction	132,511	
Claims and Judgments	70,644	
Intergovernmental Payments	146,695,875	
Public Assistance Payments	5,973,608	
Other Expenditures	5,670,835	879,268
Capital Outlay	792,697	135,114
Depreciation Expense		
Total Expenditures/Expenses	353,819,555	1,807,679
Excess (Deficiency) of Revenues over Expenditures	(4,838,331)	(1,807,679)

UNAUDITED

Governmental Funds Total	Capital Assets Adjustments	Long-Term Liabilities Adjustments	Other Adjustments	Statement of Activities
\$	\$	\$	\$	\$
292,747,953				292,747,953
40,823,058				40,823,058
0				0
8,180,197				8,180,197
6,880,742				6,880,742
150,427				150,427
0				0
264				264
148,165				148,165
50,419				50,419
348,981,225	0	0	0	348,981,225
120,008,258		2,486,961		122,495,219
40,130,272				40,130,272
12,889,475				12,889,475
1,069,585				1,069,585
10,989,818				10,989,818
4,062,403				4,062,403
3,611,903				3,611,903
2,514,968				2,514,968
132,511				132,511
70,644				70,644
146,695,875				146,695,875
5,973,608				5,973,608
6,550,102				6,550,102
927,811	(927,811)			0
	4,731,966			4,731,966
355,627,234	3,804,155	2,486,961	0	361,918,351
(6,646,010)	(3,804,155)	(2,486,961)	0	(12,937,126)

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, 2016

	Governmental Fund Types	
	General	Capital
	Funds	Projects Funds
		(Exhibit D-2)
	\$	\$
OTHER FINANCING SOURCES (USES)		
Sale of Capital Assets	19,944	
Transfer In		5,928,541
Transfer Out	(157,249)	(1,714,301)
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>(137,305)</u>	<u>4,214,240</u>
Net Change in Fund Balances/Net Assets	<u>(4,975,636)</u>	<u>2,406,560</u>
Fund Financial Statement Fund Balances		
Fund Balances - September 1, 2015	17,999,804	419,394
Restatements		
Fund Balances - September 1, 2015, as Restated	<u>17,999,804</u>	<u>419,394</u>
Appropriations Lapsed	<u>1,906,727</u>	
Fund Balances - August 31, 2016	<u><u>14,930,894</u></u>	<u><u>2,825,954</u></u>
Government-wide Statement - Net Assets		
Net Assets/Net Change in Net Assets		
Net Assets, September 1, 2015		
Restatements		
Net Assets, September 1, 2015, as Restated		
Net Assets, August 31, 2016		

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
\$	\$	\$	\$	\$
19,944	(19,944)			0
5,928,541				5,928,541
(1,871,550)				(1,871,550)
0				0
0				0
0	18,636			18,636
0				0
0				0
<u>4,076,934</u>	<u>(1,308)</u>	<u>0</u>	<u>0</u>	<u>4,075,626</u>
<u>(2,569,075)</u>				<u>(8,861,500)</u>
18,419,197				18,419,197
0				0
<u>18,419,197</u>				<u>18,419,197</u>
<u>1,906,727</u>				<u>1,906,727</u>
<u>17,756,849</u>				<u>11,464,425</u>
<u>17,756,849</u>	<u>(3,805,463)</u>	<u>(2,486,961)</u>	<u>0</u>	<u>11,464,425</u>
	<u>50,483,177</u>	<u>(9,929,351)</u>	<u>0</u>	<u>40,553,826</u>
	<u>(291,129)</u>			<u>(291,129)</u>
	<u>50,192,048</u>	<u>(9,929,351)</u>	<u>0</u>	<u>40,262,697</u>
<u>17,756,849</u>	<u>46,386,585</u>	<u>(12,416,312)</u>	<u>0</u>	<u>51,727,122</u>

TEXAS JUVENILE JUSTICE DEPARTMENT

EXHIBIT VI
COMBINED STATEMENT OF NET POSITION - FIDUCIARY FUNDS
For the Fiscal Year Ended August 31, 2016

	Private-Purpose Trust (Exhibit I-1)	Agency Funds (Exhibit J-1)	Totals
	\$	\$	\$
ASSETS			
Cash and Cash Equivalents:			
Cash in Bank	623,732		623,732
Cash in State Treasury		106,697	106,697
Cash Equivalents	1,900,000		1,900,000
Restricted:			
Cash and Cash Equivalents:			
Cash in Bank	14,423		14,423
Receivables from:			
Accounts Receivable		3,768,337	3,768,337
Capital Assets:			
Non-Depreciable:			
Land and Land Improvements	281,081		281,081
Depreciable:			
Buildings and Building Improvements	860,425		860,425
Less Accumulated Depreciation	(511,761)		(511,761)
Facilities and Other Improvements	136,253		136,253
Less Accumulated Depreciation	(77,931)		(77,931)
Total Assets	<u>3,226,222</u>	<u>3,875,034</u>	<u>7,101,255</u>
LIABILITIES			
Funds Held for Others	<u>67,662</u>	<u>3,875,034</u>	<u>3,942,695</u>
Total Liabilities	<u>67,662</u>	<u>3,875,034</u>	<u>3,942,695</u>
NET ASSETS			
Held in Trust For			
Individuals, Organizations, and Other Gov't	<u>3,158,560</u>		<u>3,158,560</u>
Total Net Assets	<u>3,158,560</u>		<u>3,158,560</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, 2016

	Private-Purpose Trust (Exhibit I-2)	Totals
	\$	\$
ADDITIONS		
Investment Income		
From Investing Activities:		
Interest and Investment Income	8,092	8,092
Total Investing Income (Loss)	<u>8,092</u>	<u>8,092</u>
Total Net Investment Income (Loss)	<u>8,092</u>	<u>8,092</u>
Other Additions		
Other Revenue	171,609	171,609
Gain/(Loss) on Capital Assets		
Transfers In		
Total Other Additions	<u>171,609</u>	<u>171,609</u>
Total Additions	<u>179,701</u>	<u>179,701</u>
DEDUCTIONS		
Depreciation Expense	38,650	38,650
Other Expense	105,080	105,080
Total Deductions	<u>143,730</u>	<u>143,730</u>
NET INCREASE (DECREASE) IN NET ASSETS	<u>35,971</u>	<u>35,971</u>
NET ASSETS		
Net Assets September 1, 2015	3,122,589	3,122,589
Restatements		
Net Assets September 1, 2015, as Restated	<u>3,122,589</u>	<u>3,122,589</u>
Net Assets, August 31, 2016	<u>3,158,560</u>	<u>3,158,560</u>

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

NOTES TO THE FINANCIAL STATEMENTS



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 TypesGeneral 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 TypesAgency 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, 2016, is presented below:

	Balance 09/01/15	Adjust- ments	Reclassifications			Additions	Deletions	Balance 08/31/16
			Completed CIP	Inc- Int'agy. Trans	Dec- Int'agy Trans			
GOVERNMENTAL ACTIVITIES								
Non-depreciable or Non-amortizable Assets								
Land and Land Improvements	\$ 822,827	\$	\$	\$	\$	\$	\$	\$ 822,827
Construction in Progress	291,129	(291,129)						0
Total Non-depreciable or Non-amortizable Assets	1,113,955	(291,129)	0	0	0	0	0	822,827
Depreciable Assets								
Buildings and Building Improvements	127,986,847					135,114		128,121,961
Infrastructure	12,461,512							12,461,512
Facilities and Other Improvements	7,318,060							7,318,060
Furniture and Equipment	8,106,602					169,030	(395,968)	7,879,665
Vehicles, Boats and Aircraft	5,167,173					623,667	(16,142)	5,774,698
Other Capital Assets	333,850							333,850
Total Depreciable Assets	161,374,044	0	0	0	0	927,811	(412,110)	161,889,745
Less Accumulated Depreciation for:								
Buildings and Building Improvements	(82,931,531)					(3,849,229)		(86,780,760)
Infrastructure	(11,583,378)					(134,817)		(11,718,196)
Facilities and Other Improvements	(5,494,804)					(128,581)		(5,623,385)
Furniture and Equipment	(7,306,936)					(240,781)	394,660	(7,153,056)
Vehicles, Boats and Aircraft	(4,454,740)					(363,384)	16,142	(4,801,982)
Other Capital Assets	(233,433)					(15,175)		(248,608)
Total Accumulated Depreciation	(112,004,823)	0	0	0	0	(4,731,967)	410,802	(116,325,988)
Depreciable Assets, Net	49,369,221	0	0	0	0	(3,804,155)	(1,308)	45,563,757
Amortizable Assets - Intangible								
Computer Software	4,212,060							4,212,060
Total Amortizable Assets - Intangible	4,212,060	0	0	0	0	0	0	4,212,060
Less Accumulated Amortization for:								
Computer Software	(4,212,060)							(4,212,060)
Total Accumulated Amortization	(4,212,060)	0	0	0	0	0	0	(4,212,060)
Amortizable Assets - Intangible, Net	0	0	0	0	0	0	0	0
Governmental Activities								
Capital Assets, Net	\$ 50,483,177	\$ (291,129)	\$ -	\$ -	\$ -	\$(3,804,155)	\$(1,308)	\$46,386,584

Texas Juvenile Justice Department

Capital Assets continued

	Balance 09/01/15	Adjust- ments	Reclassification s			Additions	Deletions	Balance 08/31/16
			Completed CIP	Inc- Int'agy Trans	Dec- Int'agy Trans			
PRIVATE-PURPOSE TRUST FUNDS								
Non-depreciable or Non-amortizable Assets								
Land and Land Improvements	\$ 281,081	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 281,081
Total Non-depreciable or Non-amortizable Assets	281,081	-	-	-	-	-	-	281,081
Depreciable Assets								
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	(479,304)	-	-	-	-	(32,457)	-	(511,761)
Facilities and Other Improvements	(71,738)	-	-	-	-	(6,193)	-	(77,931)
Total Accumulated Depreciation	(551,042)	-	-	-	-	(38,650)	-	(589,692)
Depreciable Assets, Net	445,635	-	-	-	-	(38,650)	-	406,986
Private-Purpose Trust Funds								
Capital Assets, Net	\$ 726,718	\$ -	\$ -	\$ -	\$ -	\$ (38,650)	\$ -	\$ 688,067

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, 2016, the carrying amount of deposits was as presented below.

Governmental and Business-Type Activities	
CASH IN BANK - CARRYING VALUE	\$ 145,000
Cash in Bank per AFR	\$ 145,000
Governmental Funds Current Assets Cash in Bank	\$ 145,000
Cash in Bank per AFR	\$ 145,000

Fiduciary Funds	
CASH IN BANK - CARRYING VALUE	\$ 2,538,155
Less: Certificates of Deposit included in carrying value and reported as Cash Equivalent	1,900,000
Cash in Bank per AFR	\$ 638,155
Fiduciary Funds Cash in Bank	\$ 623,732
Fiduciary Funds Restricted Cash in Bank	14,423
Cash in Bank per AFR	\$ 638,155

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, 2016, the total bank balance was as follows:

Governmental and Business-Type Activities	\$ 145,000	Fiduciary Funds	2,538,155
			\$ 5

Note 4: Short-Term Debt

The Texas Juvenile Justice Department had no short-term debt at August 31, 2016.

Note 5: Long-Term Liabilities

Changes in Long-Term Liabilities

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

	Balance 09/01/15	Additions	Reductions	Balance 08/31/16	Amounts Due Within One Year	Amounts Due Thereafter
Employees' Compensable Leave	\$ 9,929,351	\$ 15,186,114	\$ 12,699,153	\$ 12,416,312	\$ 9,483,963	\$ 2,932,349
Total Governmental Activities	\$ 9,929,351	\$ 15,186,114	\$ 12,699,153	\$ 12,416,312	\$ 9,483,963	\$ 2,932,349

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: Bond Indebtedness

Not applicable.

Texas Juvenile Justice Department

Note 7: Derivative Instruments

Not applicable.

Note 8: Leases

The Texas Juvenile Justice Department has no outstanding capital leases at August 31, 2016.

Included in the expenditures reported in the financial statements are the following amounts of rent paid or due under operating leases: **General Fund \$2,011,455.**

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	
2017	\$ 2,007,716
2018	1,944,419
2019	823,833
2020	632,320
2021	482,759
2022-2026	416,651
Total Minimum Future Lease Rental Payments	\$ 6,307,698

Note 9: Pension Plans

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, 2016, follows:

	Due From Other Agencies	Due To Other Agencies	Source
General Funds	\$	\$	
Agency 300, Fund 5150 - Gov-Fiscal	56,385		Federal-Pass Through
Agency 530, Fund 0001 - TDFPS	294,085		Federal-Pass Through
Agency 551, Fund 5028 - TDA	154,047		Federal-Pass Through
Agency 551, Fund 5029 - TDA	243,638		Federal-Pass Through
Agency 701, Fund 0148 - TEA	377,035		Federal-Pass Through
Subtotal Federal Pass Throughs	1,125,190	0	
Agency 537, Fund 0001 - TDSHS	125,433		State Pass-Through
Subtotal State Pass Throughs	125,433	0	
Total General Funds	1,250,623	0	
Capital Projects Funds			
Agency 347, Fund 7637 - TPFA	501,996		Transfer
Agency 347, Fund 7645 - TPFA	49,988		Transfer
Agency 347, Fund 7663 - TPFA	2,607,991		Transfer
Total Capital Projects Funds	3,159,975		
Total Due From/To Other Agencies (Exh I)	\$ 4,410,597	\$ 0	

Texas Juvenile Justice Department

Interfund Activity and Transactions (continued)

	Transfers In	Transfers Out	Source
General Funds	\$	\$	
Agency 902, Fund 0001 CPA		157,249	Unappropriated Receipts
Total General Funds	0	157,249	
Capital Projects Funds			
Agency 347, Fund 7637 TPFA	708,925		Transfer
Agency 644, Fund 7637 TJJD	1,714,301		Transfer
Agency 347, Fund 7645 TPFA	139,665		Transfer
Agency 347, Fund 7663 TPFA	3,365,649		Transfer
Agency 644, Fund 7663 – TJJD		1,714,301	Transfer
Total Capital Projects Funds	5,928,541	1,714,301	
Total Transfers In/Out (Exh II)	\$ 5,928,541	\$ 1,871,550	

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, 82nd 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.

Note 14: Adjustments to Fund Balance/Net Position

The Texas Juvenile Justice Department had the following adjustment to fund balance/net position during FY 2016.

	Capital Assets
Net Assets, September 1, 2015	\$ 50,483,176
a) Restatement due to Construction in Progress adjustment	(291,129)
Net Assets, September 1, 2015, as Restated	\$ 50,192,047

a) Reclassification of construction in progress to repairs and maintenance at institutions.

Texas Juvenile Justice Department**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 2015 and 2016 were as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
2015	\$ 0	\$ 116,146	\$ (116,146)	\$ 0
2016	\$ 0	\$ 70,644	\$ (70,644)	\$ 0

Note 18: Management's Discussion and Analysis

Not applicable.

Note 19: The Financial Reporting Entity

Not applicable.

Texas Juvenile Justice Department

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.

Note 27: Service Concession Arrangements

Not applicable.

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

Not applicable.

Texas Juvenile Justice Department

Note 29: Troubled Debt Restructuring

Not applicable.

Note 30: Non-Exchange Financial Guarantees

Not applicable.

COMBINING FINANCIAL STATEMENTS



TEXAS JUVENILE JUSTICE DEPARTMENT

**EXHIBIT D-1
COMBINING BALANCE SHEET - CAPITAL PROJECTS FUNDS
For the Fiscal Year Ended August 31, 2016**

	Construction and Building Repair (0001) U/F (0015)	Construction and Building Repair (7637) U/F (7637)
	<u>\$</u>	<u>\$</u>
ASSETS AND DEFERRED OUTFLOWS:		
Current Assets:		
Legislative Appropriations	46,473	1,714,301
Due from Other Agencies		501,996
Non-Current Assets:		
Total Assets and Deferred Outflows	<u>46,473</u>	<u>2,216,297</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES		
Current Liabilities:		
Payables from:		
Accounts		70,834
Payroll		
Non-Current Liabilities:		
Total Liabilities and Deferred Inflows	<u>0</u>	<u>70,834</u>
Fund Financial Statement - Fund Balances		
Fund Balances (Deficits):		
Assigned		2,145,463
Unassigned	46,473	
Total Fund Balances	<u>46,473</u>	<u>2,145,463</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>46,473</u>	<u>2,216,297</u>

Note: An incorrect transfer was entered between the Fund 7637 and Fund 7663. The Fund 7637 and Fund 7663 Legislative Appropriations should be zero. The transfer will be corrected in FY 2017

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

UNAUDITED

Construction and Building Repair (7645) U/F (7645)	Construction and Building Repair (7663) U/F (7663)	Totals (Exhibit I)
\$	\$	\$
	(1,714,301)	46,473
49,988	2,607,991	3,159,975
<u>49,988</u>	<u>893,690</u>	<u>3,206,448</u>
7,070	302,588	380,493
<u>7,070</u>	<u>302,588</u>	<u>380,493</u>
42,917	591,101	2,779,482
<u>42,917</u>	<u>591,101</u>	<u>2,825,954</u>
<u>49,988</u>	<u>893,690</u>	<u>3,206,448</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, 2016

	Construction and Building Repair (0001) U/F (0015)	Construction and Building Repair (7637) U/F (7637)
	\$	\$
REVENUES		
Federal Revenue		
Total Revenues	-	-
EXPENDITURES		
Professional Services		25,048
Travel		
Materials and Supplies	10,784	23,944
Repairs and Maintenance	666	119,436
Other Expenditures		109,335
Capital Outlay		
Total Expenditures	<u>11,450</u>	<u>277,763</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(11,450)</u>	<u>(277,763)</u>
OTHER FINANCING SOURCES (USES)		
Transfer In		2,423,226
Transfer Out		
Total Other Financing Sources (Uses)		<u>2,423,226</u>
Net Change in Fund Balances	(11,450)	2,145,463
Fund Financial Statement - Fund Balances		
Fund Balances - September 1, 2015	57,923	0
Fund Balances August 31, 2016	<u>46,473</u>	<u>2,145,463</u>

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

UNAUDITED

Construction and Building Repair (7645) U/F (7645)	Construction and Building Repair (7663) U/F (7663)	Totals (Exhibit II)
\$	\$	\$
-		-
9,263	210,980	245,291
		0
10,564	13,391	58,682
131,510	237,713	489,325
109,144	660,789	879,267
	135,114	135,114
<u>260,480</u>	<u>1,257,986</u>	<u>1,807,679</u>
<u>(260,480)</u>	<u>(1,257,986)</u>	<u>(1,807,679)</u>
139,665	3,365,649	5,928,541
	(1,714,301)	(1,714,301)
<u>139,665</u>	<u>1,651,348</u>	<u>4,214,240</u>
(120,815)	393,362	2,406,560
163,732	197,739	419,394
<u>42,917</u>	<u>591,101</u>	<u>2,825,954</u>

UNAUDITED

TEXAS JUVENILE JUSTICE DEPARTMENT

EXHIBIT I-1
 COMBINING STATEMENT OF FIDUCIARY NET POSITION - PRIVATE-PURPOSE
 TRUST FUNDS
 For the Fiscal Year Ended August 31, 2016

	Parrie Haynes Endowment (9999) U/F (7401)	John Wende Endowment (9999) U/F (7401)	Student Trust Fund (9999) U/F (7403)
ASSETS	\$	\$	\$
Cash and Cash Equivalents:			
Cash in Bank	296,551	259,520	67,662
Cash Equivalents	1,100,000	800,000	
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	(511,761)		
Facilities and Other Improvements	136,253		
Less Accumulated Depreciation	(77,931)		
Total Assets	<u>1,990,723</u>	<u>1,167,836</u>	<u>67,662</u>
LIABILITIES			
Funds Held for Others			67,662
Total Liabilities			<u>67,662</u>
NET ASSETS			
Held in Trust For			
Individuals, Organizations, and Other Gov't	1,990,723	1,167,836	
Total Net Assets	<u>1,990,723</u>	<u>1,167,836</u>	

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

Totals	
(Exhibit VI)	
<hr/>	
\$	
	623,732
	1,900,000
	14,423
	281,081
	860,425
	(511,761)
	136,253
	(77,931)
	<hr/>
	3,226,221
	<hr/>
	67,662
	<hr/>
	67,662
	<hr/>
	3,158,559
	<hr/>
	3,158,559
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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, 2016

	Parrie Haynes Endowment (9999) U/F (7401)	John Wende Endowment (9999) U/F (7401)	Student Trust Fund (9999) U/F (7403)
	\$	\$	\$
ADDITIONS			
Investment Income			
From Investing Activities:			
Interest and Investment Income	4,527	3,565	
Total Investing Income (Loss)	4,527	3,565	0
Total Net Investment Income (Loss)	4,527	3,565	0
Other Additions			
Other Revenue	54,000	117,609	
Gain/(Loss) on Capital Assets			
Transfers In			
Total Other Additions	54,000	117,609	0
Total Additions	58,527	121,174	0
DEDUCTIONS			
Depreciation Expense	38,650		
Other Expense	29,405	75,675	
Total Deductions	68,055	75,675	0
NET INCREASE (DECREASE) IN NET ASSETS	(9,529)	45,500	0
NET ASSETS			
Net Assets September 1, 2015	2,000,252	1,122,337	
Restatements			
Net Assets September 1, 2015, as Restated	2,000,252	1,122,337	0
Net Assets, August 31, 2016	1,990,723	1,167,837	0

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

Totals	
(Exhibit VII)	
<u>\$</u>	
	<u>8,092</u>
	<u>8,092</u>
	<u>8,092</u>
	171,609
	<u>171,609</u>
	<u>179,701</u>
	38,650
	<u>105,080</u>
	<u>143,730</u>
	<u>35,971</u>
	3,122,589
	<u>3,122,589</u>
	<u>3,158,560</u>

TEXAS JUVENILE JUSTICE DEPARTMENT

**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
UNAPPROPRIATED RECEIPTS:	\$	\$	\$	\$
General Revenue Fund (0001) U/F (0960/1000)				
ASSETS				
Cash in State Treasury				
Accounts Receivable	3,625,234	143,103		3,768,337
Total Assets	<u>3,625,234</u>	<u>143,103</u>		<u>3,768,337</u>
LIABILITIES				
Funds Held for Others	3,625,234	143,103		3,768,337
Total Liabilities	<u>3,625,234</u>	<u>143,103</u>		<u>3,768,337</u>
OTHER AGENCY FUNDS:				
City, Cty, MTA, SPD Sales Tax (0882) U/F (0882)				
ASSETS				
Cash in State Treasury				
Total Assets				
LIABILITIES				
Funds Held for Others				
Total Liabilities				
Departmental Suspense				
Employee Housing Deductions (0900) U/F (9904)				
ASSETS				
Cash in State Treasury				
Total Assets				
LIABILITIES				
Funds Held for Others				
Total Liabilities				

	Beginning Balance September 1, 2015	Additions	Deductions	Ending Balance August 31, 2016
	\$	\$	\$	\$
Departmental Suspense				
Suspense Fund (0900) U/F (0900)				
ASSETS				
Cash in State Treasury				
Total Assets				
LIABILITIES				
Funds Held for Others				
Total Liabilities				
USPS - Overpayments to Employees/ Warrant Hold Offset (0900) U/F (9015/9016)				
ASSETS				
Cash in State Treasury	129	1,600		1,729
Total Assets	129	1,600		1,729
LIABILITIES				
Funds Held for Others	129	1,600		1,729
Total Liabilities	129	1,600		1,729
USPS - Direct Deposit Correction (0980) U/F (9014)				
ASSETS				
Cash in State Treasury				
Total Assets				
LIABILITIES				
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, 2016

	Beginning Balance September 1, 2015	Additions	Deductions	Ending Balance August 31, 2016
	\$	\$	\$	\$
Child Support Addenda Deducts Suspense (0807) U/F (8070)				
ASSETS				
Cash in State Treasury	102,187	2,781		104,968
Total Assets	<u>102,187</u>	<u>2,781</u>		<u>104,968</u>
LIABILITIES				
Funds Held for Others	102,187	2,781		104,968
Total Liabilities	<u>102,187</u>	<u>2,781</u>		<u>104,968</u>
Student Trust Fund (9999) U/F (7903)				
ASSETS				
Cash in Bank	78,494		78,494	
Total Assets	<u>78,494</u>		<u>78,494</u>	
LIABILITIES				
Funds Held for Others	78,494		78,494	
Total Liabilities	<u>78,494</u>		<u>78,494</u>	
Totals - All Agency Funds				
ASSETS				
Cash in Bank	78,494		78,494	
Cash in State Treasury	102,316	4,381		106,697
Accounts Receivable	3,625,234	143,103		3,768,337
Total Assets	<u>3,806,043</u>	<u>147,484</u>	<u>78,494</u>	<u>3,875,034</u>
LIABILITIES				
Funds Held for Others	3,806,043	147,484	78,494	3,875,034
Total Liabilities	<u>3,806,043</u>	<u>147,484</u>	<u>78,494</u>	<u>3,875,034</u>

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



SCHEDULES



TEXAS JUVENILE JUSTICE DEPARTMENT

SCHEDULE 1A

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Fiscal Year Ended August 31, 2016

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	Pass-Through From	
		Agy. #	Identifying Number
U.S. Department of Justice			
Pass-Through From:			
Office of the Governor Juvenile Accountability Block Grants Radio Grant	16.523	300	3151901
Office of the Governor PREA Program: Demonstration Projects to Establish "Zero Tolerance" Cultures for Sexual Assault in Correctional Facilities	16.735		3168901
Total, U.S. Department of Justice			
U.S. Department of Agriculture			
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		
Total, U.S. Department of Agriculture			

UNAUDITED

<u>Pass-Through From</u>		
<u>Agencies Amount</u>	<u>Direct Program Amount</u>	<u>Total PT From & Direct Programs</u>
\$	\$	\$
94,679		94,679
56,385		56,385
<u>151,064</u>	<u>0</u>	<u>151,064</u>
883,608		883,608
1,388,405		1,388,405
122,278		122,278
<u>2,394,291</u>	<u>0</u>	<u>2,394,291</u>

TEXAS JUVENILE JUSTICE DEPARTMENT

SCHEDULE 1A (Continued)

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Fiscal Year Ended August 31, 2016

Federal Grantor Pass-Through Grantor / Program Title	Federal CFDA Number	Pass-Through From	
		Agy. #	Identifying Number
U.S. Department of Education			
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		15-610801 16-610801
Elementary and Secondary Education Act- Special Education - Grants to States	84.027		15-660001 16-660001
Vocational and Applied Technology Education Act- Career and Technical Education - Basic Grants to States	84.048		15-420007 16-420007
Elementary and Secondary Education Act- Improving Teacher Quality State Grants	84.367		15-694501 16-694501
Total, U.S. Department of Education			
U.S. Department of Health and Human Services			
Pass-Through From:			
Texas Department of Family and Protective Services		530	
Foster Care-Title IV-E	93.658		
Total, U.S. Department of Health and Human Services			
TOTAL FEDERAL FINANCIAL ASSISTANCE			

UNAUDITED

<u>Pass-Through From</u>		
<u>Agencies Amount</u>	<u>Direct Program Amount</u>	<u>Total PT From & Direct Programs</u>
\$	\$	\$
853,640		853,640
646,445		646,445
202,394		202,394
213,663		213,663
<u>1,916,142</u>	0	<u>1,916,142</u>
3,840,978		3,840,978
<u>3,840,978</u>	0	<u>3,840,978</u>
<u><u>8,302,475</u></u>	<u><u>0</u></u>	<u><u>8,302,475</u></u>

TEXAS JUVENILE JUSTICE DEPARTMENT

SCHEDULE 1-A (Concluded)

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Fiscal Year Ended August 31, 2016

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 2016 was \$122,278.

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>8,180,197</u>
Subtotal	\$8,180,197
<u>RECONCILING ITEMS:</u>	
Non-monetary	
Federal Commodities	<u>122,278</u>
Total Pass-Through and	
Expenditures per Federal Schedule	<u><u>\$ 8,302,475</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, 2016

	<u>Grant ID</u>	<u>Agency Number</u>	<u>Amount</u>
Pass-Through From:			\$
Office of the Governor - Fiscal:			
Office of the Independent Ombudsman			
Expanded Services	300.0004	300	(9,017)
Total Office of the Governor - Fiscal			<u>(9,017)</u>
Texas Department of State Health Services:			
Substance Abuse Treatment	537.0015	537	637,785
Total Texas Department of State Health Services			<u>637,785</u>
Texas Education Agency:			
Available School Fund - Per Capita	701.0007	701	179,321
FSP - Texas Juvenile Justice Department	701.0018	701	4,253,992
Subtotal Independent School District Funds			<u>4,433,313</u>
Juvenile Justice Alternative Education Program	701.0022	701	1,795,732
Subtotal Juvenile Justice Alternative Education Program			<u>1,795,732</u>
Instructional Materials Allotment	701.0048	701	22,929
Subtotal Instructional Materials Allotment			<u>22,929</u>
Total Texas Education Agency			<u>6,251,974</u>
Total Pass-Through From Other State Agencies (Exh II)			<u>6,880,742</u>

TEXAS JUVENILE JUSTICE DEPARTMENT

**SCHEDULE 2
VENDING MACHINE COMMISSIONS
For the Fiscal Year Ended August 31, 2016**

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.

Commissions	
Vending Machine	\$ <u>32,525</u>
Total Commissions	\$ <u><u>32,525</u></u>
Disposal of Commissions	
Funds Deposited in State Treasury for Student Benefit Fund	\$ <u>32,525</u>
Total Disposal of Commissions	\$ <u><u>32,525</u></u>

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