

**TEXAS JUVENILE JUSTICE
DEPARTMENT**

ANNUAL FINANCIAL REPORT

**FISCAL YEAR ENDED
AUGUST 31, 2013**

(UNAUDITED)

**Mike Griffiths
EXECUTIVE DIRECTOR**



TEXAS
JUVENILE  JUSTICE
DEPARTMENT

November 20, 2013

Honorable Rick Perry, Governor
Honorable Susan Combs, Texas Comptroller
Ursula Parks, Director, Legislative Budget Board
John Keel, CPA, 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, 2013, 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 Dorothy Roberts, Director of Fiscal Affairs and Budget at (512) 490-7652. Ron Reinger 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 "Mike Griffiths".

Mike Griffiths
Executive Director

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FUND FINANCIAL STATEMENTS

TEXAS JUVENILE JUSTICE DEPARTMENT

EXHIBIT I
COMBINED BALANCE SHEET/STATEMENT OF NET ASSETS -
GOVERNMENTAL FUNDS
August 31, 2013

	<u>Governmental Fund Types</u>	
	<u>General Funds</u>	<u>Governmental Funds Total</u>
	\$	\$
ASSETS AND DEFERRED OUTFLOWS:		
Current Assets:		
Cash (Note 3):		
On Hand	9,000	9,000
In Bank	170,000	170,000
Legislative Appropriations	30,249,820	30,249,820
Receivables from:		
Accounts Receivable	5,861	5,861
Federal	105,549	105,549
Due from Other Agencies (Note 12)	1,574,636	1,574,636
Consumable Inventories	1,310,870	1,310,870
 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>33,425,736</u>	<u>33,425,736</u>

Government-wide Adjustments			
Capital Assets Adjustments	Long-Term Liabilities Adjustments	Other Adjustments	Statement of Net Assets
\$	\$	\$	\$
			9,000
			170,000
			30,249,820
			5,861
			105,549
			1,574,636
			1,310,870
2,910,079			2,910,079
72,040,808			72,040,808
<u>74,950,887</u>	<u>0</u>	<u>0</u>	<u>108,376,623</u>

TEXAS JUVENILE JUSTICE DEPARTMENT

EXHIBIT I (Concluded)
COMBINED BALANCE SHEET/STATEMENT OF NET ASSETS -
GOVERNMENTAL FUNDS
August 31, 2013

	Governmental Fund Types	
	General Funds	Governmental Funds Total
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	\$	\$
Liabilities and Deferred Inflows		
Current Liabilities:		
Payables from:		
Accounts	6,411,761	6,411,761
Payroll	11,953,877	11,953,877
Employees' Compensable Leave (Note 5)		
Non-Current Liabilities and Deferred Inflows:		
Employees' Compensable Leave		
Total Liabilities and Deferred Inflows	<u>18,365,638</u>	<u>18,365,638</u>
Fund Financial Statement - Fund Balances		
Fund Balances (Deficits):		
Nonspendable for Inventory	1,310,870	1,310,870
Restricted	3,742,584	3,742,584
Assigned	5,557,976	5,557,976
Unassigned	4,448,667	4,448,667
Total Fund Balances	<u>15,060,097</u>	<u>15,060,097</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>33,425,736</u>	<u>33,425,736</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.

<u>Capital Assets Adjustments</u>	<u>Long-Term Liabilities Adjustments</u>	<u>Other Adjustments</u>	<u>Statement of Net Assets</u>
\$	\$	\$	\$
			6,411,761
			11,953,877
	5,220,748		5,220,748
	3,795,580		3,795,580
<u>0</u>	<u>9,016,328</u>	<u>0</u>	<u>27,381,966</u>
			1,310,870
			3,742,584
			5,557,976
			4,448,667
<u>0</u>	<u>0</u>	<u>0</u>	<u>15,060,097</u>
<u>0</u>	<u>9,016,328</u>	<u>0</u>	<u>42,442,064</u>
			74,950,887
74,950,887	(9,016,328)		74,950,887
<u>74,950,887</u>	<u>(9,016,328)</u>	<u>0</u>	<u>(9,016,328)</u>
			<u>80,994,656</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, 2013

	Governmental Fund Types	
	General Funds	Governmental Funds Total
	\$	\$
REVENUES		
Legislative Appropriations:		
Original Appropriations	300,507,141	300,507,141
Additional Appropriations	32,062,450	32,062,450
Federal Revenue	457,255	457,255
Federal Grant Pass-Through Revenue	5,865,748	5,865,748
State Grant Pass-Through Revenue	13,651,440	13,651,440
Licenses, Fees and Permits	83,470	83,470
Interest and Investment Income	33	33
Sales of Goods and Services	214,514	214,514
Other Revenues	92,875	92,875
Total Revenues	<u>352,934,926</u>	<u>352,934,926</u>
EXPENDITURES		
Salaries and Wages	116,296,784	116,296,784
Payroll Related Costs	33,148,572	33,148,572
Professional Fees and Services	15,484,835	15,484,835
Travel	1,100,608	1,100,608
Materials and Supplies	12,566,249	12,566,249
Communication and Utilities	4,567,087	4,567,087
Repairs and Maintenance	2,415,146	2,415,146
Rentals and Leases	2,462,042	2,462,042
Printing and Reproduction	235,349	235,349
Claims and Judgments	167,932	167,932
Intergovernmental Payments	151,527,259	151,527,259
Other Expenditures	10,485,997	10,485,997
Capital Outlay	247,172	247,172
Depreciation Expense		
Total Expenditures/Expenses	<u>350,705,034</u>	<u>350,705,034</u>
Excess (Deficiency) of Revenues over Expenditures	<u>2,229,892</u>	<u>2,229,892</u>

Capital Assets Adjustments	Long-Term Liabilities Adjustments	Other Adjustments	Statement of Activities
\$	\$	\$	\$
			300,507,141
			32,062,450
			457,255
			5,865,748
			13,651,440
			83,470
			33
			214,514
			92,875
<u>0</u>	<u>0</u>	<u>0</u>	<u>352,934,926</u>
	(6,798,583)		109,498,201
			33,148,572
			15,484,835
			1,100,608
			12,566,249
			4,567,087
			2,415,146
			2,462,042
			235,349
			167,932
			151,527,259
			10,485,997
(281,969)			(34,797)
8,022,327			8,022,327
<u>7,740,358</u>	<u>(6,798,583)</u>	<u>0</u>	<u>351,646,809</u>
<u>(7,740,358)</u>	<u>6,798,583</u>	<u>0</u>	<u>1,288,117</u>

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, 2013

	Governmental Fund Types	
	General Funds	Governmental Funds Total
OTHER FINANCING SOURCES (USES)	\$	\$
Sale of Capital Assets	24,796	24,796
Transfer In	212,503	212,503
Transfer Out	(27,349)	(27,349)
Legislative Transfer In	283,375	283,375
Legislative Transfer Out		0
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>493,325</u>	<u>493,325</u>
Net Change in Fund Balances/Net Assets	<u>2,723,217</u>	<u>2,723,217</u>
Fund Financial Statement - Fund Balances		
Fund Balances - September 1, 2012	20,525,461	20,525,461
Restatements	179,000	179,000
Fund Balances - September 1, 2012, as Restated	<u>20,704,461</u>	<u>20,704,461</u>
Appropriations Lapsed	<u>(8,367,581)</u>	<u>(8,367,581)</u>
Fund Balances - August 31, 2013	<u>15,060,097</u>	<u>15,060,097</u>
Government-wide Statement - Net Assets		
Net Assets/Net Change in Net Assets		<u>15,060,097</u>
Net Assets, September 1, 2012		
Restatements		
Net Assets, September 1, 2012, as Restated		
Net Assets, August 31, 2013		<u>15,060,097</u>

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

Capital Assets Adjustments	Long-Term Liabilities Adjustments	Other Adjustments	Statement of Activities
\$	\$	\$	\$
(24,796)			0
			212,503
			(27,349)
			283,375
			0
1,561			1,561
(2,832)			(2,832)
			0
<u>(26,067)</u>	<u>0</u>	<u>0</u>	<u>467,258</u>
			<u>1,755,375</u>
			20,525,461
			179,000
			<u>20,704,461</u>
			<u>(8,367,581)</u>
			<u>14,092,255</u>
<u>(7,766,425)</u>	<u>6,798,583</u>	<u>0</u>	<u>14,092,255</u>
<u>91,739,494</u>	<u>(15,814,911)</u>	<u>0</u>	<u>96,450,044</u>
<u>(9,022,183)</u>			<u>(9,022,183)</u>
<u>82,717,311</u>	<u>(15,814,911)</u>	<u>0</u>	<u>87,427,861</u>
<u>74,950,886</u>	<u>(9,016,328)</u>	<u>0</u>	<u>101,520,116</u>

TEXAS JUVENILE JUSTICE DEPARTMENT

EXHIBIT VI
COMBINED STATEMENT OF NET POSITION - FIDUCIARY FUNDS
August 31, 2013

	Private-Purpose Trust (Exhibit I-1)	Agency Funds (Exhibit J-1)	Totals
	\$	\$	\$
ASSETS			
Cash and Cash Equivalents:			
Cash in Bank	251,303	69,185	320,488
Cash in State Treasury		105,650	105,650
Cash Equivalents	1,900,000		1,900,000
Restricted:			
Cash and Cash Equivalents:			
Cash in Bank	14,423		14,423
Receivables from:			
Accounts Receivable		3,371,187	3,371,187
Capital Assets:			
Non-Depreciable:			
Land and Land Improvements	281,081		281,081
Depreciable:			
Buildings and Building Improvements	860,425		860,425
Less Accumulated Depreciation	(414,389)		(414,389)
Facilities and Other Improvements	136,253		136,253
Less Accumulated Depreciation	(59,352)		(59,352)
Total Assets	<u>2,969,744</u>	<u>3,546,022</u>	<u>6,515,766</u>
LIABILITIES			
Funds Held for Others		3,546,022	3,546,022
Total Liabilities	<u>-</u>	<u>3,546,022</u>	<u>3,546,022</u>
NET ASSETS			
Held in Trust For			
Individuals, Organizations, and Other Gov't	2,969,744	-	2,969,744
Total Net Assets	<u>2,969,744</u>	<u>-</u>	<u>2,969,744</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, 2013

	Private-Purpose Trust (Exhibit I-2)	Totals
	\$	\$
ADDITIONS		
Investment Income		
From Investing Activities:		
Interest and Investment Income	4,023	4,023
Total Investing Income (Loss)	<u>4,023</u>	<u>4,023</u>
Total Net Investment Income (Loss)	<u>4,023</u>	<u>4,023</u>
Other Additions		
Other Revenue	155,326	155,326
Gain/(Loss) on Capital Assets		-
Transfers In		-
Total Other Additions	<u>155,326</u>	<u>155,326</u>
Total Additions	<u>159,349</u>	<u>159,349</u>
DEDUCTIONS		
Depreciation Expense	38,651	38,651
Other Expense	136,439	136,439
Total Deductions	<u>175,090</u>	<u>175,090</u>
NET INCREASE (DECREASE) IN NET ASSETS	<u>(15,741)</u>	<u>(15,741)</u>
NET ASSETS		
Net Assets - September 1, 2012	2,985,485	2,985,485
Restatements		-
Net Assets - September 1, 2012, as Restated	<u>2,985,485</u>	<u>2,985,485</u>
Net Assets, August 31, 2013	<u>2,969,744</u>	<u>2,969,744</u>

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

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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.

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

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.

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

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.

Texas Juvenile Justice Department

Summary of Significant Accounting Policies (continued)

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.

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 8.

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, 2013, is presented below:

	Balance 09/01/12	Adjustments	Reclassifications			Additions	Deletions	Balance 08/31/13
			Completed CIP	Inc- Int'agy Trans	Dec- Int'agy Trans			
GOVERNMENTAL ACTIVITIES								
Non-depreciable or Non-amortizable Assets								
Land and Land Improvements	\$ 1,029,927	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,029,927
Construction in Progress	11,427,760	(9,022,183)	(525,425)					1,880,152
Total Non-depreciable or Non-amortizable Assets	12,457,687	(9,022,183)	(525,425)	-	-	-	-	2,910,079
Depreciable Assets								
Buildings and Building Improvements	167,886,071							167,886,071
Infrastructure	19,210,684							19,210,684
Facilities and Other Improvements	9,320,670		525,425					9,846,096
Furniture and Equipment	10,446,473				274,969	(590,713)		10,130,729
Vehicles, Boats and Aircraft	5,108,175			18,425		(109,972)		5,016,629
Other Capital Assets	333,850							333,850
Total Depreciable Assets	212,305,924	-	525,425	18,425	-	(700,685)		212,424,058
Less Accumulated Depreciation for:								
Buildings and Building Improvements	(100,409,991)					(5,395,987)		(105,805,978)
Infrastructure	(15,570,508)					(477,965)		(16,048,473)
Facilities and Other Improvements	(6,607,471)					(256,357)		(6,863,829)
Furniture and Equipment	(8,995,535)					(555,644)	577,589	(8,973,591)
Vehicles, Boats and Aircraft	(3,251,786)			(14,257)		(635,799)	99,862	(3,801,981)
Other Capital Assets	(187,908)					(15,175)		(203,083)
Total Accumulated Depreciation	(135,023,200)	-	-	(14,257)	-	(7,336,927)	677,450	(141,696,934)
Depreciable Assets, Net	77,282,723	-	525,425	4,168	-	(7,061,958)	(23,235)	70,727,124

Texas Juvenile Justice Department

Capital Assets (continued)

Amortizable Assets - Intangible								
Computer Software	4,244,458							4,244,458
Total Amortizable Assets - Intangible	4,244,458	-	-	-	-	-	-	4,244,458
Less Accumulated Amortization for:								
Computer Software	(2,245,375)				(685,400)			(2,930,774)
Total Accumulated Amortization	(2,245,375)	-	-	-	(685,400)	-	-	(2,930,774)
Amortizable Assets - Intangible, Net	1,999,084	-	-	-	(685,400)	-	-	1,313,684
Governmental Activities								
Capital Assets, Net	\$91,739,494	\$ (9,022,183)	\$ -	\$ 4,168	\$ -	\$ (7,747,358)	\$ (23,235)	\$ 74,950,887

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	(381,932)					(32,457)		(414,389)
Facilities and Other Improvements	(53,158)					(6,193)		(59,352)
Total Accumulated Depreciation	(435,090)	-	-	-	-	(38,650)	-	(473,741)
Depreciable Assets, Net	561,587	-	-	-	-	(38,650)	-	522,937
Private-Purpose Trust Funds								
Capital Assets, Net	\$ 842,668	\$ -	\$ -	\$ -	\$ -	\$ (38,650)	\$ -	\$ 804,018

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, 2013, the carrying amount of deposits was as presented below.

Governmental and Business-Type Activities	
CASH IN BANK - CARRYING VALUE	\$ 170,000
Cash in Bank per AFR	\$ 170,000
Governmental Funds Current Assets Cash in Bank	\$ 170,000
Cash in Bank per AFR	\$ 170,000

Texas Juvenile Justice Department

Deposits, Investments and Repurchase Agreements (continued)

Fiduciary Funds	
CASH IN BANK - CARRYING VALUE	\$ 2,234,912
Less: Certificates of Deposit included in carrying value and reported as Cash Equivalent	1,900,000
Cash in Bank per AFR	\$ 334,912
Fiduciary Funds Cash in Bank	\$ 320,489
Fiduciary Funds Restricted Cash in Bank	14,423
Cash in Bank per AFR	\$ 334,912

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, 2013, the total bank balance was as follows:

Governmental and Business-Type Activities	\$ 170,000	Fiduciary Funds	\$ 2,234,912
--	------------	------------------------	--------------

Note 4: Short-Term Debt

The Texas Juvenile Justice Department had no short-term debt at August 31, 2013.

Note 5: Long-Term Liabilities

Changes in Long-Term Liabilities

During the year ended August 31, 2013, the following changes occurred in liabilities.

	Balance			Balance	Amounts	Amounts
Governmental Activities	09/01/12	Additions	Reductions	08/31/13	Due Within	Due
					One Year	Thereafter
Employees' Compensable Leave	\$ 15,814,911	\$ 9,152,849	\$ 15,951,432	\$ 9,016,328	\$ 5,220,748	\$ 3,795,580
Total Governmental Activities	\$ 15,814,911	\$ 9,152,849	\$ 15,951,432	\$ 9,016,328	\$ 5,220,748	\$ 3,795,580

Texas Juvenile Justice Department

Long-Term Liabilities (continued)

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.

Included in the reduction reported above is an adjustment in the amount of \$ 8,767,845 to correct prior year's ending balance.

Note 6: Bond Indebtedness

Not applicable.

Note 7: Derivative Instruments

Not applicable.

Note 8: Leases

The Texas Juvenile Justice Department has no outstanding capital leases at August 31, 2013.

Included in the expenditures reported in the financial statements are the following amounts of rent paid or due under operating leases: **General Fund \$1,369,037.**

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	
2014	\$ 1,043,312
2015	869,119
2016	747,222
2017	635,102
2018	565,600
2019-2023	1,344,317
Total Minimum Future Lease Rental Payments	\$ 5,204,672

Texas Juvenile Justice Department**Note 9: Pension Plans**

Not applicable.

Note 10: Deferred Compensation

Not applicable.

Note 11: Postemployment Health Care and Life Insurance Benefits

Not applicable.

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, 2013, follows:

	Due From Other Agencies	Due To Other Agencies	Source
General Funds	\$	\$	
Agency 300, Fund 0421 - Gov-Fiscal	2,740		Federal-Pass Through
Agency 530, Fund 0001 - TDFPS	591,977		Federal-Pass Through
Agency 551, Fund 5028 - TDA	222,326		Federal-Pass Through
Agency 551, Fund 5029 - TDA	346,599		Federal-Pass Through
Agency 701, Fund 0148 - TEA	329,444		Federal-Pass Through
Subtotal Federal Pass Throughs	1,493,086	-	
Agency 300, Fund 0421 - Gov-Fiscal	15,173		State Pass-Through
Agency 537, Fund 0001 - TDSHS	66,377		State Pass-Through
Subtotal State Pass Throughs	81,550	-	
Total General Funds	1,574,636	-	
Total Due From/To Other Agencies (Exh I)	\$ 1,574,636	\$ -	

Texas Juvenile Justice Department

Interfund Activities and Transactions (continued)

	Transfers In	Transfers Out	Source
General Funds	\$	\$	
Agency 665, Fund 0001 - TJPC	212,503		Cash Transfers
Agency 902, Fund 0001 - CPA		27,349	Unappropriated Receipts
Total General Funds	212,503	27,349	
Total Transfers In/Out (Exh II)	\$ 212,503	\$ 27,349	

	Legislative Transfers In	Legislative Transfers Out
General Funds	\$	\$
Agency 665, Fund 0001 - TJPC	283,375	
Agency 694, Fund 0001 - TYC		
Total Legislative Transfers	\$ 283,375	\$ -

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 Balances/Net Assets

During FY 2013, adjustments were made which required restatement of the Fund Balance and Net Assets for Government-wide Statement – Net Assets as shown below:

Exhibit II	Fund Balance Fund 0001	Capital Assets
Net Assets, September 1, 2012	\$ 20,525,461	\$ 91,739,494
a) Restatement due to Construction in Progress adjustment		(9,022,183)
b) Restatement to Fund Balance/Equity	179,000	
Net Assets, September 1, 2013, as Restated	\$ 20,704,461	\$ 82,717,311

- a) Reclassification of construction in progress to repairs and maintenance at institutions.
- b) Adjustment made to reclass prior period adjustment for close out of agency 694 Texas Youth Commission petty cash accounts.

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 2012 and 2013 were as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
2012	\$ 0	\$ 96,137	\$ (96,137)	\$ 0
2013	\$ 0	\$ 167,932	\$ (167,932)	\$ 0

Note 18: Management 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.

COMBINING FINANCIAL STATEMENTS

TEXAS JUVENILE JUSTICE DEPARTMENT

EXHIBIT I-1
 COMBINING STATEMENT OF FIDUCIARY NET POSITION - PRIVATE-PURPOSE
 TRUST FUNDS
 August 31, 2013

	Parrie Haynes Endowment (9999) U/F (7400)	John Wende Endowment (9999) U/F (7400)	Totals (Exhibit VI)
	\$	\$	\$
ASSETS			
Cash and Cash Equivalents:			
Cash in Bank	167,540	83,763	251,303
Cash Equivalents	1,100,000	800,000	1,900,000
Restricted:			
Cash and Cash Equivalents:			
Cash in Bank		14,423	14,423
Capital Assets:			
Non-Depreciable:			
Land and Land Improvements	187,187	93,894	281,081
Depreciable:			
Buildings and Building Improvements	860,425		860,425
Less Accumulated Depreciation	(414,389)		(414,389)
Facilities and Other Improvements	136,253		136,253
Less Accumulated Depreciation	(59,352)		(59,352)
Total Assets	<u>1,977,664</u>	<u>992,080</u>	<u>2,969,744</u>
LIABILITIES			
Total Liabilities	<u> </u>	<u> </u>	<u> </u>
NET ASSETS			
Held in Trust For			
Individuals, Organizations, and Other Gov't	1,977,664	992,080	2,969,744
Total Net Assets	<u>1,977,664</u>	<u>992,080</u>	<u>2,969,744</u>

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

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, 2013

	Parrie Haynes Endowment (9999) U/F (7400)	John Wende Endowment (9999) U/F (7400)	Totals (Exhibit VII)
	\$	\$	\$
ADDITIONS			
Investment Income			
From Investing Activities:			
Interest and Investment Income	2,435	1,588	4,023
Total Investing Income (Loss)	<u>2,435</u>	<u>1,588</u>	<u>4,023</u>
Total Net Investment Income (Loss)	<u>2,435</u>	<u>1,588</u>	<u>4,023</u>
Other Additions			
Other Revenue	45,030	110,296	155,326
Gain/(Loss) on Capital Assets			-
Transfers In			-
Total Other Additions	<u>45,030</u>	<u>110,296</u>	<u>155,326</u>
Total Additions	<u>47,465</u>	<u>111,884</u>	<u>159,349</u>
DEDUCTIONS			
Depreciation Expense	38,651		38,651
Other Expense	5,683	130,756	136,439
Total Deductions	<u>44,334</u>	<u>130,756</u>	<u>175,090</u>
NET INCREASE (DECREASE) IN NET ASSETS	<u>3,131</u>	<u>(18,872)</u>	<u>(15,741)</u>
NET ASSETS			
Net Assets - September 1, 2012	1,974,532	1,010,953	2,985,485
Restatements			-
Net Assets - September 1, 2012, as Restated	<u>1,974,532</u>	<u>1,010,953</u>	<u>2,985,485</u>
Net Assets, August 31, 2013	<u>1,977,663</u>	<u>992,081</u>	<u>2,969,744</u>

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

TEXAS JUVENILE JUSTICE DEPARTMENT

EXHIBIT J-1
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
 AGENCY FUNDS
 For the Fiscal Year Ended August 31, 2013

	Beginning Balance September 1, 2012	Additions	Deductions	Ending Balance August 31, 2013
UNAPPROPRIATED RECEIPTS:	\$	\$	\$	\$
General Revenue Fund (0001) U/F (0960/1000)				
ASSETS				
Cash in State Treasury	-	238,386	238,386	-
Accounts Receivable	3,262,636	108,551	-	3,371,187
Total Assets	<u>3,262,636</u>	<u>346,937</u>	<u>238,386</u>	<u>3,371,187</u>
LIABILITIES				
Funds Held for Others	3,262,636	108,551	-	3,371,187
Total Liabilities	<u>3,262,636</u>	<u>108,551</u>	<u>-</u>	<u>3,371,187</u>
OTHER AGENCY FUNDS:				
City, Cty, MTA, SPD Sales Tax (0882) U/F (0882)				
ASSETS				
Cash in State Treasury	-	885	885	-
Total Assets	<u>-</u>	<u>885</u>	<u>885</u>	<u>-</u>
LIABILITIES				
Funds Held for Others	-	885	885	-
Total Liabilities	<u>-</u>	<u>885</u>	<u>885</u>	<u>-</u>
Departmental Suspense - Employee Housing Deductions (0900) U/F (9904)				
ASSETS				
Cash in State Treasury	-	108,078	108,078	-
Total Assets	<u>-</u>	<u>108,078</u>	<u>108,078</u>	<u>-</u>
LIABILITIES				
Funds Held for Others	-	108,078	108,078	-
Total Liabilities	<u>-</u>	<u>108,078</u>	<u>108,078</u>	<u>-</u>

	Beginning Balance September 1, 2012	Additions	Deductions	Ending Balance August 31, 2013
	\$	\$	\$	\$
Departmental Suspense -				
Suspense Fund (0900) U/F (0900)				
ASSETS				
Cash in State Treasury	-	1,618	-	1,618
Total Assets	-	1,618	-	1,618
LIABILITIES				
Funds Held for Others	-	1,618	-	1,618
Total Liabilities	-	1,618	-	1,618
USPS - Overpayments to Employees/ Warrant Hold Offset (0900) U/F (9015/9016)				
ASSETS				
Cash in State Treasury	-	7,092	6,568	524
Total Assets	-	7,092	6,568	524
LIABILITIES				
Funds Held for Others	-	7,092	6,568	524
Total Liabilities	-	7,092	6,568	524
USPS - Direct Deposit Correction (0980) U/F (9014)				
ASSETS				
Cash in State Treasury	-	33,307	33,307	-
Total Assets	-	33,307	33,307	-
LIABILITIES				
Funds Held for Others	-	33,307	33,307	-
Total Liabilities	-	33,307	33,307	-

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, 2013

	Beginning Balance September 1, 2012	Additions	Deductions	Ending Balance August 31, 2013
	\$	\$	\$	\$
Child Support Addenda Deducts - Suspense (0807) U/F (8070)				
ASSETS				
Cash in State Treasury	93,768	1,360,351	1,350,611	103,508
Total Assets	<u>93,768</u>	<u>1,360,351</u>	<u>1,350,611</u>	<u>103,508</u>
LIABILITIES				
Funds Held for Others	93,768	1,360,351	1,350,611	103,508
Total Liabilities	<u>93,768</u>	<u>1,360,351</u>	<u>1,350,611</u>	<u>103,508</u>
Student Trust Fund (9999) U/F (7902)				
ASSETS				
Cash in Bank	125,138	-	55,953	69,185
Total Assets	<u>125,138</u>	<u>-</u>	<u>55,953</u>	<u>69,185</u>
LIABILITIES				
Funds Held for Others	125,138	-	55,953	69,185
Total Liabilities	<u>125,138</u>	<u>-</u>	<u>55,953</u>	<u>69,185</u>
Totals - All Agency Funds				
ASSETS				
Cash in Bank	125,138	-	55,953	69,185
Cash in State Treasury	93,768	1,749,717	1,737,835	105,650
Accounts Receivable	3,262,636	108,551	-	3,371,187
Total Assets	<u>3,481,542</u>	<u>1,858,268</u>	<u>1,793,788</u>	<u>3,546,022</u>
LIABILITIES				
Funds Held for Others	3,481,542	1,858,268	1,793,788	3,546,022
Total Liabilities	<u>3,481,542</u>	<u>1,858,268</u>	<u>1,793,788</u>	<u>3,546,022</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, 2013

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	Pass-Through From	
		Agy. #	Identifying Number
U.S. Department of Justice			
Direct Programs:			
Part E - Developing, Testing, and Demonstrating Promising New Programs - GIT REDY Project	16.541		
Protecting Inmates and Safeguarding Communities Discretionary Grant Program - PREA	16.735		
Pass-Through From:			
Office of the Governor Juvenile Justice and Delinquency Prevention Allocation to the States - Youth in Custody	16.540	300	2739501
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			

<u>Pass-Through From</u>		
<u>Agencies Amount</u>	<u>Direct Program Amount</u>	<u>Total PT From & Direct Programs</u>
\$	\$	\$
	224,402	224,402
	267,340	267,340
2,740		2,740
<hr/>	<hr/>	<hr/>
2,740	491,742	494,482
886,541		886,541
1,385,304		1,385,304
122,075		122,075
<hr/>	<hr/>	<hr/>
2,393,920	0	2,393,920

TEXAS JUVENILE JUSTICE DEPARTMENT

SCHEDULE 1A (Continued)
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the fiscal year ended August 31, 2013

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		12-610801 13-610801 14-610801
Elementary and Secondary Education Act- Special Education - Grants to States	84.027		12-660001 13-660001 14-660001
Vocational and Applied Technology Education Act- Career and Technical Education - Basic Grants to States	84.048		13-420007 14-420007
Elementary and Secondary Education Act- Improving Teacher Quality State Grants	84.367		12-694501 13-694501 14-694501
ARRA - Education Jobs Fund	84.410		11-550101
Total, U.S. Department of Education			

<u>Pass-Through From</u>		
<u>Agencies Amount</u>	<u>Direct Program Amount</u>	<u>Total PT From & Direct Programs</u>
1,092,378		1,092,378
1,030,491		1,030,491
177,316		177,316
339,210		339,210
21,194		21,194
2,660,589	0	2,660,589

TEXAS JUVENILE JUSTICE DEPARTMENT

SCHEDULE 1A (Continued)
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the fiscal year ended August 31, 2013

Federal Grantor Pass-Through Grantor / Program Title	Federal CFDA Number	Pass-Through From	
		Agy. #	Identifying Number
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		99000020
Total, U.S. Department of Health and Human Services			
U.S. Department of Labor			
Direct Programs:			
Reintegration of Ex-Offenders - CARE Project	17.270		
Total, U.S. Department of Labor			
TOTAL FEDERAL FINANCIAL ASSISTANCE			

<u>Pass-Through From</u>		
<u>Agencies Amount</u>	<u>Direct Program Amount</u>	<u>Total PT From & Direct Programs</u>
\$	\$	\$
930,574		930,574
<u>930,574</u>	<u>0</u>	<u>930,574</u>
	(34,487)	(34,487)
<u>0</u>	<u>(34,487)</u>	<u>(34,487)</u>
<u><u>5,987,823</u></u>	<u><u>457,255</u></u>	<u><u>6,445,078</u></u>

TEXAS JUVENILE JUSTICE DEPARTMENT

SCHEDULE 1-A (Concluded)
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the fiscal year ended August 31, 2013

Note 1 - Non-Monetary Assistance

The Food Distribution Program is presented at the federally assigned value of the commodities distributed. These are received from the U.S. Department of Agriculture (Federal CFDA Number 10.555). The estimated dollar value for fiscal year 2013 was \$122,074.65.

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)	\$	457,255
Federal Pass-Through Revenue (Exh. II)		<u>5,865,748</u>
Subtotal		\$6,323,003

RECONCILING ITEMS:

Non-monetary Federal Commodities		<u>122,075</u>
Total Pass-Through and Expenditures per Federal Schedule	\$	<u><u>6,445,078</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, 2013

	Grant ID	Agency Number	Amount
Pass-Through From:			\$
Office of the Governor - Fiscal:			
Office of the Independent Ombudsman			
Expanded Services	300.0004	300	103,519
Total Office of the Governor - Fiscal			<u>103,519</u>
Texas Department of State Health Services:			
Substance Abuse Treatment	537.0015	537	630,793
Total Texas Department of State Health Services			<u>630,793</u>
Texas Education Agency:			
Foundation School Program (FSP) - Formula	701.0007	701	559,304
FSP - Texas Juvenile Justice Department	701.0018	701	3,686,539
Subtotal Independent School District Funds			<u>4,245,843</u>
Juvenile Justice Alternative Education Program	701.0022	701	8,614,302
Subtotal Juvenile Justice Alternative Education Program			<u>8,614,302</u>
Instructional Materials Allotment	701.0048	701	56,983
Subtotal Instructional Materials Allotment			<u>56,983</u>
Total Texas Education Agency			<u>12,917,128</u>
Total Pass-Through From Other State Agencies (Exh II)			<u>13,651,440</u>

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TEXAS JUVENILE JUSTICE DEPARTMENT**SCHEDULE 2****VENDING MACHINE COMMISSIONS****For the Fiscal Year Ended August 31, 2013**

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>39,951</u>
Total Commissions	\$ <u><u>39,951</u></u>
Disposal of Commissions	
Funds Deposited in State Treasury for Student Benefit Fund	\$ <u>39,951</u>
Total Disposal of Commissions	\$ <u><u>39,951</u></u>

TEXAS JUVENILE JUSTICE DEPARTMENT

SCHEDULE 3

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - ALL FEDERAL FUNDS - FUND 0001

For the Fiscal Year Ended August 31, 2013

	DOL Young Offender CARE Project	DOJ GIT REDY Grant	DOJ PREA Grant
	\$	\$	\$
REVENUES			
Federal Revenue(Schedule 1A)	(34,487)	224,402	267,340
Federal Grant Pass-Through Revenue:			
(Agy 300, OOG)(Sch 1A)			
(Agy 701, TEA)(Sch 1A)			
(Agy 551, TDA)(Sch 1A)			
(Agy 530, TDFPS)(Sch 1A)			
Total Revenues	<u>(34,487)</u>	<u>224,402</u>	<u>267,340</u>
EXPENDITURES			
Salaries and Wages		86,984	
Payroll Related Costs		29,580	
Professional Fees and Services		(2,000)	272,290
Travel			1,808
Materials and Supplies		1,000	
Communication and Utilities			
Repairs and Maintenance			
Rentals and Leases			
Printing and Reproduction			
Intergovernmental Payments			
Other Expenditures	(34,487)	92,338	
Capital Outlay		16,500	
Total Expenditures	<u>(34,487)</u>	<u>224,402</u>	<u>274,098</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(0)</u>	<u>(0)</u>	<u>(6,758)</u>
OTHER FINANCING SOURCES (USES)			
Intrafund Transfers			
Transfers In			
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	(0)	(0)	(6,758)
Fund Financial Statement - Fund Balances			
Fund Balances - September 1, 2012			6,758
Fund Balances - August 31, 2013	<u>(0)</u>	<u>(0)</u>	<u>0</u>
COMPOSITION OF BALANCES			
Legislative Appropriations	34,487	(56,696)	(43,296)
Due from Other Agencies			
Accounts Receivable		62,253	43,296
Accounts Payable	(34,487)	(5,557)	
Encumbrances			
BALANCES, AS ABOVE	<u>0</u>	<u>0</u>	<u>0</u>

CJD Youth in Custody	T.E.A Grants (Sch 4)	National School Lunch & Breakfast (Sch 5)	Title IV-E	Totals
	\$	\$	\$	\$
				457,255
2,740	2,660,589	2,271,845	930,574	2,740 2,660,589 2,271,845 930,574
<u>2,740</u>	<u>2,660,589</u>	<u>2,271,845</u>	<u>930,574</u>	<u>6,323,003</u>
1,240	776,031 185,884 397,265 185,820 818,249 5,390 19,910 10,891	2,928,655 (1,701) 1,256	60,212 36,957 774 3,900 61 1,247 38	923,227 252,421 668,329 192,768 3,747,965 4,936 19,910 12,147 38
1,500	173,659 56,993	225	5,221,649 775,296	5,221,649 1,008,531 73,493
<u>2,740</u>	<u>2,630,092</u>	<u>2,928,435</u>	<u>6,100,134</u>	<u>12,125,414</u>
(0)	30,497	(656,590)	(5,169,560)	(5,802,411)
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
(0)	30,497	(656,590)	(5,169,560)	(5,802,411)
(0)	7,930 38,427	1,246,838 590,248	8,709,320 3,539,760	9,970,846 4,168,435
(2,740)	(234,602)	22,025	2,987,556	2,706,734
2,740	329,444	568,925	591,977	1,493,086
	(94,842)	(30,255)	(39,773)	105,549 (204,914)
	38,427	29,553		67,980
<u>0</u>	<u>38,427</u>	<u>590,248</u>	<u>3,539,760</u>	<u>4,168,435</u>

TEXAS JUVENILE JUSTICE DEPARTMENT

SCHEDULE 4

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - EDUCATION GRANTS PASSED THROUGH T.E.A.

For the Fiscal Year Ended August 31, 2013

	ESEA Title I	ESEA Title II
	\$	\$
REVENUES		
Federal Grant Pass-Through Revenue: (Agy 701, TEA)(Sch 1A)	1,092,378	339,210
Total Revenues	<u>1,092,378</u>	<u>339,210</u>
EXPENDITURES		
Salaries and Wages	278,901	68,690
Payroll Related Costs	73,745	15,771
Professional Fees and Services	5,950	224,173
Travel	97,881	41,612
Materials and Supplies	547,242	(34,213)
Communication and Utilities	4,719	
Repairs and Maintenance	18,235	
Rentals and Leases	9,432	448
Other Expenditures	45,429	22,043
Capital Outlay		
Total Expenditures	<u>1,081,534</u>	<u>338,524</u>
Excess (Deficiency) of Revenues over Expenditures	<u>10,844</u>	<u>686</u>
OTHER FINANCING SOURCES (USES)		
Intrafund Transfers		
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>
Net Change in Fund Balances	10,844	686
Fund Financial Statement - Fund Balances		
Fund Balances - September 1, 2012	7,500	
Fund Balances - August 31, 2013	<u>18,344</u>	<u>686</u>
COMPOSITION OF BALANCES		
Legislative Appropriations	(67,905)	3,867
Due from Other Agencies	108,402	32,349
Accounts Payable	(40,497)	(36,216)
Encumbrances	18,344	686
BALANCES, AS ABOVE	<u>18,344</u>	<u>686</u>

IDEA-B	VATEA Career & Technology	ARRA - Education Jobs Grant	Totals (Sch 3)
\$	\$	\$	\$
1,030,491	177,316	21,194	2,660,589
<u>1,030,491</u>	<u>177,316</u>	<u>21,194</u>	<u>2,660,589</u>
410,576		17,864	776,031
93,038		3,330	185,884
167,142			397,265
31,279	15,048		185,820
208,455	96,765		818,249
	671		5,390
	1,675		19,910
	1,011		10,891
105,197	990		173,659
	56,993		56,993
<u>1,015,687</u>	<u>173,153</u>	<u>21,194</u>	<u>2,630,092</u>
14,804	4,163	0	30,497
			0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
14,804	4,163	0	30,497
196	234	0	7,930
<u>15,000</u>	<u>4,397</u>	<u>0</u>	<u>38,427</u>
(151,432)	(19,132)		(234,602)
165,369	23,324		329,444
(13,937)	(4,192)		(94,842)
15,000	4,397		38,427
<u>15,000</u>	<u>4,397</u>	<u>0</u>	<u>38,427</u>

TEXAS JUVENILE JUSTICE DEPARTMENT

SCHEDULE 5

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - NATIONAL SCHOOL LUNCH AND BREAKFAST PROGRAM

For the Fiscal Year Ended August 31, 2013

	Ron Jackson State JCF	Gainesville State School
	\$	\$
REVENUES		
Federal Grant Pass-Through Revenue: (Agy 551, TDA)(Sch 1A)		
Breakfast	68,904	177,911
Lunch	108,668	284,395
Total Revenues	<u>177,572</u>	<u>462,306</u>
EXPENDITURES		
Materials and Supplies	147,915	588,230
Communication and Utilities		
Rentals and Leases	629	
Other Expenditures		
Total Expenditures	<u>148,544</u>	<u>588,230</u>
Excess (Deficiency) of Revenues over Expenditures	<u>29,028</u>	<u>(125,924)</u>
OTHER FINANCING SOURCES (USES)		
Transfers In	(120,419)	0
Total Other Financing Sources (Uses)	<u>(120,419)</u>	<u>0</u>
Net Change in Fund Balances	(91,391)	(125,924)
Fund Financial Statement - Fund Balances		
Fund Balances - September 1, 2012	403,073	41,044
Fund Balances - August 31, 2013	<u>311,682</u>	<u>(84,880)</u>
COMPOSITION OF BALANCES		
Legislative Appropriations	291,963	(124,884)
Due from Other Agencies	18,289	38,643
Accounts Payable	1,430	(28,192)
Encumbrances	0	29,553
BALANCES, AS ABOVE	<u>311,682</u>	<u>(84,880)</u>

Giddings State School	Evins Regional Juvenile Center	Corsicana State School	McLennan County State JCF	Halfway House Programs	Totals (Sch 3)
\$	\$	\$	\$	\$	\$
166,321	95,011	63,237	212,214	102,943	886,541
262,587	151,051	99,851	335,156	143,596	1,385,304
<u>428,908</u>	<u>246,062</u>	<u>163,088</u>	<u>547,370</u>	<u>246,539</u>	<u>2,271,845</u>
630,353	312,719	219,515	696,499	333,424	2,928,655
			(1,701)		(1,701)
				627	1,256
			225		225
<u>630,353</u>	<u>312,719</u>	<u>219,515</u>	<u>695,023</u>	<u>334,051</u>	<u>2,928,435</u>
<u>(201,445)</u>	<u>(66,657)</u>	<u>(56,427)</u>	<u>(147,653)</u>	<u>(87,512)</u>	<u>(656,590)</u>
0	0	0	0	120,419	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>120,419</u>	<u>0</u>
(201,445)	(66,657)	(56,427)	(147,653)	32,907	(656,590)
364,380	11,587	(24,508)	498,206	(46,944)	1,246,838
<u>162,935</u>	<u>(55,070)</u>	<u>(80,935)</u>	<u>350,553</u>	<u>(14,037)</u>	<u>590,248</u>
119,866	(77,893)	(80,970)	304,153	(27,522)	404,713
37,195	20,901	4,970	52,109	14,130	186,237
5,874	1,922	(4,935)	(5,709)	(645)	(30,255)
0	0	0	0	0	29,553
<u>162,935</u>	<u>(55,070)</u>	<u>(80,935)</u>	<u>350,553</u>	<u>(14,037)</u>	<u>590,248</u>

TEXAS JUVENILE JUSTICE DEPARTMENT

SCHEDULE 6

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - ALL STATE FUNDS - FUND 0001

For the Fiscal Year Ended August 31, 2013

	T.E.A. ISD Funds (Sch 7)	T.E.A. Juvenile Justice Alternative Education Program
REVENUES	\$	\$
State Grant Pass-Through Revenue:		
(Agy 701, TEA)(Sch 1B)	4,245,843	8,614,302
(Agy 537, TDSHS)(Sch 1B)		
(Agy 300, Gov-Fiscal)(Sch 1B)		
Total Revenues	<u>4,245,843</u>	<u>8,614,302</u>
EXPENDITURES		
Salaries and Wages	4,187,539	
Professional Fees and Services		
Travel	841	
Materials and Supplies	7,391	
Rentals and Leases	48,135	
Printing and Reproduction		
Intergovernmental Payments		6,078,491
Other Expenditures	1,937	
Total Expenditures	<u>4,245,843</u>	<u>6,078,491</u>
Excess (Deficiency) of Revenues over Expenditures	<u>0</u>	<u>2,535,811</u>
OTHER FINANCING SOURCES (USES)		
Intrafund Transfers		
Transfers In		
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>
Net Change in Fund Balances	0	2,535,811
Fund Financial Statement - Fund Balances		
Fund Balances - September 1, 2012	155,000	1,198,280
Appropriations Lapsed		
Fund Balances - August 31, 2013	<u>155,000</u>	<u>3,734,091</u>
COMPOSITION OF BALANCES		
Legislative Appropriations	155,000	3,734,091
Due from Other Agencies		
Accounts Payable		
Encumbrances		
BALANCES, AS ABOVE	<u>155,000</u>	<u>3,734,091</u>

TEA Instructional Materials Allotment	TDSHS Substance Abuse Treatment	CJD OIO Expanded Services	Totals
	\$	\$	\$
56,983			12,917,128
	630,793		630,793
		103,519	103,519
<u>56,983</u>	<u>630,793</u>	<u>103,519</u>	<u>13,651,440</u>
	593,317	79,544	4,860,400
	17,445		17,445
	6,126	23,568	30,535
48,052	14,500	387	70,330
			48,135
1,539			1,539
			6,078,491
5,595	(595)	20	6,957
<u>55,186</u>	<u>630,793</u>	<u>103,519</u>	<u>11,113,832</u>
<u>1,797</u>	<u>0</u>	<u>0</u>	<u>2,537,608</u>
			0
			0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
1,797	0	0	2,537,608
			1,353,280
			0
<u>1,797</u>	<u>0</u>	<u>0</u>	<u>3,890,888</u>
1,797	(45,430)	(14,729)	3,830,729
	66,377	15,173	81,550
	(20,947)	(444)	(21,391)
			0
<u>1,797</u>	<u>0</u>	<u>(0)</u>	<u>3,890,888</u>

TEXAS JUVENILE JUSTICE DEPARTMENT

SCHEDULE 7

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - INDEPENDENT SCHOOL DISTRICT FUNDS

For the Fiscal Year Ended August 31, 2013

	TYC Central Office
REVENUES	<u>\$</u>
State Grant Pass-Through Revenue: (Agy 701, TEA)(Sch 1B)	559,304
Total Revenues	<u>559,304</u>
EXPENDITURES	
Salaries and Wages	54,000
Travel	571
Materials and Supplies	
Rentals and Leases	
Other Expenditures	
Total Expenditures	<u>54,571</u>
Excess (Deficiency) of Revenues over Expenditures	<u>504,733</u>
OTHER FINANCING SOURCES (USES)	
Intrafund Transfers	(300,690)
Total Other Financing Sources (Uses)	<u>(300,690)</u>
Net Change in Fund Balances	204,043
Fund Financial Statement - Fund Balances	
Fund Balances - September 1, 2012	0
Fund Balances - August 31, 2013	<u>204,043</u>
COMPOSITION OF BALANCES	
Legislative Appropriations	204,043
BALANCES, AS ABOVE	<u>204,043</u>

Ron Jackson State JCF	Gainesville State School	Giddings State School	Evins Regional Juvenile Center	Corsicana State School
\$	\$	\$	\$	\$
353,387	805,724	805,724	409,930	398,621
<u>353,387</u>	<u>805,724</u>	<u>805,724</u>	<u>409,930</u>	<u>398,621</u>
399,647	958,300	904,239	445,918	424,860
	270			
	3,790			
		44,685	(1,937)	3,601
			1,937	5,387
<u>399,647</u>	<u>962,360</u>	<u>948,924</u>	<u>445,918</u>	<u>433,848</u>
<u>(46,260)</u>	<u>(156,636)</u>	<u>(143,200)</u>	<u>(35,988)</u>	<u>(35,227)</u>
26,260	116,636	103,200	15,988	15,227
<u>26,260</u>	<u>116,636</u>	<u>103,200</u>	<u>15,988</u>	<u>15,227</u>
(20,000)	(40,000)	(40,000)	(20,000)	(20,000)
20,000	40,000	40,000	20,000	20,000
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(0)</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

TEXAS JUVENILE JUSTICE DEPARTMENT

SCHEDULE 7 (Concluded)

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - INDEPENDENT SCHOOL DISTRICT FUNDS

For the Fiscal Year Ended August 31, 2013

	McLennan County State JCF	Totals (Sch 6)
REVENUES	\$	\$
State Grant Pass-Through Revenue: (Agy 701, TEA)(Sch 1B)	913,153	4,245,843
Total Revenues	<u>913,153</u>	<u>4,245,843</u>
EXPENDITURES		
Salaries and Wages	1,000,575	4,187,539
Travel	0	841
Materials and Supplies	0	7,391
Rentals and Leases	0	48,135
Other Expenditures	0	1,937
Total Expenditures	<u>1,000,575</u>	<u>4,245,843</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(87,422)</u>	<u>(0)</u>
OTHER FINANCING SOURCES (USES)		
Intrafund Transfers	23,379	0
Total Other Financing Sources (Uses)	<u>23,379</u>	<u>0</u>
Net Change in Fund Balances	(64,043)	(0)
Fund Financial Statement - Fund Balances		
Fund Balances - September 1, 2012	15,000	155,000
Fund Balances - August 31, 2013	<u>(49,043)</u>	<u>155,000</u>
COMPOSITION OF BALANCES		
Legislative Appropriations	(49,043)	155,000
BALANCES, AS ABOVE	<u>(49,043)</u>	<u>155,000</u>