

TEXAS YOUTH COMMISSION

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 Youth Commission 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 A. Roberts, Director of Fiscal Affairs and Budget at 512-490-7652 or Mike Waggoner, General Ledger Accountant at 512-490-7163.

Sincerely,


Mike Griffiths
Executive Director

**TEXAS YOUTH COMMISSION
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED AUGUST 31, 2013**

TABLE OF CONTENTS

	Page
I. FUND FINANCIAL STATEMENTS	
A. Exhibit I - Combined Balance Sheet/Statement of Net Assets - Governmental Funds	2
B. Exhibit II - Combined Statement of Revenues, Expenditures, and Changes in Fund Balance/Statement of Activities - Governmental Funds	6
II. NOTES TO THE FINANCIAL STATEMENTS	11
III. COMBINING FINANCIAL STATEMENTS	
A. Exhibit D-1 - Combining Balance Sheet - Capital Projects Funds	20
B. Exhibit D-2 - Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Capital Projects Funds	22
IV. SCHEDULES	
A. Schedule 3 - Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - All Federal Funds - Fund 0001	26
B. Schedule 4 - Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Capital Projects Funds - Fund 0001	27
C. Schedule 5 - Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Capital Projects Funds - Fund 7628	28
D. Schedule 6 - Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Capital Projects Funds - Fund 7637	31
E. Schedule 7 - Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Capital Projects Funds - Fund 7645	32

TEXAS YOUTH COMMISSION

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

	Governmental Fund Types	
	General Funds	Capital Projects Funds (Exhibit D-1)
	\$	\$
ASSETS AND DEFERRED OUTFLOWS:		
Current Assets:		
Cash (Note 3):		
On Hand		
In Bank		
Legislative Appropriations		754,375
Receivables from:		
Accounts Receivable		
Federal		
Due from Other Agencies (Note 12)		1,716,387
Consumable Inventories		
Non-Current Assets and Deferred Outflows:		
Capital Assets (Note 2):		
Non-Depreciable or Non-Amortizable		
Depreciable or Amortizable, Net:		
Total Assets and Deferred Outflows	-	2,470,762

Governmental Funds Total	Government-wide Adjustments			Statement of Net Assets
	Capital Assets Adjustments	Long-Term Liabilities Adjustments	Other Adjustments	
\$	\$	\$	\$	\$
754,375				754,375
1,716,387				1,716,387
<u>2,470,762</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,470,762</u>

TEXAS YOUTH COMMISSION

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

	<u>Governmental Fund Types</u>	
	<u>General</u>	<u>Capital</u>
	<u>Funds</u>	<u>Projects Funds</u>
		<u>(Exhibit D-1)</u>
	\$	\$
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES		
Liabilities and Deferred Inflows		
Current Liabilities:		
Payables from:		
Accounts		140,012
Payroll		
Employees' Compensable Leave (Note 5)		
Non-Current Liabilities and Deferred Inflows:		
Employees' Compensable Leave		
Total Liabilities and Deferred Inflows	<u>-</u>	<u>140,012</u>
 Fund Financial Statement - Fund Balances		
Fund Balances (Deficits):		
Nonspendable for Inventory		
Restricted		1,674,645
Assigned		656,105
Unassigned		
Total Fund Balances	<u>-</u>	<u>2,330,750</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>-</u>	<u>2,470,762</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
\$	\$	\$	\$	\$
140,012				140,012
<u>140,012</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>140,012</u>
1,674,645 656,105				1,674,645 656,105
<u>2,330,750</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,330,750</u>
<u>2,470,762</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,470,762</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,330,750</u>

TEXAS YOUTH COMMISSION

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

	<u>Governmental Fund Types</u>	
	<u>General Funds</u>	<u>Capital Projects Funds (Exhibit D-2)</u>
	\$	\$
REVENUES		
Legislative Appropriations:		
Original Appropriations		
Additional Appropriations		
Federal Revenue		
Federal Grant Pass-Through Revenue		
State Grant Pass-Through Revenue		
Sales of Goods and Services		
Other Revenues		
Total Revenues	<u>-</u>	<u>-</u>
EXPENDITURES		
Salaries and Wages		
Payroll Related Costs		
Professional Fees and Services		
Travel		
Materials and Supplies		
Communication and Utilities		
Repairs and Maintenance		
Rentals and Leases		
Printing and Reproduction		
Public Assistance Payments		
Other Expenditures		
Capital Outlay		5,198,412
Depreciation Expense		
Total Expenditures/Expenses	<u>-</u>	<u>5,198,412</u>
Excess (Deficiency) of Revenues over Expenditures	<u>-</u>	<u>(5,198,412)</u>

Governmental Funds Total	Capital Assets Adjustments	Long-Term Liabilities Adjustments	Other Adjustments	Statement of Activities
\$	\$	\$	\$	\$
-	-	-	-	-
5,198,412				5,198,412
5,198,412	-	-	-	5,198,412
(5,198,412)	-	-	-	(5,198,412)

TEXAS YOUTH COMMISSION

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**

	<u>Governmental Fund Types</u>	
	<u>General Funds</u>	<u>Capital Projects Funds (Exhibit D-2)</u>
	\$	\$
OTHER FINANCING SOURCES (USES)		
Sale of Capital Assets		
Transfer In		836,489
Transfer Out	(193,150)	(16,000)
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>(193,150)</u>	<u>820,489</u>
Net Change in Fund Balances/Net Assets	<u>(193,150)</u>	<u>(4,377,923)</u>
Fund Financial Statement - Fund Balances		
Fund Balances - September 1, 2012	193,150	6,708,673
Restatements		
Fund Balances - September 1, 2012, as Restated	<u>193,150</u>	<u>6,708,673</u>
Appropriations Lapsed		
Fund Balances - August 31, 2013	<u><u>-</u></u>	<u><u>2,330,750</u></u>
Government-wide Statement - Net Assets		
Net Assets/Net Change in Net Assets		
Net Assets, September 1, 2012		
Restatements		
Net Assets, September 1, 2012, as Restated		
Net Assets, August 31, 2013		

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
\$	\$	\$	\$	\$
836,489				-
(209,150)				836,489
				(209,150)
<u>627,339</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>627,339</u>
<u>(4,571,073)</u>				<u>(4,571,073)</u>
6,901,823				6,901,823
<u>6,901,823</u>				<u>-</u>
<u>-</u>				<u>6,901,823</u>
<u>2,330,750</u>				<u>-</u>
<u>2,330,750</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,330,750</u>
				<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>2,330,750</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,330,750</u>

NOTES TO THE FINANCIAL STATEMENTS

Texas Youth Commission**Notes to the Financial Statements****NOTE 1: Summary of Significant Accounting Policies****Entity**

The Texas Youth Commission (TYC) 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.

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.

TYC operates under the Texas Human Resources Code, Chapter 61. Its responsibilities are to rehabilitate youths committed to the Youth Commission through a program of care, treatment, education, and training; operate and administer the State's correctional facilities for youth; and to provide a statewide parole system.

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

Blended Component Units

No component units have been identified which should have been blended into an appropriate fund.

Fund Structure

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

Governmental Fund Types and Government-wide Adjustment Fund Types**General Fund**

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

Capital Projects Fund

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

Capital Asset Adjustment Fund Type

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

Long-Term Liabilities Adjustment Fund Type

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

Other Adjustments Fund Type

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

Texas Youth Commission

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.

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 Youth Commission**Summary of Significant Accounting Policies (continued)**Inventories and Prepaid Items

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

Capital Assets

Assets with an initial, individual cost of more than \$ 5,000 and an estimated useful life in excess of one year should be capitalized. These assets are capitalized at cost or, if 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.

LiabilitiesAccounts 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.

Texas Youth Commission

Summary of Significant Accounting Policies (continued)

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.

Interfund Activities and Balances

TYC has no interfund transactions or balances. However, TYC has intrafund activity with other agencies. TYC has amounts reported as "Due from Other Agencies" and "Due to Other Agencies" at year-end. Additionally, TYC 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

All capital assets have been transferred to agency 644 Texas Juvenile Justice Department and will appear on the Annual Financial Report as of 08/31/2013.

Note 3: Deposits, Investments and Repurchase Agreements

The Texas Youth Commission had no deposits, investments, or repurchase agreements during the year ending 08/31/2013.

Note 4: Short-Term Debt

The Texas Youth Commission had no short-term debt at August 31, 2013.

Note 5: Long-Term Liabilities

Changes in Long-Term Liabilities

All compensable leave for the Texas Youth Commission was transferred out to agency 644 Texas Juvenile Justice Department.

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.

UNAUDITED

Texas Youth Commission

Note 6: Bonded Indebtedness

Not applicable.

Note 7: Derivative Instruments

Not applicable.

Note 8: Leases

The Texas Youth Commission has no outstanding capital leases at August 31, 2013.

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 Youth Commission 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
Capital Projects Funds	\$	\$	
Agency 347, Fund 7628 - TPFA	483,990		Transfer
Agency 347, Fund 7637 - TPFA	824,493		Transfer
Agency 347, Fund 7645 - TPFA	407,904		Transfer
Total Capital Projects Funds	1,716,387	0	
Total Due From/To Other Agencies (Exh I)	\$ 1,716,387	\$ 0	

UNAUDITED

Texas Youth Commission

Interfund Activity and Transactions (continued)

	Transfers In	Transfers Out	Source
General Funds	\$	\$	
Agency 902, Fund 0001 - CPA		193,150	Cash Transfers
Subtotal General Funds	0	193,150	
Capital Projects Funds			
Agency 347, Fund 7628 - TPFA		16,000	Shared Funds
Agency 347, Fund 7645 - TPFA	836,489		Shared Funds
Subtotal Capital Projects Funds	836,489	16,000	
Total Transfers In/Out (Exh II)	\$ 836,489	\$ 209,150	

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

Not applicable.

Note 15: Contingencies and Commitments

Not applicable.

Note 16: Subsequent Events

Not applicable.

Note 17: Risk Management

Not applicable.

Texas Youth Commission

Note 18: Management Discussion and Analysis

Not applicable.

Note 19: The Financial Reporting Entity

Not applicable.

Note 20: Stewardship, Compliance and Accountability

Not applicable.

Note 21: Not Applicable to the 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.

THIS PAGE INTENTIONALLY LEFT BLANK

COMBINING FINANCIAL STATEMENTS

TEXAS YOUTH COMMISSION

EXHIBIT D-1

COMBINING BALANCE SHEET - CAPITAL PROJECTS FUNDS

August 31, 2013

	Construction and Building Repair (0001) U/F (0015)	Construction and Building Repair (7628) U/F (7628)
	\$	\$
ASSETS AND DEFERRED OUTFLOWS:		
Current Assets:		
Legislative Appropriations	754,375	
Due from Other Agencies		483,990
Non-Current Assets:		
Total Assets and Deferred Outflows	<u>754,375</u>	<u>483,990</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES		
Current Liabilities:		
Payables from:		
Accounts		140,012
Payroll		
Non-Current Liabilities:		
Total Liabilities and Deferred Inflows	<u>0</u>	<u>140,012</u>
Fund Financial Statement - Fund Balances		
Fund Balances (Deficits):		
Reserved for:		
Encumbrances	98,270	343,978
Undesignated	656,105	
Total Fund Balances	<u>754,375</u>	<u>343,978</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>754,375</u>	<u>483,990</u>

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

Construction and Building Repair (7637) U/F (7637)	Construction and Building Repair (7645) U/F (7645)	Totals (Exhibit I)
\$	\$	\$
		754,375
824,493	407,904	1,716,387
<u>824,493</u>	<u>407,904</u>	<u>2,470,762</u>
		140,012
<u>0</u>	<u>0</u>	<u>140,012</u>
824,493	407,904	1,674,645
<u>824,493</u>	<u>407,904</u>	<u>2,330,750</u>
<u>824,493</u>	<u>407,904</u>	<u>2,470,762</u>

TEXAS YOUTH COMMISSION

EXHIBIT D-2

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

For the Fiscal Year Ended August 31, 2013

	Construction and Building Repair (0001) U/F (0015)	Construction and Building Repair (7628) U/F (7628)
REVENUES	\$	\$
Federal Revenue		
Total Revenues	<u>-</u>	<u>-</u>
EXPENDITURES		
Capital Outlay	<u>90,595</u>	<u>3,808,220</u>
Total Expenditures	<u>90,595</u>	<u>3,808,220</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(90,595)</u>	<u>(3,808,220)</u>
OTHER FINANCING SOURCES (USES)		
Transfer In		
Transfer Out		<u>(16,000)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>(16,000)</u>
Net Change in Fund Balances	(90,595)	(3,824,220)
Fund Financial Statement - Fund Balances		
Fund Balances - September 1, 2012	<u>844,970</u>	<u>4,168,198</u>
Fund Balances - August 31, 2013	<u><u>754,375</u></u>	<u><u>343,978</u></u>

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

Construction and Building Repair (7637) U/F (7637)	Construction and Building Repair (7645) U/F (7645)	Totals (Exhibit II)
\$	\$	\$
-	-	-
244,715	1,054,882	5,198,412
<u>244,715</u>	<u>1,054,882</u>	<u>5,198,412</u>
(244,715)	(1,054,882)	(5,198,412)
-	836,489	836,489
<u>-</u>	<u>836,489</u>	<u>(16,000)</u>
(244,715)	(218,393)	820,489
(4,377,923)		
1,069,208	626,297	6,708,673
<u>824,493</u>	<u>407,904</u>	<u>2,330,750</u>

THIS PAGE INTENTIONALLY LEFT BLANK

SCHEDULES

TEXAS YOUTH COMMISSION

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

	FEMA Public Assistance Grant	Totals
	\$	\$
REVENUES		
Federal Revenue(Schedule 1A)		
Federal Grant Pass-Through Revenue:		
(Agy 701, TEA)(Sch 1A)		
(Agy 551, TDA)(Sch 1A)		
(Agy 530, TDFPS)(Sch 1A)		
(Agy 320, TWC)(Sch 1A)		
Total Revenues	<u>-</u>	<u>-</u>
EXPENDITURES		
Salaries and Wages		
Payroll Related Costs		
Professional Fees and Services		
Travel		
Materials and Supplies		
Communication and Utilities		
Repairs and Maintenance		
Rentals and Leases		
Printing and Reproduction		
Other Expenditures		
Capital Outlay	<u>90,595</u>	<u>90,595</u>
Total Expenditures	<u>90,595</u>	<u>90,595</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(90,595)</u>	<u>(90,595)</u>
OTHER FINANCING SOURCES (USES)		
Intrafund Transfers		
Transfers Out		
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(90,595)	(90,595)
Fund Financial Statement - Fund Balances		
Fund Balances - September 1, 2012	<u>844,970</u>	<u>844,970</u>
Fund Balances - August 31, 2013	<u>754,375</u>	<u>754,375</u>
COMPOSITION OF BALANCES		
Legislative Appropriations	754,375	754,375
Due from Other Agencies		
Accounts Receivable		
Accounts Payable		
Encumbrances		
BALANCES, AS ABOVE	<u>754,375</u>	<u>754,375</u>

TEXAS YOUTH COMMISSION

SCHEDULE 4

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - CAPITAL PROJECTS FUNDS - FUND 0001

For the Fiscal Year Ended August 31, 2013

	Rehabilitate Buildings and Systems	Totals (Exhibit D-2)
	\$	\$
REVENUES		
Federal Pass-Through (Agy 405, DPS)	-	-
Total Revenues	<u>-</u>	<u>-</u>
EXPENDITURES		
Capital Outlay	90,595	90,595
Total Expenditures	<u>90,595</u>	<u>90,595</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(90,595)</u>	<u>(90,595)</u>
OTHER FINANCING SOURCES (USES)		
Transfer In	-	-
Legislative Transfers	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(90,595)	(90,595)
Fund Financial Statement - Fund Balances		
Fund Balances - September 1, 2012	844,970	844,970
Fund Balances - August 31, 2013	<u>754,375</u>	<u>754,375</u>
COMPOSITION OF BALANCES		
Legislative Appropriations	754,375	754,375
BALANCES, AS ABOVE	<u>754,375</u>	<u>754,375</u>

TEXAS YOUTH COMMISSION

SCHEDULE 5

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - CAPITAL PROJECTS FUNDS - FUND 7628

For the Fiscal Year Ended August 31, 2013

	Utility, Road and Site Work	Roof Repairs & Replacements
EXPENDITURES	\$	\$
Capital Outlay	293,255	192,624
Total Expenditures	<u>293,255</u>	<u>192,624</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(293,255)</u>	<u>(192,624)</u>
OTHER FINANCING SOURCES (USES)		
Transfer out (Agency 347, Fund 7628)	<u> </u>	<u> </u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(293,255)	(192,624)
Fund Financial Statement - Fund Balances		
Fund Balances - September 1, 2012	<u>293,255</u>	<u>192,624</u>
Fund Balances - August 31, 2013	<u><u>-</u></u>	<u><u>-</u></u>
 COMPOSITION OF BALANCES		
Due from Other Agencies		
Accounts Payable		
Payroll Payable	<u> </u>	<u> </u>
BALANCES, AS ABOVE	<u><u>-</u></u>	<u><u>-</u></u>

Rehabilitate Buildings and Systems	Remodel Existing Dormitories	Totals (Exhibit D-2)
\$	\$	\$
914,539	2,407,802	3,808,220
<u>914,539</u>	<u>2,407,802</u>	<u>3,808,220</u>
(914,539)	(2,407,802)	(3,808,220)
<u> </u>	<u>(16,000)</u>	<u>(16,000)</u>
<u>-</u>	<u>(16,000)</u>	<u>(16,000)</u>
(914,539)	(2,423,802)	(3,824,220)
<u>914,539</u>	<u>2,767,780</u>	<u>4,168,198</u>
<u>-</u>	<u>343,978</u>	<u>343,978</u>
<u> </u>	<u>483,990</u>	<u>483,990</u>
<u> </u>	<u>(140,012)</u>	<u>(140,012)</u>
<u>-</u>	<u>343,978</u>	<u>343,978</u>

THIS PAGE INTENTIONALLY LEFT BLANK

TEXAS YOUTH COMMISSION

SCHEDULE 6

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE
FUND BALANCE - CAPITAL PROJECTS FUNDS - FUND 7637

For the Fiscal Year Ended August 31, 2013

	Construct Addition to Recreation Bldg McLennan	Totals (Exhibit D-2)
EXPENDITURES	\$	\$
Capital Outlay	244,715	244,715
Total Expenditures	<u>244,715</u>	<u>244,715</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(244,715)</u>	<u>(244,715)</u>
OTHER FINANCING SOURCES (USES)		
Transfer In (Out) (Agency 347, Fund 7637)	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(244,715)	(244,715)
Fund Financial Statement - Fund Balances		
Fund Balances - September 1, 2012	<u>1,069,208</u>	<u>1,069,208</u>
Fund Balances - August 31, 2013	<u><u>824,493</u></u>	<u><u>824,493</u></u>
COMPOSITION OF BALANCES		
Due from Other Agencies	824,493	824,493
Accounts Payable	<u>-</u>	<u>-</u>
BALANCES, AS ABOVE	<u><u>824,493</u></u>	<u><u>824,493</u></u>

TEXAS YOUTH COMMISSION

SCHEDULE 7

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - CAPITAL PROJECTS FUNDS - FUND 7645

For the Fiscal Year Ended August 31, 2013

	Utility, Road and Site Work	Roof Repairs & Replacements
EXPENDITURES	\$	\$
Capital Outlay	154,542	290
Total Expenditures	<u>154,542</u>	<u>290</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(154,542)</u>	<u>(290)</u>
OTHER FINANCING SOURCES (USES)		
Transfer In (Agency 347, Fund 7645)	297,165	290
Total Other Financing Sources (Uses)	<u>297,165</u>	<u>290</u>
Net Change in Fund Balances	142,623	-
Fund Financial Statement - Fund Balances		
Fund Balances - September 1, 2012	60,368	
Fund Balances - August 31, 2013	<u><u>202,991</u></u>	<u><u>-</u></u>
COMPOSITION OF BALANCES		
Due from Other Agencies	202,991	
Accounts Payable		
BALANCES, AS ABOVE	<u><u>202,991</u></u>	<u><u>-</u></u>

Rehabilitate Buildings and Systems	Totals (Exhibit D-2)
\$	\$
<u>900,050</u>	<u>1,054,882</u>
<u>900,050</u>	<u>1,054,882</u>
<u>(900,050)</u>	<u>(1,054,882)</u>
<u>539,034</u>	<u>836,489</u>
<u>539,034</u>	<u>836,489</u>
<u>(361,016)</u>	<u>(218,393)</u>
<u>565,929</u>	<u>626,297</u>
<u>204,913</u>	<u>407,904</u>
<u>204,913</u>	<u>407,904</u>
<u>204,913</u>	<u>407,904</u>
<u>204,913</u>	<u>407,904</u>