

Travis County Juvenile Probation Department

2015 Inherent Risk Assessment



TRAVIS COUNTY AUDITOR'S OFFICE

Joanne England

October 5, 2015

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Travis County Chief Juvenile Probation Officer

From: Nicki Riley, CPA
Travis County Auditor

Date: July 24, 2015

Re: 2015 Risk Assessment – Juvenile Probation Department

The Risk Evaluation & Consulting Division (REC) of the Travis County Auditor's Office has completed the second risk assessment of the Travis County Juvenile Probation Department (TCJPD). At TCJPD's request, we performed an additional risk assessment to incorporate the Domestic Relations Office (DRO), allowing us to issue a risk assessment report containing all of TCJPD's divisions and business processes. The objective of this risk assessment was to assist TCJPD in identifying potential risks or exposures associated with their business processes, allowing them to implement or adjust internal controls as they deemed necessary. The report for the initial risk assessment was distributed on September 16, 2014.

We began by performing an engagement-level inherent risk assessment focusing on the identification and rating of risks that are intrinsic to TCJPD's activities and business processes. To a limited extent, we considered the impact of internal controls implemented by management to mitigate these risks. As such, the reported risks represent potential exposures. Although we are not providing a judgment of how well management is addressing risk, we noted an "area of concern" that involves the assessment of court fees. The discussion of this issue begins on page 100.

A summary of our methods and results comprises the first 10 pages of this report, and the remainder of the report provides the details of our risk assessment, including the identified business processes, inherent risks, controls implemented by TCJPD management, and the inherent risk ratings for each of TCJPD's functional areas. The area of concern referenced above follows this section.

BACKGROUND

TCJPD provides community protection from juvenile offender behavior, holds juvenile offenders accountable for the damage/harm they have inflicted as the result of their delinquent behavior, and provides programs designed to help juveniles build on their strengths and develop the needed skills to avoid reoffending and continuing their involvement with the juvenile justice system. TCJPD's significant financial activities include, but are not limited to, assessing various statutory court costs and fees, collecting and disbursing victim restitution, and managing a large number of grants, contracts and programs.

DRO provides child support enforcement, visitation enforcement, and family court services to families that have court orders that are enforceable in Travis County. This TCJPD division serves the associate and district judges in Travis County for family law cases brought before the court to help parties come into compliance with the courts' orders. DRO has three programs: Customer Service Operations, Legal Services, and Family Court Services. This division's significant financial activities include, but are not limited to, assessing Guardian Ad Litem and adoption-related fees, collecting and disbursing child support, and managing professional services and revenue contracts.

SCOPE

The risk assessment covered the financial operations for all of TCJPD's and DRO's business processes. The risk assessment was limited to those business processes in place during the time of the risk assessment - the three months ended March 31, 2015. In addition, only the inherent risks were rated, thus there were no tests of controls or transactions.

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CLOSING

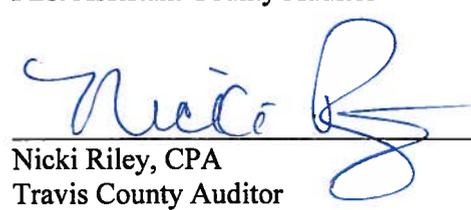
This report is intended for the information and use of the TCJPD, the Auditor's Office, and County management as copied below. We greatly appreciate the cooperation and assistance received from TCJPD management and staff during this risk assessment. Please contact our office if you have any questions or concerns regarding this report.



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Chief Assistant County Auditor I – REC Division



Patti Smith, CPA
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Travis County Auditor

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INTRODUCTION TO THE RISK ASSESSMENT REPORT FORMAT

What is risk assessment?

Risk assessment is a systematic process of evaluating the potential negative outcomes, such as financial loss, that may occur in a business process.

How does the risk assessment process work?

The risk assessment process includes three steps: data gathering; business process, risk and control identification; and risk rating. In data gathering, we collect information about the functional area under review to gain an understanding of its objectives, operations, and processes. We then identify what processes are in place, the inherent risks for each process, and the internal controls implemented by management. The last step is to rate the identified risks by evaluating them and assigning risk ratings to the business processes handled by the functional areas under review.

How are the risk ratings on the risk profiles calculated?

The risks associated with each business process can be described and valued based on impact and likelihood. Impact evaluates the magnitude or effect resulting from a breakdown in the process and/or controls, whereas likelihood is used to evaluate the probability that the event will occur. The components of likelihood include geographic dispersion, complexity of operations, training and documentation, access to high-risk assets, state of automation, abuse of power potential, and management oversight. The components of impact include volume/dollar value/operational significance, media attention, government regulation, and damage to customers or third parties.

In order to obtain a risk rating for these business processes, we assign a numeric value to each of the above components. Likelihood is graded on a 1 to 5 scale from very remote to probable, while impact is graded on a 1 to 5 scale from very light to very severe. These values are then averaged for both likelihood and impact, and these resulting averages are plotted on the Inherent Risk Matrix to determine the risk rating for the individual business processes.

How is this report used by the Auditor's Office?

We use risk assessments to allocate audit resources, prioritizing areas of greatest risk.

How can this report be used by County management?

This report is intended to help management focus their efforts on mitigating the highest risk areas. This includes the distribution of personnel, implementation of internal controls, and allocation of budget resources.

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EXECUTIVE SUMMARY

PURPOSE

During fiscal year 2013, REC began the process of transitioning to the risk-based method of internal auditing. Under this approach, audit resources are directed toward the higher risk areas first. To determine which County offices/functional areas/processes pose the greatest risk to the County, risk assessments are required at the following two levels:

Enterprise Risk Assessment (ERA)

This type of risk assessment is performed annually and involves identifying, rating and ranking risks at the enterprise or County level. The risk assessment is performed at a higher level both in terms of risk rating thresholds and level of detail. The results of this assessment are used to create the audit plan which is the schedule of internal audit engagements to be performed during the upcoming year. The audit plan is used to prioritize the utilization of audit resources.

Audit/Engagement Risk Assessment (ARA)

Risk assessments performed at the engagement level delve into greater detail than ERAs, as they address the risks associated with the processes and activities handled by the County office or functional area under review. This type of risk assessment requires the internal auditor to gain an understanding of the entity's business objectives, flow of operations, financial processes, inherent risks, and the system of internal control implemented by management. During an ARA, there are three types of risks identified, evaluated and rated as follows:

- **Inherent risk** – The risk to an organization in the absence of any actions management might take to alter either the risk's probability or impact. In other words, the risks intrinsic to the entity's objectives if no internal controls are implemented.
- **Control risk** – The risk that management controls are not efficiently designed or effectively implemented to sufficiently meet objectives and protect assets.
- **Residual risk** – The risk that remains after management has responded to the risk by implementing controls.

To properly implement risk-based auditing, REC will be performing engagement-level risk assessments of all of the Travis County offices. For the majority of these offices, we will only be rating the inherent risks during the initial risk assessment. The audit plan will then be tailored to address the higher risk areas first. Going forward, we will periodically update the ARAs and accordingly adjust the audit plan. This is the second risk assessment for TCJPD.

METHODOLOGY

The risk assessment process was performed in three phases: data gathering; business process, risk and control identification; and risk rating. Brief overviews of the phases are provided below:

- **Data Gathering** - Collect sufficient information about the functional area under review to gain an understanding of its business objectives, flow of operations, and financial processes.
- **Identification of business process, risks and controls** - Determine what processes are in place, the inherent risks for the processes, and the internal controls implemented by management to mitigate the risks.

- **Rate inherent risks** - Evaluate the inherent risks and assign risk ratings to the business processes handled by the functional areas under review.

More information about the ARA process is provided in the detailed report section.

HIGH RISK AREAS

We rated the risks inherent to the business processes handled by each of TCJPD’s functional areas on a five-level scale from very low to very high. These risk ratings are provided in detail in the Functional Area Risk Profiles, which begin on page 11 of this report.

BUSINESS PROCESSES

To provide visibility into the business processes which pose the greatest risk to TCJPD, we calculated the average risk rating for each business process. A summary of the average risk ratings for the business processes is presented in graph form on page 7 of this report. The top two business processes in terms of inherent risk are provided below:

<u>Business Process</u>	<u>Risk Rating</u>
Court Functions ¹	High
Contract Management-Professional Services	Medium

FUNCTIONAL AREAS

To distinguish which functional areas pose the greatest risk to TCJPD, we calculated the average risk rating for each functional area. A summary of the average risk ratings for the functional areas is presented in graph form on page 8 of this report. The top two functional areas in terms of inherent risk are provided below:

<u>Functional Area</u>	<u>Risk Rating</u>
Health Services ²	High
Financial Services ³	Medium

To see where the functional areas reside within TCJPD’s reporting structure, refer to the organizational chart on page 9 of this report.

¹ For TCJPD, the court functions process includes appointing attorneys, assigning interpreters, and handling juvenile restitution.

² The business processes for Health Services include the following: contract management-professional services, grant management, inventory, and procurement.

³ Financial Services performs all of the business processes except for facilities, inventory, and IT controls.

DETAILED REPORT

RISK ASSESSMENT PROCESS

We performed an engagement-level risk assessment of the inherent risks associated with TCJPD's financial operations in the following three phases:

DATA GATHERING

In order to perform an accurate and thorough risk assessment, the first step is becoming familiar with the nature of the entity's business activities. To begin this process, we requested the following documents from TCJPD:

1. Organizational charts
2. Budget submission forms (PB-3s) which provide program goals, statutorily required/mandated services, discretionary services, funding sources, anticipated reductions in revenues and grant resources, performance measures, historical trends, program efficiencies/outcomes, and proposed reallocations of budget.
3. Grant listings
4. Contract listings
5. Program listings
6. Fee schedules
7. Policies and procedures

Before meeting with TCJPD employees, we reviewed the above documentation, the initial risk assessment report, prior audit reports, various narratives, and the CAFR.

During the first risk assessment engagement, we met with the Chief Probation Officer and the Financial Services Manager at the TCJPD campus where we were provided a copy of the Continuum of Services Flowchart as well as a verbal overview of the progression of juvenile offenders through the TCJPD system. This flowchart can be found on page 10 of the report.

During the current engagement, we held meetings with management representing each of the functional areas to discuss their operations and business processes. After the meetings, we documented their flow of operations and business processes, following up with staff as needed.

IDENTIFICATION OF BUSINESS PROCESSES, RISKS, AND CONTROLS

After completing the process flow documentation, we analyzed the information gathered for each functional area and identified the following: the auditable business processes, potential risks inherent to these processes, and the controls implemented by management to mitigate the risks. We documented the results of this analysis on the Functional Area Risk Profiles provided later in this report. Additional details about the information reported on the risk profile schedules are provided below.

BUSINESS PROCESSES

A business process can be defined as a group of interrelated activities or tasks that are initiated to accomplish a specific organizational goal. In the context of a risk assessment performed by REC, business processes include the

basic activities used to support financial operations, for example: cash handling, accounts payable, contract management, etc. The following business processes were identified for TCJPD:

- Accounts Payable
- Accounts Receivable
- Cash Handling
- Contract Management
- Court Functions
- Facilities
- Fixed Assets
- Fleet
- General Ledger
- Grant Management
- Inventory
- IT Controls
- Juvenile Property
- Procurement
- Program Management
- Reporting
- Revenue Generation
- Special Revenue Funds

POTENTIAL RISKS

To identify the potential risks that could prevent TCJPD from achieving their financial objectives, we reviewed the individual steps of their business processes with a focus on what could go wrong that would result in either the failure to meet objectives or in a loss of County funds. We consulted auditing standards and guidance for internal and governmental auditors, as well as industry-accepted technical guidance for risk assessment as needed.

With the exception of the previously-mentioned area of concern, we are only reporting on the risks inherent to TCJPD’s operations rather than actual findings of exceptions, errors, or losses of County funds. Inherent risks are those risks that exist in the absence of any actions management might take to alter either the risk’s probability or impact. Because management control is not a factor in determining the level of inherent risk, a high degree of inherent risk does not indicate poor management or the absence of controls.

REPORTED RISK MANAGEMENT TECHNIQUES/CONTROLS

Risk management techniques/controls were self-reported by TCJPD management during the course of interviews and follow-up communications. Although we reviewed their controls for reasonableness, we have not audited or otherwise validated them through audit procedures. After risk management techniques were identified, they were mapped to the risks they were designed to mitigate.

RATE INHERENT RISKS

PROCESS RISK RATING

We evaluated the business processes and the associated risks for each functional area, rating the risks based on the risk factors of impact and likelihood. Impact evaluates the magnitude or effect resulting from a breakdown in the process and/or controls, whereas likelihood is used to evaluate the probability that the event will occur. We used the following risk factors to evaluate impact and likelihood:

IMPACT

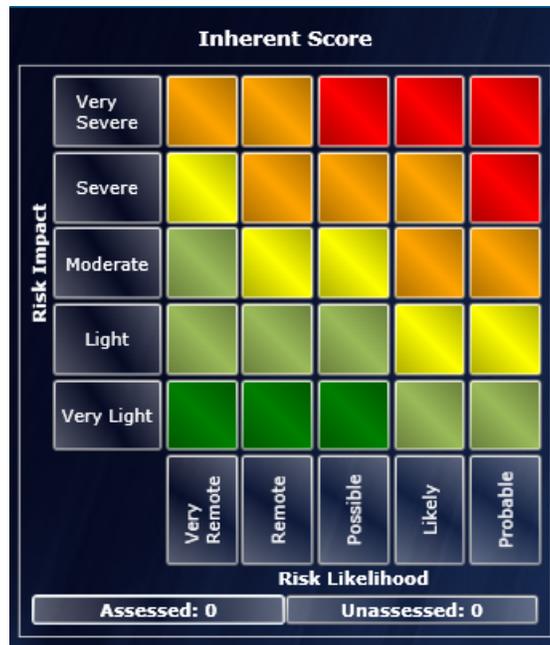
- Volume/dollar value/operational significance
- Media attention
- Government regulation
- Damage to customers or third parties

LIKELIHOOD

- Geographic dispersion
- Complexity of operations
- Training and documentation
- Access to high-risk assets
- State of automation
- Abuse of power risk
- Management oversight

Adjustments were made based on auditor judgment and other factors as was deemed appropriate.

We rated impact risk on a five-level scale from very light to very severe and likelihood risk from very remote to probable. The resulting scores were then used to determine the overall inherent risk ratings for each business process using our risk matrix, an example of which is provided below:



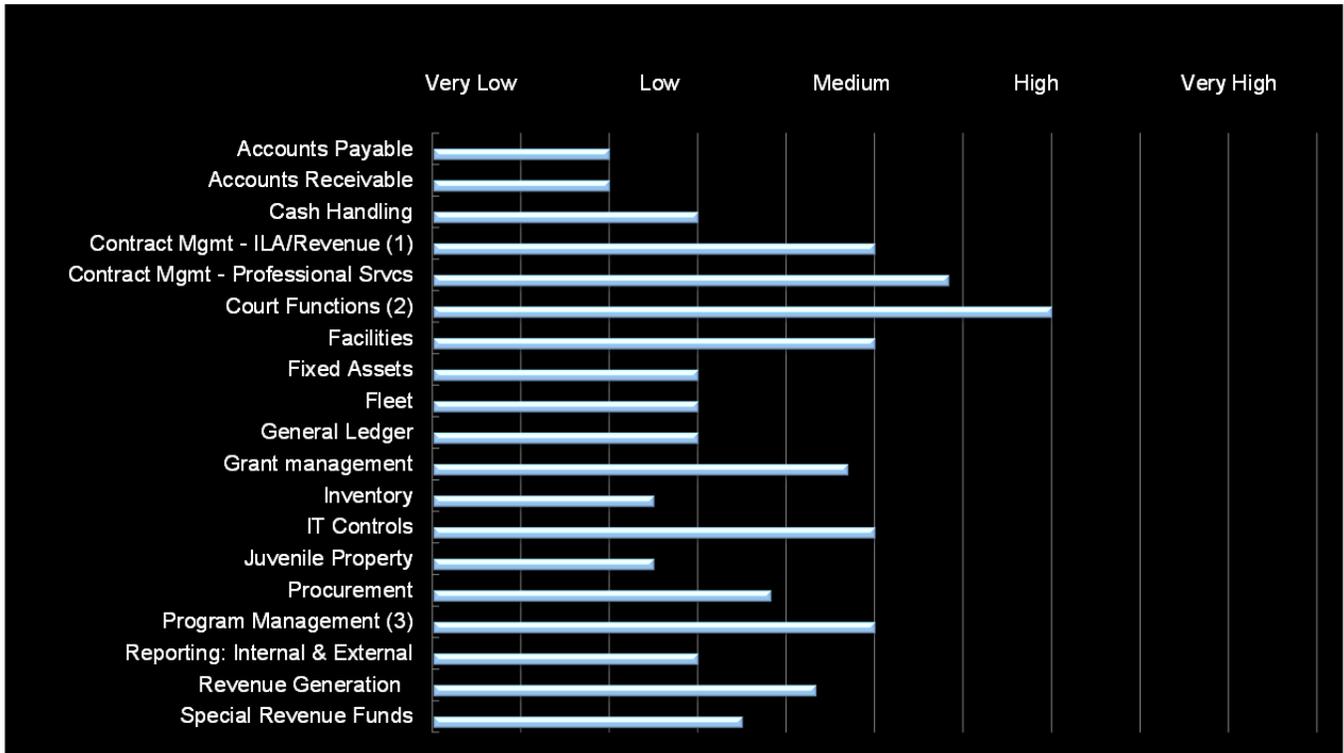
Using this matrix, we rated the inherent risk for each business process on a five-level scale as follows:

Color	Risk Rating	Description
Dark green	Very low	The risk of loss is remote, or if a loss were to occur, it would have no material impact.
Light Green	Low	The risk of loss is small, and even if a loss were to occur, it would have little material negative impact.
Yellow	Medium	There is an average risk of loss, and if a loss were to occur, it would likely have a moderate impact on the County.
Orange	High	The activity could potentially result in a significant loss to the County; however, the resulting loss, while significant, would not threaten the County in the long term.
Red	Very high	The activity could lead to significant and harmful loss to the County.

SUMMARY OF RESULTS

GRAPH 1 - RISK PROFILE BY BUSINESS PROCESS

To provide visibility into the business processes which pose the greatest risk to TCJPD, we calculated the average risk rating for the business processes handled by TCJPD, and provided the results in graph form below:

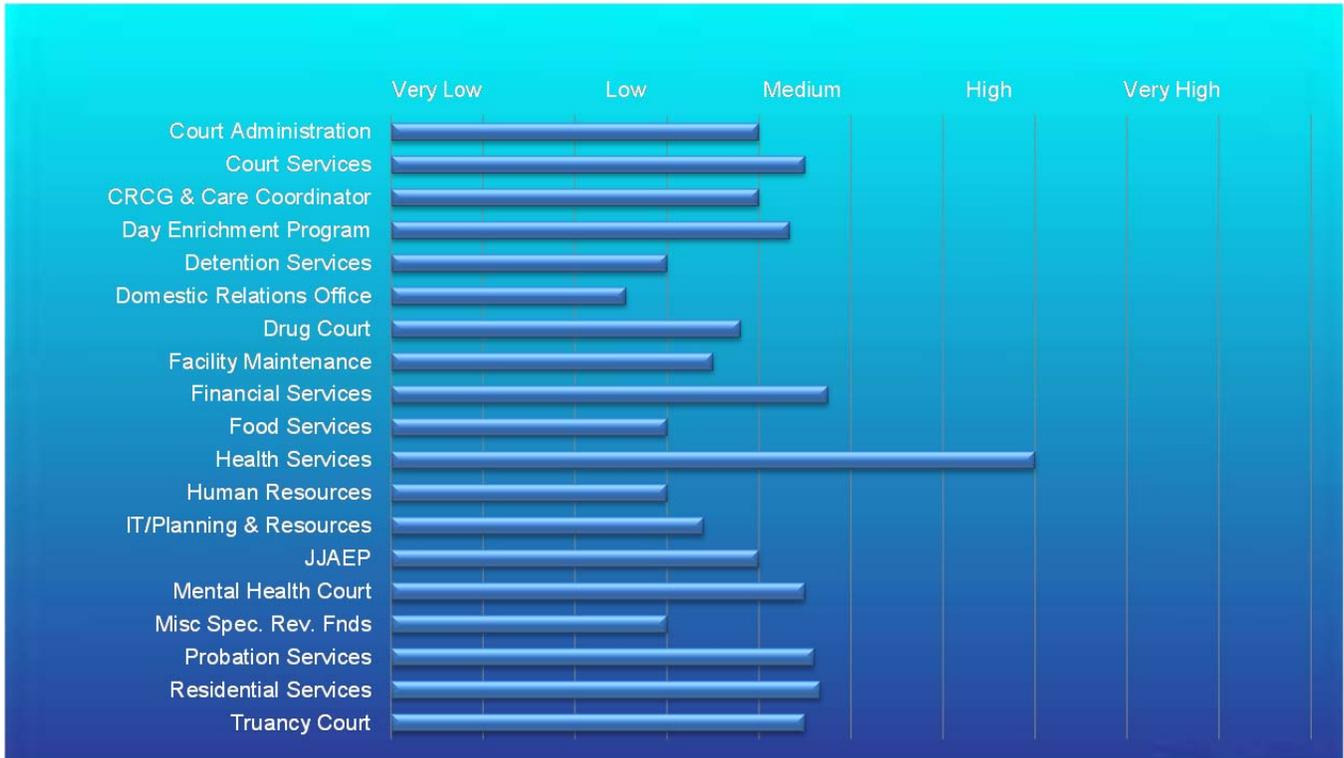


Although most of the business processes included in the above graph are self-explanatory, we have included the following additional information:

- (1) Contract Management - ILA/Revenue is the process that covers the management of interlocal agreements (ILAs) entered into between Travis County and one or more other governmental entities. For this engagement, Travis County is the governmental entity that receives revenue through the agreement.
- (2) Although there are many activities that fall under the Court Functions process, the ones that are applicable to TCJPD include appointing attorneys, assigning interpreters, and handling juvenile restitution.
- (3) The criteria used to identify activities that are considered to be Program Management have significantly changed since the initial TCJPD risk assessment. During the current engagement, the issuance of bus passes, gift cards, and clothing vouchers are the only activities identified as program management.

GRAPH 2 - RISK PROFILE BY FUNCTIONAL AREA

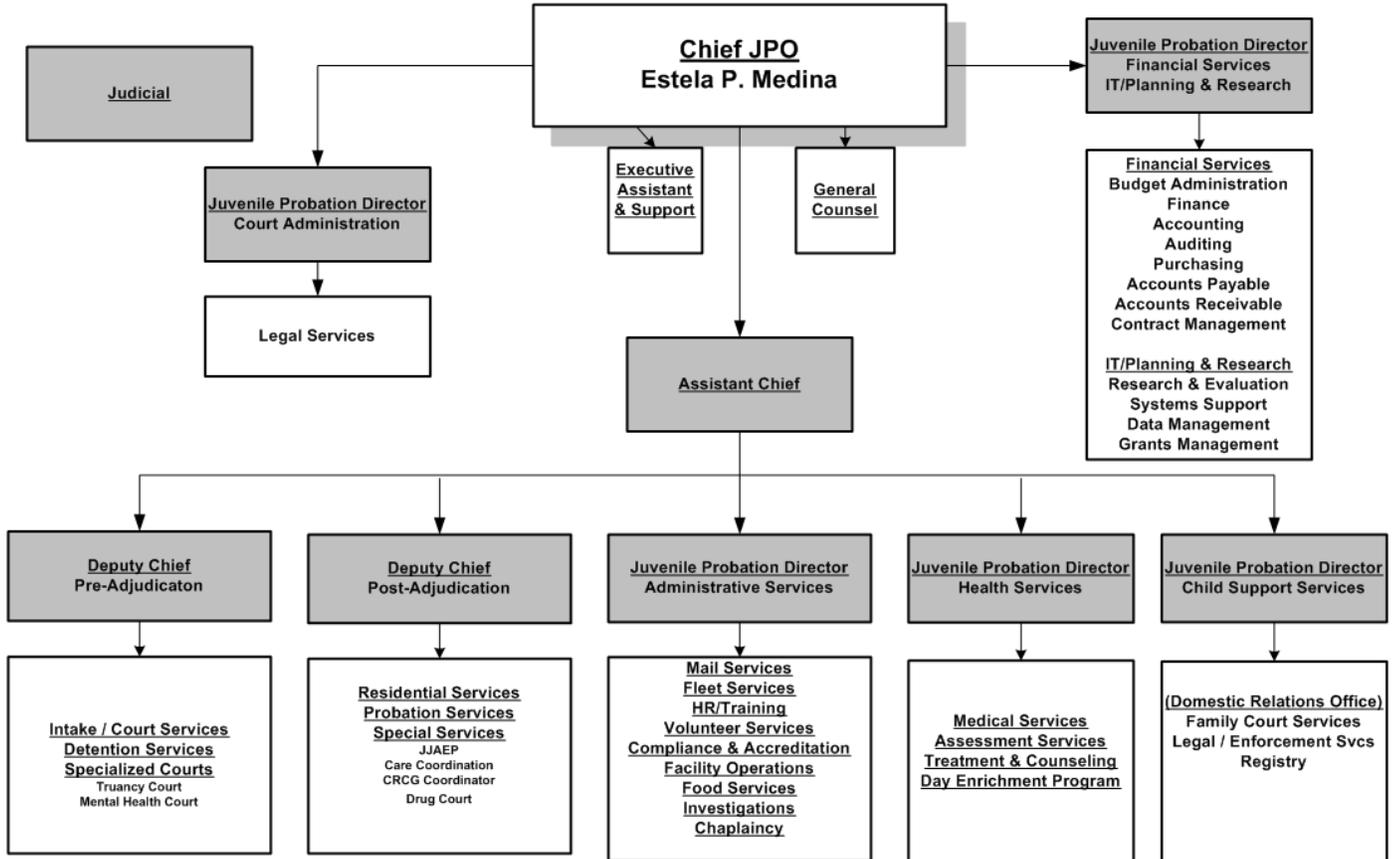
To provide visibility into the functional areas which pose the greatest risk to TCJPD, we calculated the average risk rating for the business processes handled by each functional area, and provided the results in graph form below:



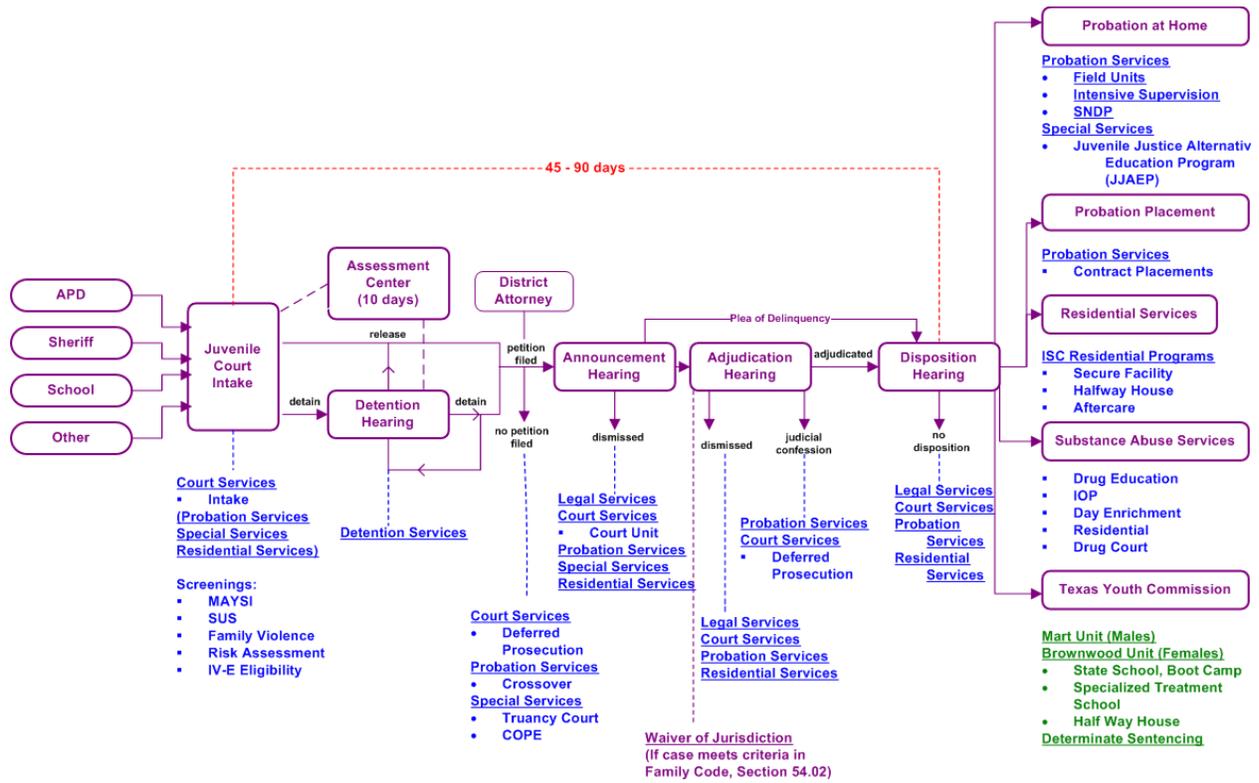
FINANCIAL DATA

Fiscal year 2014 revenues and expenditures are provided in pie graph form for each of TCJPD’s functional areas in their individual risk profiles beginning on page 11 of this report. It should be noted that these figures exclude adjustments that were only recorded for reporting purposes.

ORGANIZATIONAL CHART



CONTINUUM OF SERVICES FLOWCHART



FUNCTIONAL AREA RISK PROFILES

COURT ADMINISTRATION

MISSION AND OBJECTIVES

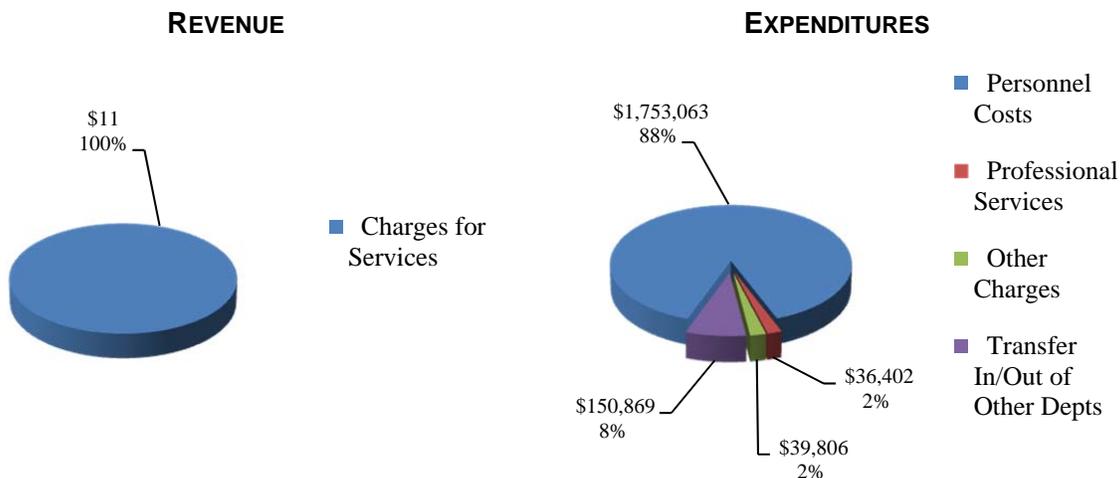
Court Administration is responsible for a variety of functions associated with the Juvenile, Truancy, and Child Protective Services (CPS) court dockets. This functional area provides court clerks, legal secretaries, and bailiffs for all hearings conducted by juvenile court judges. It also provides court assistance for the Truancy Court Program operated in conjunction with the Austin Independent School District (AISD) and provides court assistance for certain CPS dockets heard in the juvenile court rooms located at Gardner Betts.

SIGNIFICANT ACTIVITIES

- Prepare and process court orders for juvenile court cases
- Process filed juvenile court petitions, to include preparing summonses for appearance
- Prepare and process petitions for truancy court cases
- Appoint counsel for indigent juvenile respondents
- Take notes in all court hearings and document hearing outcomes
- Maintain all juvenile court records
- Respond to requests for records
- Process Motions to Seal records
- Process Restricted Access certifications from DPS, to include preparing orders and notifying appropriate entities that a juvenile record has been restricted (or later unrestricted)
- Coordinate all dockets heard in the Travis County Juvenile Courts located at Gardner-Betts

FISCAL YEAR 2014 FINANCIAL DATA

During fiscal year 2014, Court Administration received \$11 for expert witness testimony fees. Personnel costs represented 88% of their expenditures which totaled \$1,980,140. This functional area is funded 100% by the General Fund. The details for their revenue and expenditures are provided below in graph form.



The following functional area risk profiles contain the potential risks we noted for each business process associated with the functional area. Each business process has been assigned an overall risk rating, and for each risk, we have included the internal controls TCJPD personnel and management stated were in place for these risks. Detailed tests of these internal controls have not been performed. Unmitigated risks are discussed in “Area of Concern” beginning on page 100. Auditor comments and references are in red.

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Appoint Attorney (Court Functions)</p>	<p>The County pays an appointed attorney's invoice in a manner that is not in compliance with Article 26.05 of the <u>Code of Criminal Procedure</u>.</p>	<p>1. To conform with the Texas Fair Defense Act requirements, Travis County courts adopt fee schedules and compensation procedures for paying appointed defense attorneys. 2. Appointed attorney invoices will not be paid without the presiding judge's signature indicating approval of the charges on the Request for Payment for Services Rendered as Court Appointed Counsel Form.</p>	<p>Medium</p>
	<p>The County pays an exorbitant amount for either: 1. An appointed attorney's services as the result of the attorney billing excessive hours at an hourly rate; and/or 2. Other attorney expenses, such as investigators and/or expert witnesses.</p>	<p>1. Court clerks are required to select an attorney for appointment from the listing of acceptable private attorneys maintained by the Director of Juvenile Court Administration. 2. Documented approval by an employee knowledgeable about court processes and attorney billing practices is required before invoices submitted by appointed attorneys will be paid.</p>	
<p>Interpreting Services (Court Functions)</p>	<p>Unsuitable foreign language interpreters are assigned to cases, resulting in juvenile defendants not receiving the assistance they need.</p>	<p>The Court Interpreter maintains a listing of appropriate foreign language interpreters from which the interpreter must be selected.</p>	<p>Medium</p>
	<p>Legal authority to pay an interpreter's invoice is not obtained prior to making payment.</p>	<p>After services have been provided, the hired interpreter submits their invoice and the Court Interpreter generates a Request for Payment Order for the judge to sign. After the judge signs the order, the Court Interpreter forwards it to Financial Services.</p>	
	<p>The County pays for interpreting services that were not received.</p>	<p>All foreign language interpreter invoices require authorization by the Court Interpreter before payment will be made. Court Administration verifies that services were received.</p>	

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Procurement – Goods & Services</p>	<p>1. Grant or budget funds may not be available for required items or services. 2. Invalid purchase requests could lead to misuse of County funds for goods/services that do not contribute to County objectives.</p>	<p>An employee identifies the goods/services required, and completes a requisition form. A manager reviews the request and signs off.</p>	<p>Low</p>
	<p>Court authorization to procure services on behalf of a defendant is not obtained.</p>	<p>A legal document providing court authorization to request services for a defendant must be attached to the request form.</p>	
	<p>The County pays for goods that have not been received, are damaged prior to receipt, or are not representative of the description provided by the vendor.</p>	<p>All goods received are checked against the suppliers' packing slips/purchase orders before they are accepted and the packing slips signed.</p>	
	<p>The vendor does not fill the order for goods/services within the necessary time frame or their delivery does not meet order specifications.</p>	<p>1. Evaluations are periodically completed to monitor vendor performance and address any concerns. 2. Supporting documentation for requests and any relevant vendor communication is maintained.</p>	

COURT SERVICES

MISSION AND OBJECTIVES

The Court Services functional area is made up of the following four divisions/units: Court, Intake, Deferred Prosecution, and Victim/Offender Mediation. Although the staff in this functional area provide assistance to all of the other TCJPD functional areas, they primarily work with pre-adjudicated juveniles who are entering the system or those who are being diverted from formal court proceedings.

SIGNIFICANT ACTIVITIES

Intake Unit

The Intake Unit handles the admission of juvenile offenders into the juvenile justice system. This unit is responsible for accepting referrals from law enforcement agencies and conducting preliminary investigations to verify TCJPD jurisdiction as well as the existence of probable cause. They are also responsible for determining if the juvenile should be released or detained. Intake works closely with local law enforcement agencies in clearing up active warrants and locating juveniles that have directives to apprehend. The Intake Unit also plays a key role in identifying children involved in the child welfare system.

Court Unit

The Court Unit manages pre-adjudicated juveniles as they move through the adjudication process. Juvenile probation officers (JPOs) supervise juvenile offenders during their pretrial process, ensuring that they comply with their conditions of release. In addition, they conduct thorough social investigations of the juvenile offender and gather pertinent documents. They summarize their findings in a comprehensive report and present it to the court.

Deferred Prosecution Unit

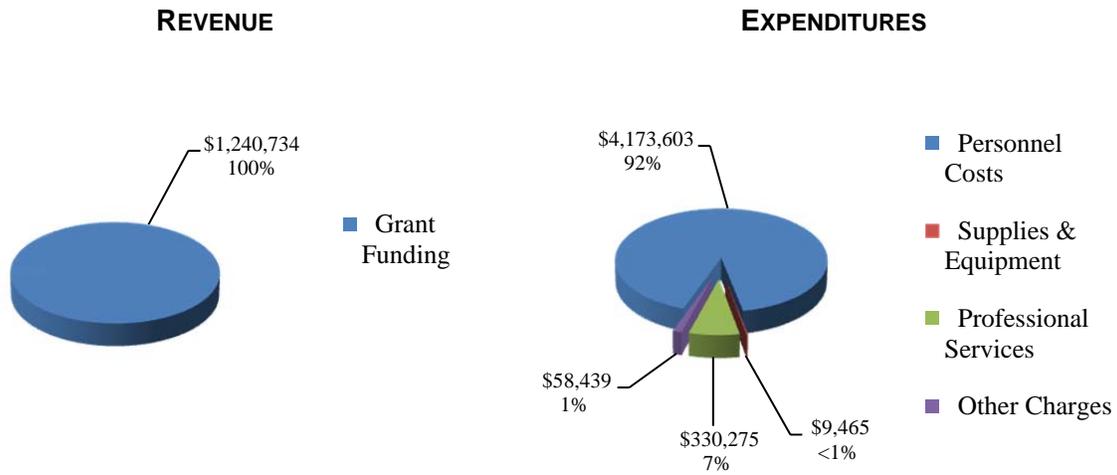
The Deferred Prosecution Unit supervises and counsels first-time offenders who have been diverted from adjudication. Deferred Prosecution JPOs ensure that juveniles comply with the terms of their deferred prosecution agreements, assess their behavioral health needs, develop case plans, and make referrals to TCJPD and community-based programs. JPOs for this unit are also responsible for requesting the assessment of deferred prosecution fees, monitoring account balances, and arranging for payment plans when needed.

Victim/Offender Mediation Unit

The Victim/Offender Mediation Unit provides a means by which juvenile offenders can be held accountable to their victims through the process of mediation and/or paying restitution. This unit is responsible for the provision of the following services to victims: notification of rights, crisis intervention, referrals to public and private agencies, mechanisms for conveying victim feedback, protection from threats and reprisals, assistance with the Crime Victims Compensation Fund Application, education about the juvenile justice system and victim advocacy. They conduct victim impact panels as part of the eligibility requirement for juveniles to access Pot of Gold funds to pay restitution.

FISCAL YEAR 2014 FINANCIAL DATA

During fiscal year 2014, Court Services received \$1,240,734 in the form of grant funding. Personnel costs represented approximately 92% of the expenditures which totaled \$4,571,782. This functional area is funded 81% by the General Fund and 19% by grant funds. The details for their revenue and expenditures are provided below in graph form.



Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Appoint Attorney (Court Functions)</p>	<p>Respondent is incorrectly determined to be indigent, resulting in a loss of County funds from paying the respondent's legal fees.</p>	<p>1. Juvenile Probation has procedures for determining if a juvenile respondent's family is indigent. 2. JPO or Unit Casework Manager approval is required for indigence determinations on the Application Requesting Appointment of Counsel (ARAC) Form.</p>	<p>High</p>
	<p>Statutory and internal requirements for documenting indigence in the case file are not met.</p>	<p>At Intake, the assigned JPO obtains financial information from the juvenile's parent/guardian and completes the ARAC Form to determine indigence. The form is retained in the court file and a copy is placed in the juvenile's file for support.</p>	
<p>Contract Management - Professional Services</p>	<p>1. The County disburses funds to a vendor for providing services to a juvenile offender without first obtaining court authorization as required by statute. 2. The Department exhausts their budget funds on professional services that do not meet County objectives, leaving insufficient funds for valid expenditures.</p>	<p>Formal, documented policies and procedures exist for authorizing services prior to the request. The Service Authorization Form (SAF) is used for this purpose, and requires the following: 1. Supporting legal documents must be attached to the form. 2. A manager must sign the form indicating their approval. 3. The request for change order section of the form must be completed for status changes.</p>	<p>High</p>
	<p>Fraud, errors, or misuse of contracted professional services occurs, resulting in the loss of County funds.</p>	<p>1. The gatekeeper/point of contact is the only authorized employee to request services from the contractor. 2. Only requests for services made on a properly completed and authorized referral form are accepted.</p>	
	<p>The County contracts with a professional services vendor that is not the best fit in terms of price and/or performance.</p>	<p>1. The Travis County Purchasing Policies and Procedures Manual states that professional services can only be procured through the Request for Qualifications (RFQ) process. 2. Policies and procedures are in place for evaluating contractors before renewing their contracts.</p>	

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Contract Management - Professional Services (Cont'd)</p>	<p>A professional services contractor's poor performance goes uncorrected due to inadequate monitoring.</p>	<p>1. The contract requires reporting of performance measures by the contractor. County operational employees review the contractors' reports and address concerns. 2. The contract requires detailed monthly reporting of services provided. The gatekeeper addresses invoice concerns, and the Division Director handles performance concerns reported by the gatekeeper. 3. County employees go on site-monitoring visits to perform safety checks, interview juveniles, and verify that law enforcement is consistently notified of runaways. Concerns are documented and provided to the Division Director and Deputy Chief.</p>	<p>High</p>
	<p>Invoices that contain pricing errors or charges for services not rendered are paid, resulting in a loss of County funds.</p>	<p>1. The gatekeeper/point of contact tracks services received and verifies invoice accuracy. 2. The Division Director's review and approval is required.</p>	
<p>Grant Management</p>	<p>An ineligible participant receives benefits due to a County employee's error in judgment.</p>	<p>1. Eligibility objectives and procedures clearly communicated to employees. 2. Supervisory approval is required for eligibility determinations.</p>	<p>Medium</p>
	<p>The County disburses funds for goods or services that will not be reimbursed by the grant.</p>	<p>1. Policies, procedures, and/or training protocols are in place for determining if a good or service will be reimbursed by a grant. 2. Disbursement of grant funds requires pre-authorization, including documented approval by the Casework Manager. 3. Authorization is provided by accounting personnel who are knowledgeable of the requirements for determining which costs are allowed by the grant. 4. Variances between expected and actual program expenditures are analyzed.</p>	

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Inventory - UA Kits</p>	<p>Inventory items (for example, urine analysis kits) are susceptible to loss or theft due to insufficient barriers to physical access.</p>	<p>1. Only authorized personnel are allowed into the storage area. Entrances are protected by secured access points. 2. Policy requires employees to update, sign and date inventory logs when removing or returning/ replenishing items.</p>	<p>Very Low</p>
	<p>The County pays for goods that have not been received.</p>	<p>All goods received are checked against the suppliers' packing slips/purchase orders before they are accepted and the packing slips signed.</p>	
<p>Juvenile Contraband & Weapons</p>	<p>The loss or theft of juvenile contraband and/or weapons result in a negative incident, negative media attention, and/or civil suits against the County.</p>	<p>1. The Juvenile Probation Officer notifies the appropriate law enforcement agency of contraband or weapons found on juveniles and requests pickup. 2. The Juvenile Probation Officer completes and signs the Contraband Chain of Custody Form in the presence of a witness who signs the form too. 3. The Juvenile Probation Officer places the items in a secure place (locked room, locked cabinet or safe). 4. When law enforcement picks up the item, the Contraband Chain of Custody Form is signed off by law enforcement to indicate the items were released by TCJPD to their custody.</p>	<p>Low</p>
<p>Juvenile Property</p>	<p>The loss or theft of juvenile money and/or valuables results in the juvenile filing a claim with the County's Risk Management Department.</p>	<p>1. When a juvenile arrives at Intake, the assigned JPO lists the juvenile's personal items on an inventory form and both the JPO and the juvenile sign the form. When the valuables are returned to the juvenile, the form is signed again. 2. The assigned JPO places the juvenile's personal property in a locker assigned to the youth. If the youth has over \$20 and/or a cell phone, these valuables are placed in a safe.</p>	<p>Low</p>
<p>Procurement – Goods & Services</p>	<p>1. Grant or budget funds may not be available for required items or services. 2. Invalid purchase requests could lead to misuse of County funds for goods/services that do not contribute to County objectives.</p>	<p>An employee identifies the goods/services required, and completes a requisition form. A manager reviews the request and signs off.</p>	<p>Medium</p>

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Procurement – Goods & Services (Cont’d)</p>	<p>Court authorization to procure services on behalf of a defendant is not obtained.</p>	<p>A legal document providing court authorization to request services for a defendant must be attached to the request form.</p>	<p>Medium</p>
	<p>The County pays for goods that have not been received, are damaged prior to receipt, or are not representative of the description provided by the vendor.</p>	<p>All goods received are checked against the suppliers' packing slips/purchase orders before they are accepted and the packing slips signed.</p>	
	<p>The vendor does not fill the order for goods/services within the necessary time frame or their delivery does not meet order specifications.</p>	<p>1. Evaluations are periodically completed to monitor vendor performance and address any concerns. 2. Supporting documentation for requests and any relevant vendor communication is maintained.</p>	
<p>Program Management</p>	<p>1. An ineligible participant receives benefits due to a County employee's error in judgment, and/or 2. Program benefits are incorrectly computed and distributed.</p>	<p>Independent review and signature approval of program eligibility and benefit determinations are required.</p>	<p>Low</p>
	<p>Bus passes: Program benefits in the form of bus passes are lost or stolen.</p>	<p>1. Physical barriers are in place to prevent unauthorized access to bus passes. 2. The acquisition and distribution of bus passes are tracked through the use of logs and sign-offs.</p>	
	<p>Clothing vouchers: Clothing vouchers are used to purchase items or services not covered by the program..</p>	<p>The voucher is given to a County employee who will make purchases on behalf of the client. The voucher is never given to the client.</p>	
	<p>Due to excessive delays in making payments, the vendor drops their account with the County resulting in the discontinuation of the voucher program.</p>	<p>Employees are required to adhere to a deadline for submitting receipts after making purchases with vouchers.</p>	
	<p>Clothing vouchers are lost or stolen, resulting in vouchers being fraudulently used for non-program purposes.</p>	<p>1. The acquisition and distribution of vouchers are tracked with logs and sign-offs. 2. The client’s personal identification number (PID) is written on the voucher documents before distribution to the employee making purchases.</p>	

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
Revenue Generation	Fees the court is required to assess in accordance with statute are incorrectly adjusted/waived.	JPOs are required to prepare a documented determination of indigence for all juvenile defendants assigned to them. The indigence determination is made upon entry at intake.	Medium

CRCG & CARE COORDINATOR

MISSION AND OBJECTIVES

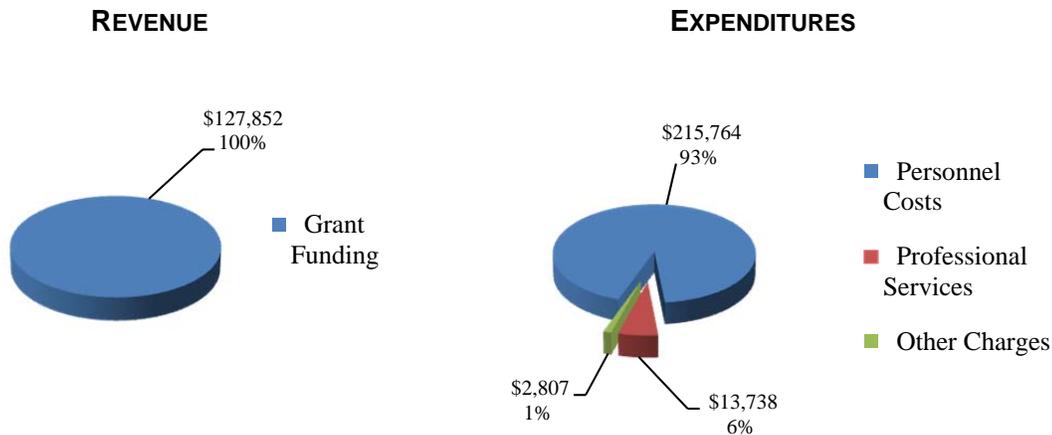
The CRCG & Care Coordinator functional area is responsible for directing and facilitating the determination of whether juveniles in the TCJPD system qualify for assistance through the Community Resource Coordination Group (CRCG). The CRCG Coordinator serves as the single point of access, information and referral to other community-based providers for children and families with complex needs. A CRCG is an interagency group composed of public and private agencies that develop service plans for individuals whose needs can be met only through interagency coordination and cooperation. The CRCG for Travis County is Community Partners for Children (CPC).

SIGNIFICANT ACTIVITIES

- Review referrals from JPOs prior to the CPC “staffing for services” meetings.
- Work with various private, non-profit, and community agencies to develop service plans for youth and families to address unmet needs that can only be met through interagency coordination and cooperation.
- Verify that the juvenile meets the following requirements: more than one agency involvement, has mental health diagnosis, meets 200% of the poverty level, and is in need of services.
- Care coordinators handle cases assigned to them during the CPC staffing meetings.
- Provide case management to TCJPD juveniles and their families; link them to services in the community.
- Develop plans of care and review progress by conducting regular team meetings with youth, family, assigned JPO, and service providers.

FISCAL YEAR 2014 FINANCIAL DATA

During fiscal year 2014, CRCG & Care Coordinator received \$127,852 in the form of grant funding. Personnel costs represented approximately 93% of their expenditures which totaled \$232,309. This functional area is funded 62% by the General Fund and 38% by grant funds. The details for their revenue and expenditures are provided below in graph form.



Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Grant Management</p>	<p>An ineligible participant receives benefits due to a County employee's error in judgment.</p>	<p>1. Eligibility objectives and procedures clearly communicated to employees. 2. Supervisory approval is required for eligibility determinations.</p>	<p>Medium</p>
	<p>The County disburses funds for goods or services that will not be reimbursed by the grant.</p>	<p>1. Policies, procedures, and/or training protocols are in place for determining if a good or service will be reimbursed by a grant. 2. Disbursement of grant funds requires pre-authorization, including documented approval by the Casework Manager. 3. Authorization is provided by accounting personnel who are knowledgeable of the requirements for determining which costs are allowed by the grant. 4. Variances between expected and actual program expenditures are analyzed.</p>	
<p>Procurement – Goods & Services</p>	<p>1. Grant or budget funds may not be available for required items or services. 2. Invalid purchase requests could lead to misuse of County funds for goods/services that do not contribute to County objectives.</p>	<p>An employee identifies the goods/services required, and completes a requisition form. A manager reviews the request and signs off.</p>	<p>Low</p>
	<p>Court authorization to procure services on behalf of a defendant is not obtained.</p>	<p>A legal document providing court authorization to request services for a defendant must be attached to the request form.</p>	
	<p>The County pays for goods that have not been received, are damaged prior to receipt, or are not representative of the description provided by the vendor.</p>	<p>All goods received are checked against the suppliers' packing slips/purchase orders before they are accepted and the packing slips signed.</p>	
	<p>The vendor does not fill the order for goods/services within the necessary time frame or their delivery does not meet order specifications.</p>	<p>1. Evaluations are periodically completed to monitor vendor performance and address any concerns. 2. Supporting documentation for requests and any relevant vendor communication is maintained.</p>	

DAY ENRICHMENT PROGRAM

MISSION AND OBJECTIVES

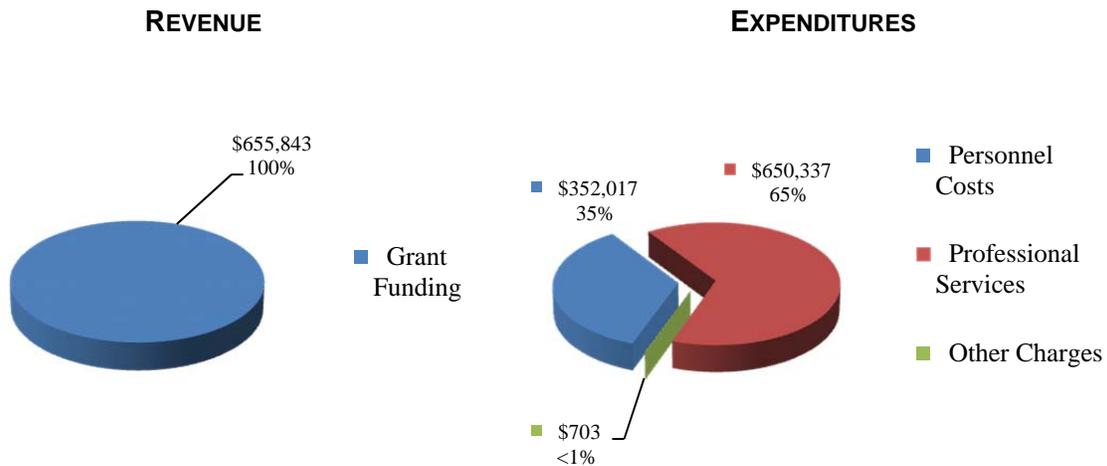
The Day Enrichment Program (DEP) provides daily substance abuse treatment and academic instruction to youth between the ages of 13 to 17 who may otherwise be placed in a secure placement for issues of substance abuse and delinquent behavior. The ultimate goal of DEP is for the youth to be successful in their recovery from abuse/dependence and to continue their academic development. DEP enhances the quality of the juvenile’s life through a strength-based approach that is client-centered and family-focused.

SIGNIFICANT ACTIVITIES

The DEP provides facilities, food services, and educational instruction to accommodate the 32 to 40 juveniles in their substance abuse program. Licensed counselors employed by the TCJPD provide substance abuse treatment to the juveniles on site. DEP also works with and monitors their professional services contractor to ensure conformance with the Department of State Health Services Standards of Care Rules.

FISCAL YEAR 2014 FINANCIAL DATA

During fiscal year 2014, the Day Enrichment Program received \$655,843 in the form of grant funding. Professional services and personnel costs represented approximately 65% and 35% respectively of the expenditures which totaled \$1,003,057. This functional area is funded 44% by the General Fund and 56% by grant funds. The details for their revenue and expenditures are provided below in graph form.



Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Contract Management - Professional Services</p>	<p>1. The County disburses funds to a vendor for providing services to a juvenile offender without first obtaining court authorization as required by statute. 2. The Department exhausts their budget funds on professional services that do not meet County objectives, leaving insufficient funds for valid expenditures.</p>	<p>Formal, documented policies and procedures exist for authorizing services prior to the request. The Service Authorization Form (SAF) is used for this purpose, and requires the following: 1. Supporting legal documents must be attached to the form. 2. A manager must sign the form indicating their approval. 3. The request for change order section of the form must be completed for status changes.</p>	<p>Medium</p>
	<p>Fraud, errors, or misuse of contracted professional services occurs, resulting in the loss of County funds.</p>	<p>1. The gatekeeper/point of contact is the only authorized employee to request services from the contractor. 2. Only requests for services made on a properly completed and authorized referral form are accepted.</p>	
	<p>The County contracts with a professional services vendor that is not the best fit in terms of price and/or performance.</p>	<p>1. The Travis County Purchasing Policies and Procedures Manual states that professional services can only be procured through the Request for Qualifications (RFQ) process. 2. Policies and procedures are in place for evaluating contractors before renewing their contracts.</p>	
	<p>A professional services contractor's poor performance goes uncorrected due to inadequate monitoring.</p>	<p>1. The contract requires reporting of performance measures by the contractor. County operational employees review the contractors' reports and address concerns. 2. The contract requires detailed monthly reporting of services provided. The gatekeeper addresses invoice concerns, and the Division Director handles performance concerns reported by the gatekeeper. 3. County employees go on site-monitoring visits to perform safety checks, interview juveniles, and verify that law enforcement is consistently notified of runaways. Concerns are documented and provided to the Division Director and Deputy Chief.</p>	

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
Contract Management - Professional Services (Cont'd)	Invoices that contain pricing errors or charges for services not rendered are paid, resulting in a loss of County funds.	<ol style="list-style-type: none"> 1. The gatekeeper/point of contact tracks services received and verifies invoice accuracy. 2. The Division Director's review and approval is required. 	Medium
Grant Management	An ineligible participant receives benefits due to a County employee's error in judgment.	<ol style="list-style-type: none"> 1. Eligibility objectives and procedures clearly communicated to employees. 2. Supervisory approval is required for eligibility determinations. 	Low
	The County disburses funds for goods or services that will not be reimbursed by the grant.	<ol style="list-style-type: none"> 1. Policies, procedures, and/or training protocols are in place for determining if a good or service will be reimbursed by a grant. 2. Disbursement of grant funds requires pre-authorization, including documented approval by the Casework Manager. 3. Authorization is provided by accounting personnel who are knowledgeable of the requirements for determining which costs are allowed by the grant. 4. Variances between expected and actual program expenditures are analyzed. 	
Procurement – Goods & Services	<ol style="list-style-type: none"> 1. Grant or budget funds may not be available for required items or services. 2. Invalid purchase requests could lead to misuse of County funds for goods/services that do not contribute to County objectives. 	An employee identifies the goods/services required, and completes a requisition form. A manager reviews the request and signs off.	Medium
	Court authorization to procure services on behalf of a defendant is not obtained.	A legal document providing court authorization to request services for a defendant must be attached to the request form.	
	The County pays for goods that have not been received, are damaged prior to receipt, or are not representative of the description provided by the vendor.	All goods received are checked against the suppliers' packing slips/purchase orders before they are accepted and the packing slips signed.	
	The vendor does not fill the order for goods/services within the necessary time frame or their delivery does not meet order specifications.	<ol style="list-style-type: none"> 1. Evaluations are periodically completed to monitor vendor performance and address any concerns. 2. Supporting documentation for requests and any relevant vendor communication is maintained. 	

DETENTION SERVICES

MISSION AND OBJECTIVES

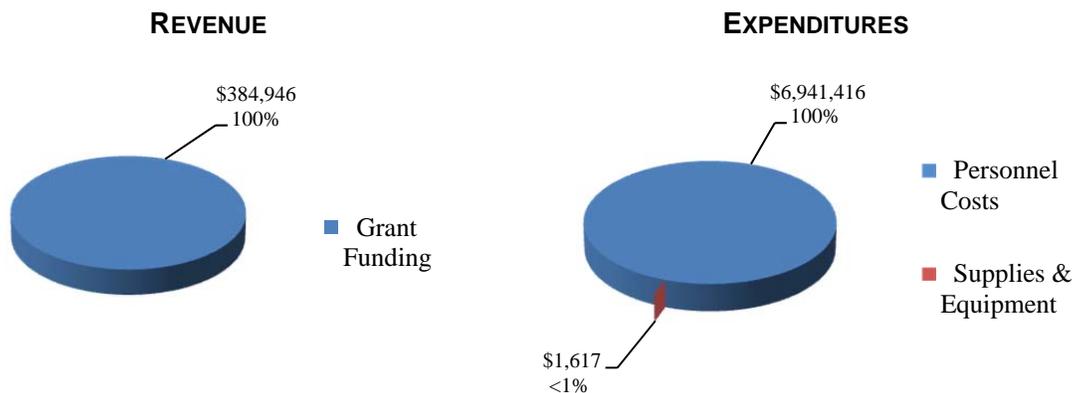
Detention Services provides for the detention of male and female juveniles who are awaiting adjudication/disposition of their cases by Juvenile Court or transportation to placements. Detention operates seven days a week, 24 hours a day, and has a rated capacity of 120 beds. The mission of this functional area is to protect the community by detaining juveniles in a healthy, safe environment where they are provided assistance with developing competency and accountability while they await disposition.

SIGNIFICANT ACTIVITIES

- Take juvenile offenders through the admission process, take possession and inventory their personal items, arrange for juveniles to make at least two phone calls, provide verbal orientations, ensure juvenile offenders are assessed by Health Services, and escort detained juveniles to other TCJPD campus locations as needed.
- Document all details pertinent to juvenile cases, complete and retain required forms, and develop the Detention Unit and overall TCJPD case files.
- Maintain order and control over juveniles to prevent assaults, aggressive behavior, and escapes from the facility.
- Assign juveniles to skill building groups and ensure they attend.

FISCAL YEAR 2014 FINANCIAL DATA

During fiscal year 2014, Detention Services received \$384,946 in the form of grant funding. Personnel costs represented almost 100% of their expenditures which totaled \$6,943,033. This functional area is funded 93% by the General Fund and 7% by grant funds. The details for their revenue and expenditures are provided below in graph form.



Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Grant Management</p>	<p>An ineligible participant receives benefits due to a County employee's error in judgment.</p>	<p>1. Eligibility objectives and procedures clearly communicated to employees. 2. Supervisory approval is required for eligibility determinations.</p>	<p>Medium</p>
	<p>The County disburses funds for goods or services that will not be reimbursed by the grant.</p>	<p>1. Policies, procedures, and/or training protocols are in place for determining if a good or service will be reimbursed by a grant. 2. Disbursement of grant funds requires pre-authorization, including documented approval by the Casework Manager. 3. Authorization is provided by accounting personnel who are knowledgeable of the requirements for determining which costs are allowed by the grant. 4. Variances between expected and actual program expenditures are analyzed.</p>	
<p>Inventory - UA Kits</p>	<p>Inventory items (for example, urine analysis kits) are susceptible to loss or theft due to insufficient barriers to physical access.</p>	<p>1. Only authorized personnel are allowed into the storage area. Entrances are protected by secured access points. 2. Policy requires employees to update, sign and date inventory logs when removing or returning/ replenishing items.</p>	<p>Very Low</p>
	<p>The County pays for goods that have not been received.</p>	<p>All goods received are checked against the suppliers' packing slips/purchase orders before they are accepted and the packing slips signed.</p>	
<p>Juvenile Property</p>	<p>The loss or theft of juvenile money and/or valuables results in the juvenile filing a claim with the County's Risk Management Department.</p>	<p>1. When a juvenile arrives at Detention with personal property, the assigned Juvenile Detention Officer reviews the inventory form from Intake listing the juvenile's personal items. Both the JPO and the juvenile sign the form. When the valuables are returned to the juvenile, the form is signed again. 2. The assigned JPO places the juvenile's personal property in a locker assigned to the youth. If the youth has over \$20 and/or a cell phone, these valuables are placed in a safe.</p>	<p>Low</p>

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Procurement – Goods & Services</p>	<p>1. Grant or budget funds may not be available for required items or services. 2. Invalid purchase requests could lead to misuse of County funds for goods/services that do not contribute to County objectives.</p>	<p>An employee identifies the goods/services required, and completes a requisition form. A manager reviews the request and signs off.</p>	<p>Low</p>
	<p>Court authorization to procure services on behalf of a defendant is not obtained.</p>	<p>A legal document providing court authorization to request services for a defendant must be attached to the request form.</p>	
	<p>The County pays for goods that have not been received, are damaged prior to receipt, or are not representative of the description provided by the vendor.</p>	<p>All goods received are checked against the suppliers' packing slips/purchase orders before they are accepted and the packing slips signed.</p>	
	<p>The vendor does not fill the order for goods/services within the necessary time frame or their delivery does not meet order specifications.</p>	<p>1. Evaluations are periodically completed to monitor vendor performance and address any concerns. 2. Supporting documentation for requests and any relevant vendor communication is maintained.</p>	

DOMESTIC RELATIONS OFFICE

MISSION AND OBJECTIVES

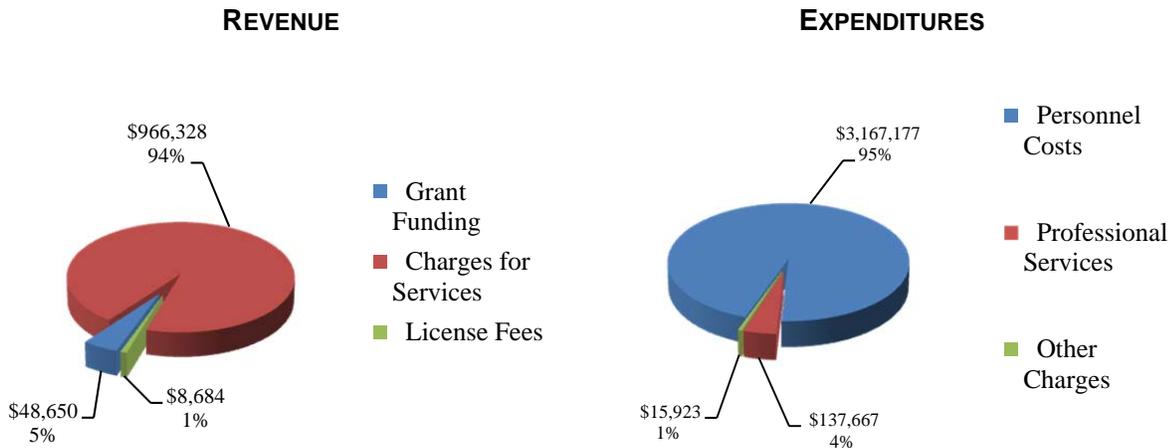
The primary mission of the Domestic Relations Office is to provide child support enforcement, visitation enforcement, and family court services to families who have court orders that are enforceable in Travis County. The office serves as a Friend of the Court to the associate and district judges in Travis County who preside over family law cases brought before the court, in order to help parties come into compliance with the courts' orders.

SIGNIFICANT ACTIVITIES

- Provide phone and in-person contact with parents who are out of compliance with family law orders.
- Staff attorneys file Motions to Enforce to litigate child support and visitation matters.
- Provide Guardians Ad Litem to the judiciary so that investigations can be conducted to determine the best interests of children who are affected by litigation.
- Collect Guardian Ad Litem fees ordered by the court.
- Perform community supervision services to respondents placed on community supervision by the Office of the Attorney General.

FISCAL YEAR 2014 FINANCIAL DATA

During fiscal year 2014, the Domestic Relations Office received revenues totaling \$1,023,662 which primarily consisted of revenue contract fees totaling \$808,486 and grant funding of \$48,650. Expenditures totaled \$3,320,767 with 95% representing salaries and benefits.



Business Process	Potential Risks	Reported Risk Management Techniques	Process Risk Rating
<p>Accounts Payable & Disbursements</p>	<p>Disbursements are incorrectly made, resulting in a loss of County funds.</p>	<p>1. The payment system will not allow payments to a customer for more than their accounts payable balance due without management approval. 2. Employees responsible for approving disbursements do not have the ability to print checks, sign checks, or access checks. 3. The elected/appointed official's signature stamp is maintained in a secure location and only used by authorized employees. 4. Documented management authorization is required for the disbursement of funds.</p>	<p>Very Low</p>
	<p>Lost, misplaced, or stolen checks may prevent a complete reconciliation of disbursements from being performed or lead to a loss of County funds as a result of misappropriation.</p>	<p>Checks are kept in a locked location. Only authorized personnel are allowed access. Checks are protected by secured access points.</p>	
	<p>Either: 1. Invalid accounts payable are fraudulently created for unauthorized or nonexistent payables; or 2. The payment directions on valid accounts are amended to misdirect funds.</p>	<p>1. The financial software limits the ability to make master file changes to authorized employees. 2. The financial software tracks master file changes by employees, making it possible to identify the party responsible for fraudulent transactions. 3. The employees making master file changes do not have access to cash.</p>	
<p>Accounts Receivable</p>	<p>Receipts are not completely recorded on the ledger.</p>	<p>Receipts are numerically ordered to allow for the identification of missing receipts in the accounting ledgers.</p>	<p>Very Low</p>
	<p>Receipts are entered to the wrong account and/or in the wrong amount.</p>	<p>An aging report lists open accounts and is used to bill customers and track balances.</p>	
	<p>Accounts receivable are incorrectly reported due to the improper handling of doubtful accounts.</p>	<p>1. Manager approval is required to ensure accounts are not closed prior to an assessment of ability to collect. 2. An aging report is maintained to identify doubtful accounts.</p>	
	<p>Collection efforts are insufficient, resulting in a loss of County funds.</p>	<p>Open A/R balances are maintained according to County policies to increase the probability of collection.</p>	

Business Process	Potential Risks	Reported Risk Management Techniques	Process Risk Rating
Accounts Receivable (Cont'd)	The amount due is not properly stated on the billing, resulting in a loss of County funds and/or difficulty with the entity invoiced.	A review process is in place to ensure all information on the billing is accurate, complete, and valid.	Very Low
	Either: 1. Invalid accounts receivable are fraudulently created for unauthorized or nonexistent receivables; or 2. The payment directions on valid accounts are amended to misdirect funds.	1. The financial software limits the ability to make master file changes to authorized employees. 2. The financial software tracks master file changes by employee, making it possible to identify the person responsible for fraudulent transactions.	
	Incompatible duties may increase the likelihood of loss or misappropriation of funds on hand.	There is an informal policy preventing the employee who prepared the billing in the accounts receivable software from processing the deposit.	
Cash Handling	The receipt process for funds collected is not sufficient to properly safeguard these funds. Misappropriation or loss of funds can occur when an employee fails to issue a receipt.	1. Each walk-in customer is given a receipt when they make a payment. 2. A policy exists requiring the issuance of a receipt for each payment received. 3. The receipting software is configured so the audit trail cannot be erased or altered. 4. Manual receipts are sequentially numbered and contain multiple copies. The cashier is required to issue receipts in numerical order.	Low
	Improper use of the void receipt function may lead to loss or misappropriation of funds collected.	1. Documented management approval is required for all voided receipts. 2. When manual receipts are voided, all copies of the receipt are retained. 3. When manual receipts are voided, all copies of the receipt are defaced with either the word "void" or other mark to clearly indicate it is voided.	
	Incompatible duties may increase the likelihood of loss or misappropriation of funds on hand.	1. Because the employee preparing the deposit has cash receipting duties, a second employee is present when the deposit is being prepared. The second employee reviews the deposit for completeness and accuracy. 2. Deposits are reviewed by a manager. 3. Incompatible system access is prevented or alternative controls are put in place.	

Business Process	Potential Risks	Reported Risk Management Techniques	Process Risk Rating
<p>Cash Handling (Cont'd)</p>	<p>Funds on hand are susceptible to loss or misappropriation due to insufficient barriers to physical access.</p>	<p>1. Funds on hand are properly secured during non-business and business hours. 2. All collections are deposited by the following business day.</p>	<p>Low</p>
	<p>The environment is not conducive to properly safeguard funds collected from loss or misappropriation.</p>	<p>1. Daily reconciliations are performed by the department to ensure funds on hand reconcile to system reports. 2. All collections are deposited by the following business day.</p>	
	<p>Credit card funds are disbursed when captured rather than after collection, potentially resulting in the loss of County funds.</p>	<p>A reconciliation of the amounts received in the credit card bank account to the credit card processor's transaction reports is required before funds can be disbursed.</p>	
	<p>Credit card payments are not recorded at month-end, resulting in incorrect reporting.</p>	<p>Month-end closing procedures include steps for determining if there are any unrecorded credit card payments. When possible, credit card payments are posted to the customers' accounts; otherwise a journal entry is recorded to reflect credit card payments in transit at month-end.</p>	
<p>Contract Management – ILA/Revenue</p>	<p>1. County employees either fail to perform services required by the contract or their performance does not meet contract standards, resulting in difficulties with the contractor and/or the loss of the contract. 2. For contracts with performance-based fees, the failure to meet performance standards would result in a loss of County revenue.</p>	<p>1. County employees are trained to perform the required services and/or activities as stated in the contract. 2. Management reviews employee performance to ensure compliance with contract standards. 3. System notifications are sent to appropriate staff members when the performance of a contracted service becomes delinquent.</p>	<p>Medium</p>
	<p>Inaccurate/incomplete records are entered in the tracking software, resulting in the loss of County revenue for performance-based contracts and reporting errors.</p>	<p>Operational employees track revenue contract transaction details and verify accuracy of reporting by reconciling reports to tracked details.</p>	
	<p>Revenue contract reporting is not provided on the timetable required by the contract.</p>	<p>County management tracks report deadlines and verifies adherence to deadlines, following up when necessary.</p>	

Business Process	Potential Risks	Reported Risk Management Techniques	Process Risk Rating
Contract Management – ILA/Revenue (Cont’d)	1. The County's best interests are not addressed in the revenue contract. 2. Revenue contracts are not renewed by the expiration date, resulting in a lapse in receiving payments and/or providing services.	1. Policies and procedures are in place directing employees to obtain the required approvals by authorized parties prior to officially renewing contracts. 2. Renewal dates are tracked and monitored to ensure revenue contracts are negotiated, reviewed, and approved by authorized parties in a timely manner.	Medium
Contract Management - Professional Services	Requests for services are not supported by appropriate court documents or statute.	Formal, documented procedures exist for authorizing services prior to the request.	Medium
	Grant or budget funds may not be readily available for needed contracted services.	Invoices for contracted professional services are tracked in order to ensure the department does not exceed budget.	
	Fraud, errors, or misuse of contracted professional services occurs, resulting in a loss of County funds.	1. The gatekeeper/point of contact is the only authorized employee to request services from the contractor. 2. Only requests for services made on a properly completed and authorized referral form are accepted. 3. The distributions of budget/grant funds are tracked to ensure funds are appropriately allocated.	
	The County contracts with professional services vendors that are not the best fit in terms of price and/or performance.	1. The Travis County Purchasing Policies and Procedures Manual states that professional services can only be procured through the Request for Qualifications (RFQ) process. 2. Policies and procedures are in place for evaluating contractors before renewing their contracts.	
	A professional services contractor's poor performance goes uncorrected due to inadequate monitoring.	1. The contract requires detailed monthly reporting of goods/services provided. County employees review reports and address concerns. 2. County employees perform site monitoring visits to verify the accuracy of performance measure reporting and conditions at contractor's site. County employees document and address concerns.	

Business Process	Potential Risks	Reported Risk Management Techniques	Process Risk Rating
Contract Management - Professional Services (Cont'd)	Invoices that contain pricing errors or charges for services not rendered are paid, resulting in a loss of County funds.	1. The gatekeeper/point of contract tracks services received and verifies invoice accuracy. 2. The invoice approver reviews the invoice, determines if it is a valid expenditure and, if deemed appropriate provides documented authorization for payment.	Medium
General Ledger	Entries could be recorded without accounting management's knowledge to hide mistakes/wrong-doing.	There are County policies regarding computer use, as follows: 1. Staff are not allowed to share log-in details. 2. Passwords must be changed at least once every three months. 3. Passwords are required to meet stringent requirements. 4. Computer workstations must be locked during absences from the desk.	Very Low
	An inexperienced person could inadvertently make changes resulting in misstatements.	Journal entries recorded in the general ledger maintained by the auditee's office are reviewed after they are posted.	
	Either: 1. Balance sheet accounts are materially misstated due to corruption or error, and/or 2. The loss or misappropriation of funds remains undisclosed.	Every balance sheet account is reconciled on a monthly basis. The reconciliations are tracked and signed by both the preparer and the manager who performed the review.	
	One or more of the following: 1. The cash account is materially misstated in the general ledger and financial reports; 2. The county experiences a loss of funds as the result of failing to resolve reconciling bank items in a timely manner; or 3. The loss or misappropriation of funds may remain undisclosed.	There are policies and procedures requiring the following: 1. Bank accounts are timely reconciled on a monthly basis. 2. Bank errors are resolved and correctly reported in the general ledger. 3. Bank reconciliations are signed by the preparer and the reviewer.	
Procurement – Goods & Services	1. Grant or budget funds may not be available for required items or services. 2. Invalid purchase requests could lead to misuse of County funds for goods/services that do not contribute to County objectives.	An employee identifies the goods/services required, and completes a requisition form. A manager reviews the request and signs off.	Low

Business Process	Potential Risks	Reported Risk Management Techniques	Process Risk Rating
<p>Procurement – Goods & Services (Cont’d)</p>	<p>The County pays for goods that have not been received, are damaged prior to receipt, or are not representative of the description provided by the vendor.</p>	<p>All goods received are checked against the suppliers' packing slips/purchase orders before they are accepted and the packing slips signed.</p>	<p>Low</p>
	<p>The vendor does not fill the order for goods/services within the necessary time frame or their delivery does not meet order specifications.</p>	<p>1. Evaluations are periodically completed to monitor vendor performance and address any concerns. 2. Supporting documentation for requests and any relevant vendor communication is maintained.</p>	
<p>Reporting</p>	<p>Detailed variances are not reviewed completely or in sufficient depth to identify errors or discover trends.</p>	<p>At the end of the month, a lead accountant/analyst reviews system-generated reports which support the financial statements at the lowest level of the financial statements to identify errors that need to be corrected, accruals, and prepayments that need to be made, and trends that need to be highlighted. When complete, they are approved by a manager and provided to the Auditor's Office.</p>	<p>Very Low</p>
<p>Revenue Generation</p>	<p>An accurate audit trail is not created and maintained, resulting in the County receiving findings from external auditors.</p>	<p>1. There is a policy requiring the retention of filings and court-related documents. 2. There are periodic reviews of fee assessments entered in the system to verify accuracy and completeness.</p>	<p>Low</p>
	<p>An incorrect fee assessment results in over/under-charging the client.</p>	<p>1. Personnel are trained to enter all applicable court events for the assessment into the court-tracking system. 2. Periodic review of changes to fee-creating statutes, AG Opinions, OCA, Commissioners Court, boards, and legislative actions during sessions is performed. 3. Fee schedules in the accounting/court system are regularly updated and validated to ensure revenue is correctly assessed.</p>	

Business Process	Potential Risks	Reported Risk Management Techniques	Process Risk Rating
Revenue Generation (Cont'd)	Uncollected balances are fraudulently or incorrectly adjusted, resulting in the loss of County funds.	1. Personnel with authorization to adjust balances do not handle collected funds. 2. Documented manager and/or judge approval is required for all adjustments to the uncollected balance of court-related fee assessments.	Low
	Fees are not remitted to the Treasurer in a timely manner, resulting in the violation of statute.	Policy requires the remittance of revenues by the next business day of receipt.	
	Cash receipts are not correctly recorded in SAP, resulting in reporting and/or disbursement errors.	Supervisory and Treasurer’s Office review of cash journals posted in SAP is performed regularly to verify accuracy and ensure agreement with supporting documentation.	

DRUG COURT

MISSION AND OBJECTIVES

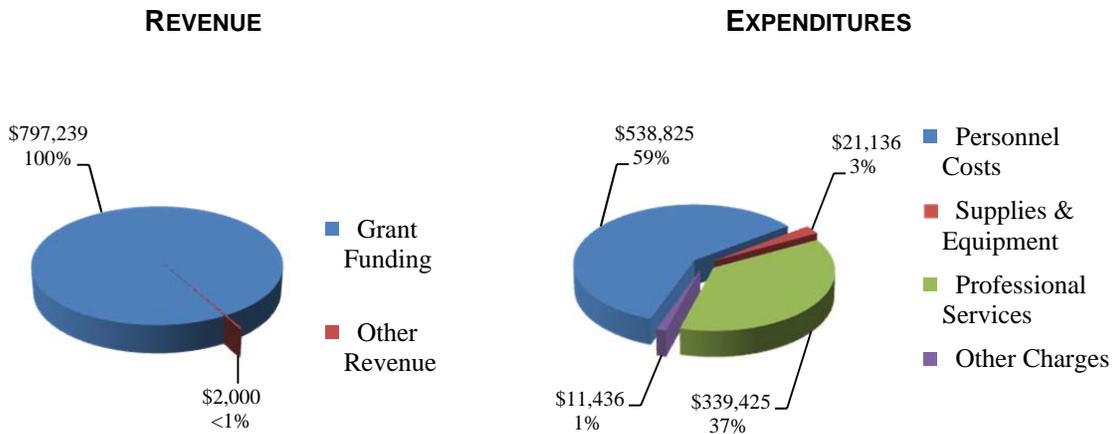
The Juvenile Drug Court serves posted-adjudicated juveniles with co-occurring mental health and substance abuse issues. This strength-based program focuses on accountability by providing weekly court reviews, intensive supervision, and substance abuse services to increase participation in treatment, education and compliance with conditions of probation.

SIGNIFICANT ACTIVITIES

- The Drug Court Casework Manager or designee screens referrals for eligibility and places potential cases on the weekly staffing meeting agenda to be reviewed for acceptance based on guidelines of the program and grant requirements.
- Drug Court uses a range of supervision methods that allow for sanctions or incentives depending on the juvenile’s adherence to program requirements. Sanctions typically include escalating supervision in the form of increased home and school visits, additional drug screenings and/or GPS tracking. Alternatively, the juvenile offender could be required to perform additional community service, write essays, be placed on home detention or placed in the detention facility.
- The Drug Court Team meets each Wednesday to discuss staffing prior to the weekly court reviews with the juvenile and parents. At the staffing meetings, JPOs, mental health professionals, and other treatment providers provide oral updates on the juveniles’ progress. In addition, weekly drug reports and written updates are reviewed to determine the compliance level of the participants.

FISCAL YEAR 2014 FINANCIAL DATA

During fiscal year 2014, Drug Court received revenues totaling \$799,239 which primarily consisted of grant funding. Personnel costs represented approximately 59% of their expenditures which totaled \$910,822. Drug Court is funded 27% by the General Fund and 73% by grant funds and other revenue. The details for their revenue and expenditures are provided below in graph form.



Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Contract Management - Professional Services</p>	<p>1. The County disburses funds to a vendor for providing services to a juvenile offender without first obtaining court authorization as required by statute. 2. The Department exhausts their budget funds on professional services that do not meet County objectives, leaving insufficient funds for valid expenditures.</p>	<p>Formal, documented policies and procedures exist for authorizing services prior to the request. The Service Authorization Form (SAF) is used for this purpose, and requires the following: 1. Supporting legal documents must be attached to the form. 2. A manager must sign the form indicating their approval. 3. The request for change order section of the form must be completed for status changes.</p>	<p>Medium</p>
	<p>Fraud, errors, or misuse of contracted professional services occurs, resulting in the loss of County funds.</p>	<p>1. The gatekeeper/point of contact is the only authorized employee to request services from the contractor. 2. Only requests for services made on a properly completed and authorized referral form are accepted.</p>	
	<p>The County contracts with a professional services vendor that is not the best fit in terms of price and/or performance.</p>	<p>1. The Travis County Purchasing Policies and Procedures Manual states that professional services can only be procured through the Request for Qualifications (RFQ) process. 2. Policies and procedures are in place for evaluating contractors before renewing their contracts.</p>	
	<p>A professional services contractor's poor performance goes uncorrected due to inadequate monitoring.</p>	<p>1. The contract requires reporting of performance measures by the contractor. County operational employees review the contractors' reports and address concerns. 2. The contract requires detailed monthly reporting of services provided. The gatekeeper addresses invoice concerns, and the Division Director handles performance concerns reported by the gatekeeper. 3. County employees go on site-monitoring visits to perform safety checks, interview juveniles, and verify that law enforcement is consistently notified of runaways. Concerns are documented and provided to the Division Director and Deputy Chief.</p>	

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
Contract Management - Professional Services (Cont'd)	Invoices that contain pricing errors or charges for services not rendered are paid, resulting in a loss of County funds.	1. The gatekeeper/point of contact tracks services received and verifies invoice accuracy. 2. The Division Director's review and approval is required.	Medium
Grant Management	An ineligible participant receives benefits due to a County employee's error in judgment.	1. Eligibility objectives and procedures clearly communicated to employees. 2. Supervisory approval is required for eligibility determinations.	Medium
	The County disburses funds for goods or services that will not be reimbursed by the grant.	1. Policies, procedures, and/or training protocols are in place for determining if a good or service will be reimbursed by a grant. 2. Disbursement of grant funds requires pre-authorization, including documented approval by the Casework Manager. 3. Authorization is provided by accounting personnel who are knowledgeable of the requirements for determining which costs are allowed by the grant. 4. Variances between expected and actual program expenditures are analyzed.	
Inventory - UA Kits	Inventory items (for example, urine analysis kits) are susceptible to loss or theft due to insufficient barriers to physical access.	1. Only authorized personnel are allowed into the storage area. Entrances are protected by secured access points. 2. Policy requires employees to update, sign and date inventory logs when removing or returning/ replenishing items.	Very Low
	The County pays for goods that have not been received.	All goods received are checked against the suppliers' packing slips/purchase orders before they are accepted and the packing slips signed.	
Procurement – Goods & Services	1. Grant or budget funds may not be available for required items or services. 2. Invalid purchase requests could lead to misuse of County funds for goods/services that do not contribute to County objectives.	An employee identifies the goods/services required, and completes a requisition form. A manager reviews the request and signs off.	Low
	Court authorization to procure services on behalf of a defendant is not obtained.	A legal document providing court authorization to request services for a defendant must be attached to the request form.	

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Procurement – Goods & Services (Cont’d)</p>	<p>The County pays for goods that have not been received, are damaged prior to receipt, or are not representative of the description provided by the vendor.</p>	<p>All goods received are checked against the suppliers' packing slips/purchase orders before they are accepted and the packing slips signed.</p>	<p>Low</p>
	<p>The vendor does not fill the order for goods/services within the necessary time frame or their delivery does not meet order specifications.</p>	<p>1. Evaluations are periodically completed to monitor vendor performance and address any concerns. 2. Supporting documentation for requests and any relevant vendor communication is maintained.</p>	
<p>Program Management</p>	<p>1. An ineligible participant receives benefits due to a County employee's error in judgment, and/or 2. Program benefits are incorrectly computed and distributed.</p>	<p>Independent review and signature approval of program eligibility and benefit determinations are required.</p>	<p>Medium</p>
	<p>Bus passes and gift cards: Program benefits, such as gift cards and bus passes, are lost or stolen.</p>	<p>1. Physical barriers are in place to prevent unauthorized access to gift cards and bus passes. 2. The acquisition and distribution of bus passes and gift cards are tracked through the use of logs and sign-offs.</p>	
	<p>Clothing vouchers: Clothing vouchers are used to purchase items or services not covered by the program..</p>	<p>The voucher is given to a County employee who will make purchases on behalf of the client. The voucher is never given to the client.</p>	
	<p>Due to excessive delays in making payments, the vendor drops their account with the County resulting in the discontinuation of the voucher program.</p>	<p>Employees are required to adhere to a deadline for submitting receipts after making purchases with vouchers.</p>	
	<p>Clothing vouchers are lost or stolen, resulting in vouchers being fraudulently used for non-program purposes.</p>	<p>1. The acquisition and distribution of vouchers are tracked with logs and sign-offs. 2. The client’s personal identification number (PID) is written on the voucher documents before distribution to the employee making purchases.</p>	

FACILITY OPERATIONS

MISSION AND OBJECTIVES

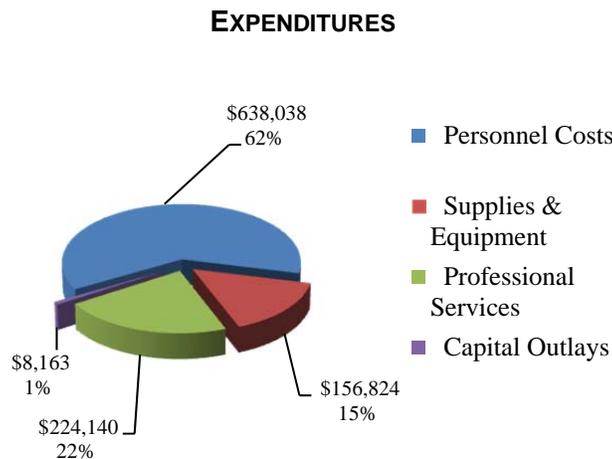
Facility Operations provides repairs and upkeep for the Juvenile Probation buildings, equipment, and grounds, as well as housekeeping and mail services. This area also monitors contractors to ensure they meet the negotiated timelines for contracted projects.

SIGNIFICANT ACTIVITIES

- Plan and manage facility improvements, including renovations and new construction activities.
- Provide oversight for contracts.
- Provide upkeep of the building and land for the Juvenile Probation facilities. This includes painting, lawn care, emergency maintenance, day-to-day projects, etc.
- Track equipment online and prepare work orders for preventative as well as emergency maintenance. Maintenance is handled for vehicles, HVAC units, generators, pest control, and other equipment needed to run the Juvenile Probation facilities.
- Janitorial staff is charged with restocking supplies and general hygiene products as well as doing laundry for juveniles in the living areas. They perform an annual in-depth cleaning of the residential facilities.
- Provide mail and delivery services for the Juvenile Probation facilities. Delivery services include picking up and dropping off prescriptions for juveniles.

FISCAL YEAR 2014 FINANCIAL DATA

During fiscal year 2014, Facility Operations was exclusively funded by the General Fund. Personnel costs represented approximately 62% of their expenditures which totaled \$1,027,165. The details for their expenditures are provided below in graph form.



Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Facilities</p>	<p>1. Projects may not be properly completed or in compliance with code. 2. Projects may not be timely completed.</p>	<p>Work order requests are centrally handled by a manager to ensure orders are prioritized by need and assigned to employees who have the necessary qualifications.</p>	<p>Medium</p>
	<p>Work that could be completed by staff is contracted out, resulting in loss of County funds or delays in project completion.</p>	<p>Contracted work orders require secondary approval.</p>	
	<p>Contractors may be hired that are not County- preferred or for work that is not a necessity to meet County objectives.</p>	<p>Facility Manager submits a Requisition Form to Financial Services employees who communicate with the Purchasing Office to ensure proper vendor selection.</p>	
	<p>Funds may not be available for required projects.</p>	<p>1. Financial Services verifies the availability of funds for the project before approving the Requisition Form. 2. Financial Services regularly reviews budget to actuals reports, and informs management when they are low on budget funds.</p>	
	<p>The contractor could perform unnecessary work outside the scope of the agreement, resulting in the loss of County funds.</p>	<p>Any changes required by a contractor must be submitted in writing and approved by management.</p>	
	<p>Contractors are incorrectly paid for either substandard or incomplete work.</p>	<p>Financial Services requires management review of closed work order paperwork, inspection of the work performed for accuracy and completeness, and verification of the completion date before they will approve the invoice for payment.</p>	

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Fleet Management</p>	<p>1. County fuel cards are not adequately safeguarded, resulting in the loss of County funds, and/or 2. Access to County fuel pumps is not sufficiently restricted, resulting in the loss or misappropriation of County funds.</p>	<p>1. Authorization to become a County fuel card user or to gain access to County fill stations will not be granted without management approval from the employee's operational area. 2. Policy requires management to periodically review authorized fuel card users and County fill station users, and timely request deactivation when appropriate. 3. Fuel cards are placed in a locked location/safe when not in use. 4. A chain of custody form is used to document management authorization to use the fuel card and to track the movement of the card from the secured location to the employee and back. 5. Policy requires management review of trip receipts to determine if the County is entitled to reimbursement by the employee due to unauthorized use of the fuel card. 6. The timely submittal of fuel invoice approvals is required to avoid interest or late payment charges. 7. Policy requires monthly review and documented approval of County fill station fuel usage reports by operations management to verify reasonableness.</p>	<p>Low</p>
<p>Inventory - Facilities</p>	<p>Inventory items are susceptible to loss or theft due to insufficient barriers to physical access.</p>	<p>1. Only authorized personnel are allowed into the storage area. Entrances are protected by secured access points. 2. Policy requires employees to update, sign and date inventory logs when removing or returning/ replenishing items. 3. The quantity of inventory on hand is kept to short-term needs to provide limited exposure to theft.</p>	<p>Low</p>
	<p>The County pays for goods that have not been received.</p>	<p>All goods received are checked against the suppliers' packing slips/purchase orders before they are accepted and the packing slips signed.</p>	

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Procurement – Goods & Services</p>	<p>1. Grant or budget funds may not be available for required items or services. 2. Invalid purchase requests could lead to misuse of County funds for goods/services that do not contribute to County objectives.</p>	<p>An employee identifies the goods/services required, and completes a requisition form. A manager reviews the request and signs off.</p>	<p>Low</p>
	<p>The County pays for goods that have not been received, are damaged prior to receipt, or are not representative of the description provided by the vendor.</p>	<p>All goods received are checked against the suppliers' packing slips/purchase orders before they are accepted and the packing slips signed.</p>	
	<p>The vendor does not fill the order for goods/services within the necessary time frame or their delivery does not meet order specifications.</p>	<p>1. Evaluations are periodically completed to monitor vendor performance and address any concerns. 2. Supporting documentation for requests and any relevant vendor communication is maintained.</p>	

FINANCIAL SERVICES/ADMINISTRATION

MISSION AND OBJECTIVES

Financial Services/Administration is comprised of the following: Administration, Financial Services, General Counsel, and Support Services. Financial Services addresses the financial administration and management needed to ensure the proper levels of financial efficiency, compliance, analysis, coordination, and due diligence that is required by the Juvenile Probation Department. This functional area provides services to all of the Juvenile Probation Department's divisions and programs.

SIGNIFICANT ACTIVITIES

Budget administration - Coordinate and develop TCJPD's annual budget submission and presentation as well as perform ongoing budget-related monitoring, maintenance, and preparation of adjustments/transfers during the fiscal year.

Financial accounting, analysis and reporting - Provide technical analysis, assessment, and recommendations regarding the financial aspects of TCJPD programs, contracts, funds utilization, revenue and expenditure trends, and forecasting. In addition, process accounts payable and accounts receivable as well as develop business process improvements to reduce costs of goods and services.

Grant management - Coordinate and facilitate TCJPD grant revenue certifications, ongoing grant-related budget preparation, budget monitoring, accounting, adherence to reporting requirements and fiscal grants management throughout the grant life cycle.

Business processes and controls - Review, assess, and implement efficient and productive financial structures and processes which are in accordance with all applicable guidelines and standards, and consistent with prudent and accepted internal control practices.

Contract management - Monitor and assist with the structuring of financial terms of contracts; maintain an inventory of TCJPD contracts with defined key terms and conditions; assist with the contract renewal and procurement process; as well as assist with the coordination of Juvenile Board and Commissioner's Court contract-related actions.

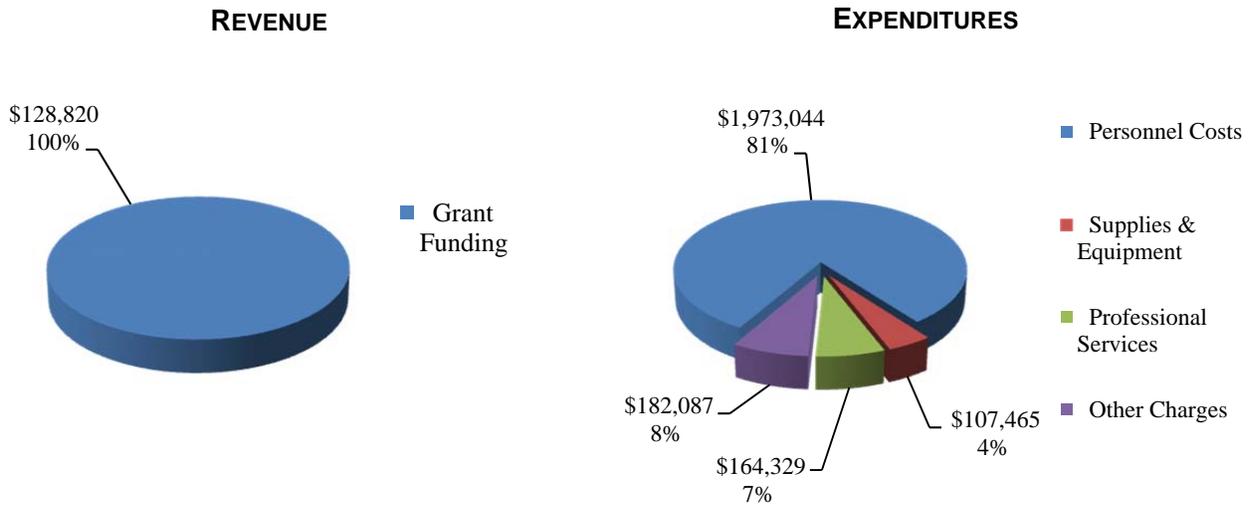
Audits - Assist with the preparation and coordination of activities/tasks pertaining to audits and reviews performed by grantor agencies, the County Auditor's Office, and other independent parties. Write management responses for review findings and audit comments.

Agenda items - Coordinate and disseminate information within TCJPD, and to other Travis County offices, in order to facilitate the placement of fiscal-impacting TCJPD items on the Commissioners' Court Agenda.

Purchasing - Procure supplies, equipment, and services for TCJPD in accordance with the County Purchasing Act. Process requests for payment for all invoices received from the vendors for the payment of goods and services.

FISCAL YEAR 2014 FINANCIAL DATA

During fiscal year 2014, Administration/Financial Services received \$128,820 in the form of grant funding. Personnel costs represented approximately 81% of their expenditures which totaled \$2,426,925. This functional area is funded 95% by the General Fund and 5% by grants. The details for their revenues and expenditures are provided below in graph form.



Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Accounts Payable & Disbursements</p>	<p>Lost, misplaced, or stolen checks may prevent a complete reconciliation of disbursements from being performed or lead to a loss of County funds as a result of misappropriation.</p>	<p>Physical access to checks is controlled through the use of a locked location or safe.</p>	<p>Low</p>
	<p>Sufficient documentation is not retained to substantiate the disbursements.</p>	<p>Employees are directed through training and/or policies and procedures to obtain appropriate documentation to support disbursements and retain it in the files.</p>	
	<p>Either: 1. Invalid accounts payable are fraudulently created for unauthorized or nonexistent payables; or 2. The payment directions on valid accounts are amended to misdirect funds.</p>	<p>The financial software limits the ability to make master file changes to authorized employees.</p>	
	<p>The County incurs a loss of funds as the result of: 1. Unauthorized checks clearing the bank, or 2. Legitimate checks clearing the bank for the wrong amount.</p>	<p>A “positive pay” file is uploaded to the bank reporting all checks approved and voided by dollar amount, date, and check number. All exceptions are reviewed and approved by a knowledgeable employee who did not issue the disbursements.</p>	
<p>Accounts Receivable</p>	<p>1. Invalid accounts receivable are fraudulently created for unauthorized or nonexistent receivables. 2. The payment directions on valid accounts are amended to misdirect funds.</p>	<p>1. The financial software limits the ability to make master file changes to authorized employees. 2. The financial software tracks master file changes by employee, making it possible to identify the person responsible for fraudulent transactions.</p>	<p>Low</p>
	<p>Either: 1. The amount due is not properly stated on the billing, or 2. Billings are not prepared and sent out within an appropriate time frame.</p>	<p>Billings are forwarded to operational employees who verify accuracy.</p>	
	<p>Fees are not collected from a juvenile defendant before they turn 18 years old.</p>	<p>An accounts receivable aging report is periodically prepared in order to determine which accounts are past due and initiate collection procedures.</p>	

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
Accounts Receivable (Cont'd)	Collection efforts are insufficient, resulting in a loss of County funds.	1. Open A/R balances are maintained according to County policies to increase the probability of collection. 2. Operational employees who regularly interact with parties owing money to the County are responsible for collecting accounts receivable. 3. Finance notifies operational management about past due amounts, requesting either the initiation or intensification of collection efforts.	Low
	Receipts are not completely recorded on the ledger.	Receipts are numerically ordered to allow for the identification of missing receipts in the accounting ledgers.	
Bank Reconciliations	1. The cash account is materially misstated in the general ledger and financial reports. 2. The County experiences a loss of funds as the result of failing to resolve reconciling bank items in a timely manner. 3. The loss or misappropriation of funds remains undisclosed.	There are policies and procedures requiring the following: 1. Bank accounts are timely reconciled on a monthly basis. 2. Bank errors are timely resolved with the bank and recorded in the general ledger. 3. Bank reconciliations are signed by the preparer and reviewer.	Medium
Cash Handling	The receipt process for funds collected is not sufficient to properly safeguard these funds.	1. Each walk-in customer is given a receipt when they make a payment. 2. A policy exists restricting the collection of funds to only those locations that have the ability to issue receipts. 3. Manual receipt numbers are tracked in the receipting software to facilitate cross-referencing. 4. Manual receipts are sequentially numbered and contain multiple copies. The cashier is required to issue receipts in numerical order. 5. Access to manual receipt books is restricted; manual receipt books are tracked and accounted for.	Low
	Funds received in the mail are vulnerable to theft or misappropriation.	1. All payments received in the mail are recorded on a mail log. 2. The employee who opens the mail and completes the mail log does not have access to the receipting software. 3. There are always two employees present when the incoming mail is opened.	

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Cash Handling (Cont'd)</p>	<p>Improper use of the void receipt function may lead to loss or misappropriation of funds collected.</p>	<p>When manual receipts are voided, all copies of the receipt are retained.</p>	<p>Low</p>
	<p>Incompatible duties may increase the likelihood of loss or misappropriation of funds on hand.</p>	<p>Because the employee preparing the deposit has cash receipting duties, a second employee is present when the deposit is being prepared. The second employee reviews the deposit for completeness and accuracy.</p>	
	<p>Funds on hand are susceptible to loss or misappropriation due to insufficient barriers to physical access.</p>	<p>1. Funds on hand are secured in a safe during non-business hours, and are reasonably secured during business hours. 2. All collections are deposited by the following business day.</p>	
	<p>The environment is not conducive to properly safeguarding funds collected from loss or misappropriation.</p>	<p>Daily reconciliations are performed to ensure funds on hand reconcile to system reports.</p>	
<p>Contract Management – ILA/Revenue</p>	<p>The interlocal agreement (ILA)/revenue contractor is not billed in accordance with one or more of the following: 1. Revenue contract rates 2. Commissioners' Court-approved rates 3. Statute</p>	<p>1. Semi-annually, the JJAEP Program Manager prepares a list of the discretionary expulsion students who attended for the semester and submits it to Financial Services for review and preparation of the school district invoices. 2. The revenue contract contains the pricing to be used when assessing fees. Either a new contract or amendments to the contract are made when pricing changes are required.</p>	<p>Medium</p>
	<p>Revenue contract fees are not remitted to the County in accordance with contract payment terms or applicable statute.</p>	<p>1. Employees monitor receivables and pursue collection of past due accounts by calling the contractor or sending/emailing collection letters. 2. There is a policy requiring monthly review of revenue accounts for lower than anticipated results, and swift action to collect amounts owed to the County.</p>	

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Contract Management – ILA/Revenue (Cont’d)</p>	<p>ILA/revenue contract reporting contains errors or incomplete information.</p>	<p>1. Copies of the JJAEP reports and vouchers are provided to Financial Services and the Auditor's Office for additional review. 2. Monthly status reports are generated and reviewed by the Financial Services Manager and the Chief of the Juvenile Probation Department.</p>	<p>Medium</p>
<p>Contract Management - Professional Services</p>	<p>1. The County disburses funds to a vendor for providing services to a juvenile offender without first obtaining court authorization as required by statute. 2. The Department exhausts their budget funds on professional services that do not meet County objectives, leaving insufficient funds for valid expenditures.</p> <p>The County contracts with a professional services vendor that is not the best fit in terms of price and/or performance.</p>	<p>Formal, documented policies and procedures exist for authorizing services prior to the request. The Service Authorization Form (SAF) is used for this purpose, and requires the following: 1. Supporting legal documents must be attached to the form. 2. A manager must sign the form indicating their approval. 3. The request for change order section of the form must be completed for status changes.</p> <p>1. The Travis County Purchasing Policies and Procedures Manual states that professional services can only be procured through the Request for Qualifications (RFQ) process. 2. Policies and procedures are in place for evaluating contractors before renewing their contracts.</p>	<p>High</p>

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Fixed Assets</p>	<p>Fixed assets are stolen, misplaced or damaged, resulting in a loss of County funds.</p>	<ol style="list-style-type: none"> 1. TCJPD employees attach an identification plate to each portable asset prior to placing them into service. The plate contains the asset number and declares it to be the property of Travis County. 2. TCJPD managers notify the Purchasing Office of changes in authorized user details for assets. Purchasing is responsible for making the changes in the SAP System. 3. The Purchasing Office sends a representative to each County office on an annual basis to perform an independent physical check of all assets assigned them. TCJPD provides an employee to assist with the inventory and be the liaison with Purchasing. 4. After performing the physical verification of the assets, Purchasing provides a list of assets that could not be located. The liaison reviews any discrepancies and reports back to Purchasing with findings. 	<p>Medium</p>
	<p>Fixed assets may be prematurely removed from service and/or misappropriated.</p>	<ol style="list-style-type: none"> 1. All fixed asset disposals must be approved by a TCJPD manager prior to warehousing. 2. TCJPD warehouse personnel verify the receipt and subsequent disposal of fixed assets, ensuring complete records are maintained. 	
	<p>Missing assets may be prematurely written off without taking sufficient steps to locate the missing assets, resulting in a loss of County funds to replace the assets.</p>	<ol style="list-style-type: none"> 1. The Travis County Fixed Asset Policy and Procedure Manual provides the required steps for writing-off missing assets. 2. Missing assets will not be written off without approval from a TCJPD manager. 3. After assets remain missing for three years, the Purchasing Office compiles a list of the missing assets and presents it to Commissioners Court for authorization to write off the assets. 	

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
Fleet Management	1. County fuel cards are not adequately safeguarded, resulting in the loss of County funds, and/or 2. Access to County fuel pumps is not sufficiently restricted, resulting in the loss or misappropriation of County funds.	1. Fuel cards are placed in a locked location/safe with Financial Services when not in use. 2. A chain of custody form is used to document management authorization to use the fuel card and to track the movement of the card from the secured location to the employee and back.	Low
General Ledger	1. Entries could be recorded without Accounting management knowledge to hide mistakes/wrong-doing, or 2. An inexperienced person could inadvertently make changes resulting in misstatement.	1. Access to the various sections of the accounting system is restricted through the use of logins and user groups. Only users within the general ledger user groups have input access to general ledger data through the system. 2. The staff is trained to refrain from sharing log-in details. In addition, the system requires passwords to be changed at least once every three months. 3. The County's policy requires employees to lock their workstations when they are absent from their desks. 4. Employees cannot post journal entries to the general ledger without first obtaining review and authorization by an employee who is superior in rank to them.	Medium
	Accruals and/or adjustments are not recorded in the general ledger, resulting in inaccurate reporting.	1. Accountants identify accrual/prepayment and other adjustments from: a) Their lists of standard accruals and prepayments required entries; and b) A review of detail budget variances at the end of the month.	
	Stale-dated checks are not addressed, resulting in the cash and corresponding payable balances being understated on the financial statements.	There are month-end closing procedures that address stale-dated checks as follows: 1. Determine if there are any checks that have gone uncashed for at least six months, and 2. Record an entry to reinstate the cash and payable accounts.	

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Grant Management</p>	<p>The County disburses funds for goods or services that will not be reimbursed by the grant.</p>	<p>1. Policies, procedures, and/or training protocols are in place for determining if a good or service will be reimbursed by a grant. 2. Authorization is provided by accounting personnel who are knowledgeable of the requirements for determining which costs are allowed by the grant. 3. Variances between expected and actual program expenditures are analyzed.</p>	<p>High</p>
	<p>Financial reports do not contain all grant expenditures to be reimbursed, resulting in a loss of County grant funds.</p>	<p>Supervisory review of financial reports to verify accuracy and completeness of data.</p>	
	<p>Financial and/or performance reports are not timely submitted to the grantor, resulting in the County not receiving reimbursement for grant expenditures.</p>	<p>Grant reporting deadlines are tracked and reported to staff. Reminder emails are sent to program coordinators, finance employees, and other users.</p>	
	<p>Assets purchased with grant funds are used for purposes other than the grant funded-program for which the assets were purchased.</p>	<p>Unique tags for grant-funded assets are placed on the assets to facilitate identification of these assets as being used for grant purposes only.</p>	
<p>Juvenile Property</p>	<p>The loss or theft of juvenile money and/or valuables results in the juvenile filing a claim with the County's Risk Management Department.</p>	<p>1. When a juvenile arrives at Intake, the assigned JPO lists the juvenile's personal items on an inventory form and both the JPO and the juvenile sign the form. When the valuables are returned to the juvenile, the form is signed again. 2. The assigned JPO places the juvenile's personal property in a locker assigned to the youth. If the youth has over \$20 and/or a cell phone, these valuables are placed in a safe.</p>	<p>Very Low</p>
<p>Procurement – Goods & Services</p>	<p>1. Grant or budget funds may not be available for required items or services. 2. Invalid purchase requests could lead to misuse of County funds for goods/services that do not contribute to County objectives.</p>	<p>An employee identifies the goods/services required, and completes a requisition form. A manager reviews the request and signs off.</p>	<p>Medium</p>
	<p>Court authorization to procure services on behalf of a defendant is not obtained.</p>	<p>A legal document providing court authorization to request services for a defendant must be attached to the request form.</p>	

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Procurement – Goods & Services (Cont’d)</p>	<p>The County pays for goods that have not been received, are damaged prior to receipt, or are not representative of the description provided by the vendor.</p>	<p>All goods received are checked against the suppliers' packing slips/purchase orders before they are accepted and the packing slips signed.</p>	<p>Medium</p>
	<p>The vendor does not fill the order for goods/services within the necessary time frame or their delivery does not meet order specifications.</p>	<p>1. Evaluations are periodically completed to monitor vendor performance and address any concerns. 2. Supporting documentation for requests and any relevant vendor communication is maintained.</p>	
<p>Program Management</p>	<p>Program benefits on hand, such as gift cards and bus passes, are lost or stolen.</p>	<p>1. Physical barriers are in place to prevent unauthorized access to gift cards and bus passes. 2. The acquisition and distribution of bus passes and gift cards are tracked through the use of logs and sign-offs.</p>	<p>High</p>
	<p>Clothing vouchers are lost or stolen, resulting in vouchers being fraudulently used for non-program purposes.</p>	<p>The distribution of vouchers and/or voucher booklets is tracked with logs and sign-offs.</p>	
	<p>Due to excessive delays in making payment or incorrect payments, the vendor drops their account with the County, resulting in the discontinuation of the voucher program.</p>	<p>1. Finance proactively requests invoices from the vendor after receiving receipts from voucher purchases. 2. When vendor invoices are received, they are logged to avoid duplicate payments.</p>	
<p>Reporting: External & Internal</p>	<p>Financial statements and reports contain errors, resulting in incorrect CAFR reporting and/or audit findings.</p>	<p>Supervisory review to verify the accuracy of financial statements and other reports submitted to the Auditor's Office is required.</p>	<p>Medium</p>
	<p>Internal management reports contain inaccurate information, resulting in errors in judgment and/or a loss of County funds.</p>	<p>1. Policy requires the preparer of internal management reports to verify the report data is in agreement with system reports. 2. Supervisory review of internal management reports to verify accuracy and completeness of data is required.</p>	
<p>Restitution (Court Functions)</p>	<p>1. Due to employee error, restitution is not disbursed to the entitled party named on the court order or voluntary restitution agreement. 2. Sufficient court documentation is not retained to substantiate the restitution disbursement.</p>	<p>The restitution checks, applicable transaction reports, and deposit support are reviewed by the Lead Financial Analyst who signs the transaction report. The checks and support are then forwarded to the authorized check signers for review and signature.</p>	<p>High</p>

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
Restitution (Court Functions) (Cont'd)	Restitution collections are not disbursed in a timely manner as required by statute.	Policy dictates that every Monday, all restitution funds received during the previous week are processed in QuickBooks for disbursement.	High
	1. Unclaimed restitution is not transferred to the Unclaimed Juvenile Restitution Fund in accordance with statutory requirements. 2. Notifications are not sent to the victim in accordance with the timetable set by statute.	A documented process is in place detailing how to properly handle restitution in accordance with statute.	
Revenue Generation	Court documents and filings are not maintained to support an assessment.	1. Finance will not assess fees in the accounts receivable software without a completed Account Information Form and proper supporting legal documentation. 2. Court Administration retains a copy of all court documents in their files.	Medium
	Fees are not assessed in accordance with statute.	Periodic review of changes to fee-creating statutes and legislative changes during sessions is performed. TCJPD has not been assessing fees required by statute that was adopted during 2007 and 2009. See the "Area of Concern" section of the report beginning on page 100.	
	Fees the court is required to assess in accordance with statute are incorrectly adjusted/waived.	1. Court Services is required to prepare a documented determination of indigence for all defendants. 2. Juvenile Court is required to provide a Ruling of Indigence prior to waiving statutorily-required fees.	

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Revenue Generation (Cont'd)</p>	<p>The uncollected balance of court-related fee assessments is incorrectly adjusted or waived.</p>	<p>1. Documentation is maintained for the adjustment/waiver of the uncollected balance of court-related fee assessments. 2. Documented judge approval is required for all adjustments/waivers of the uncollected balance of court-related fee assessments. 3. If the defendant is significantly delinquent in paying their court-related fees, a payment plan can be implemented if court authorization is obtained. 4. Policies and procedures are in place for the adjustment/waiver of the uncollected balance of court-related fee assessments.</p>	<p>Medium</p>
	<p>Cash receipts are incorrectly recorded in SAP.</p>	<p>Supervisory review of SAP cash receipt entries to verify accuracy and agreement with supporting documentation is required.</p>	
	<p>TCJPD does not comply with the statutory deadline for fee remittance to the Treasurer.</p>	<p>Policy requires the deposit/remittance of collections on the business day after receipt.</p>	
<p>Special Revenue Funds</p>	<p>Special revenue funds are inappropriately disbursed, resulting in a violation of statute and/or contractual requirements.</p>	<p>1. Potential payments are reviewed to ensure compliance with statute and/or legal requirements by both the Program Administrator and Financial Services staff. Signature authorization is provided for both reviews.</p>	<p>Medium</p>
	<p>Statutory report and/or audit requirements are not met.</p>	<p>Management stays up-to-date on statutory requirements, including statutory changes, and meets those requirements as appropriate.</p>	

FOOD SERVICES

MISSION AND OBJECTIVES

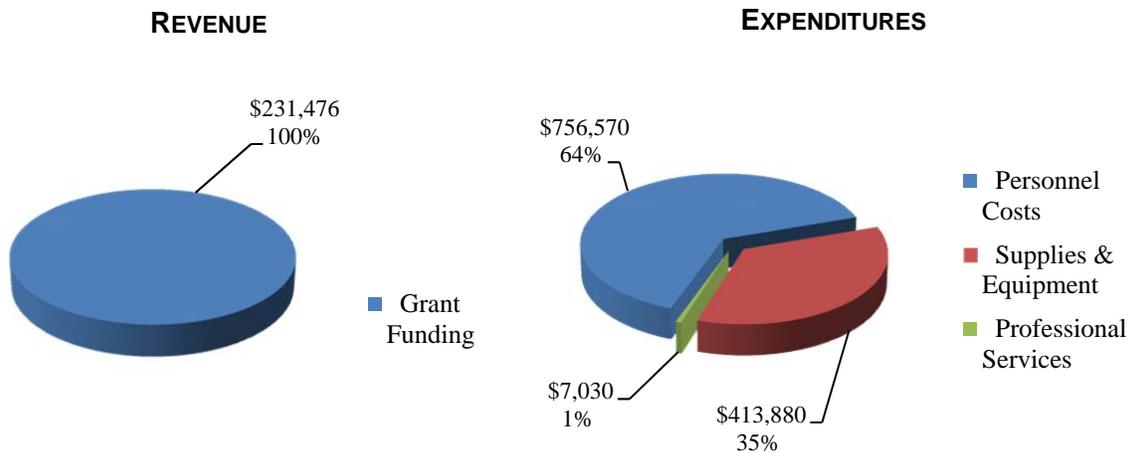
The Food Services Division ensures that all meals provided to the juveniles in the facility meet the dietary requirements of the United States Department of Agriculture (USDA) for school breakfast, lunch and dinner. They also make sure these meals are served in a timely and consistent fashion.

SIGNIFICANT ACTIVITIES

- Create weekly menus that comply with the National School Lunch Program grant requirements while addressing the special dietary needs of some juveniles. A contracted dietician assists with this process.
- Perform weekly inventories of food items and create shopping lists for purchasing needed items from local contracted vendors or through the Purchasing Office.
- Maximize the use of USDA commodities to purchase food items at a reduced cost whenever possible.
- Prepare and serve three meals and two snacks on a daily basis.
- Use the Nutrikids POS System to track the details of meals served to be used for grant reimbursement.
- Generate documentation to support the financial report submitted for grant reimbursement.

FISCAL YEAR 2014 FINANCIAL DATA

During fiscal year 2014, Food Services received \$231,476 in the form of grant funding. Personnel costs represented approximately 64% of their expenditures which totaled \$1,177,480. This functional area is funded 80% by the General Fund and 20% by grants. The details for their revenues and expenditures are provided below in graph form.



Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Grant Management</p>	<p>Juvenile meals do not meet grant eligibility criteria and the County loses grant fund reimbursement.</p>	<p>The procedure for meal planning is to use the Food Buying Guide to ensure grant compliance. It is used as the basis for preparing the food production record which is used to substantiate grant claims during grantor audits.</p>	<p>Low</p>
	<p>Financial reports contain inaccurate balances, resulting in an audit finding.</p>	<p>The juvenile's PID number is entered into the Nutrikids POS system when the meal is served. Monthly, a POS-generated report and a master list of juvenile names are used as support for the financial report for grant reimbursement.</p>	
	<p>Performance reports are not timely submitted to the grantor, resulting in the County not receiving reimbursement for grant expenditures.</p>	<p>Grant performance reporting deadlines are tracked and reported to staff. Reminder emails are sent to program coordinators, finance employees, and other users.</p>	
<p>Inventory - Food Services</p>	<p>Inventory items are susceptible to loss or theft due to insufficient barriers to physical access.</p>	<p>1. Every Sunday the Food Services Kitchen Supervisor performs a complete inventory and documents the results on an inventory form. 2. No more than two weeks supply is held at any given time. The Food Services Manager reviews the inventory form and uses it to create the list of items to be ordered. 3. Only authorized personnel are allowed into the storage area. Entrances are protected by secured access points. 4. Employee inventory roles are adequately segregated.</p>	<p>Low</p>
	<p>The County pays for goods that have not been received.</p>	<p>All goods received are checked against the suppliers' packing slips/purchase orders before they are accepted, and the packing slips are signed.</p>	
<p>Procurement – Goods & Services</p>	<p>1. Grant or budget funds may not be available for required items or services. 2. Invalid purchase requests could lead to misuse of County funds for goods/services that do not contribute to County objectives.</p>	<p>An employee identifies the goods/services required, and completes a requisition form. A manager reviews the request and signs off.</p>	<p>Low</p>
	<p>The County pays for goods that have not been received, are damaged prior to receipt, or are not representative of the description provided by the vendor.</p>	<p>All goods received are checked against the suppliers' packing slips/purchase orders before they are accepted and the packing slips signed.</p>	

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
Procurement – Goods & Services (Cont’d)	The vendor does not fill the order for goods/services within the necessary time frame or their delivery does not meet order specifications.	1. Evaluations are periodically completed to monitor vendor performance and address any concerns. 2. Supporting documentation for requests and any relevant vendor communication is maintained.	Low

HEALTH SERVICES

MISSION AND OBJECTIVES

Health Services has three divisions: Assessment, Medical Services, and Treatment & Counseling. These divisions are responsible for ensuring quick response to health issues, psychological assessment needs, and treatment necessities

SIGNIFICANT ACTIVITIES

Assessment Services

The Assessment Services Division administers mental health and substance use assessments to juveniles. In addition, they are responsible for the following activities:

- Conduct psychological evaluations with staff and/or contract providers.
- Facilitate juvenile anger management and family violence intervention groups.
- Offer consultation and training to TCJPD staff.

Medical

The Medical Division provides the following assistance to juveniles in Detention and Residential Services:

- *Medical Services* - Perform medical assessments upon admission as well as provide healthcare services such as preventative health education, dental assessments, psychiatric evaluations, and follow-up.
- *Sick Call* - Assess all juveniles who complain of being sick and/or request medical attention. Provide treatment by a nurse in accordance with standing orders. Juveniles needing follow-up care are given an appointment to see the physician during clinic hours.
- *Medication/Treatment Administration* - Give medication prescribed by the physicians and dentist to the juveniles.
- *Out-patient Services* - Ensure that all juveniles receive coordinated care with outside providers as well as continued clinical follow-up for continuity of care.

Treatment & Counseling

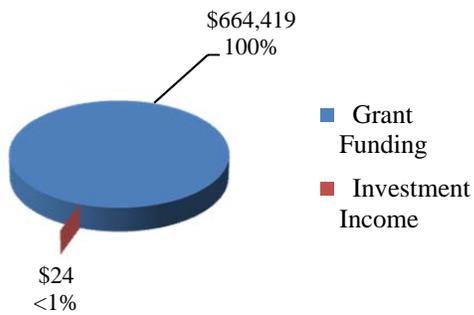
The Treatment & Counseling Division provides the following services to juveniles residing in Detention and Residential as well as juveniles receiving day treatment and aftercare services:

- Address relapse and recidivism prevention while assisting youth in the development of pro-social and problem solving skills.
- The program's licensed psychologists, licensed counselors, and group leaders utilize highly structured cognitive behavioral interventions that focus on cognitive self-change, community responsibility, and the development of adaptive interpersonal and emotional coping skills.
- Provide individual, group, and family therapy; brief crisis intervention; parenting skills education; substance abuse education and treatment; sexual behavior treatment; and individualized treatment and aftercare planning.

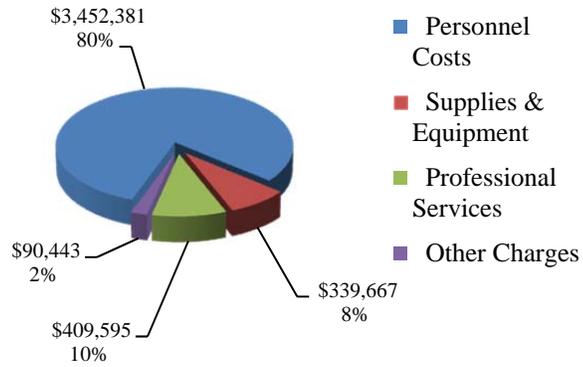
FISCAL YEAR 2014 FINANCIAL DATA

During fiscal year 2014, revenue for Health Services totaled \$664,443 and consisted almost entirely of grant funding. Personnel costs represented approximately 80% of their expenditures which totaled \$4,292,086. Although Medical Services is 100% funded by the General Fund, Assessment Services and Treatment & Counseling are funded 90% and 63%, respectively, by the General Fund. The details for their revenues and expenditures are provided below in graph form.

REVENUE



EXPENDITURES



Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Contract Management - Professional Services</p>	<p>1. The County disburses funds to a vendor for providing services to a juvenile offender without first obtaining court authorization as required by statute. 2. The Department exhausts their budget funds on professional services that do not meet County objectives, leaving insufficient funds for valid expenditures.</p>	<p>Formal, documented policies and procedures exist for authorizing services prior to the request. The Service Authorization Form (SAF) is used for this purpose, and requires the following: 1. Supporting legal documents must be attached to the form. 2. A manager must sign the form indicating their approval. 3. The request for change order section of the form must be completed for status changes.</p>	<p>Very High</p>
	<p>Fraud, errors, or misuse of contracted professional services occurs, resulting in the loss of County funds.</p>	<p>1. The gatekeeper/point of contact is the only authorized employee to request services from the contractor. 2. Only requests for services made on a properly completed and authorized referral form are accepted.</p>	
	<p>The County contracts with a professional services vendor that is not the best fit in terms of price and/or performance.</p>	<p>1. The Travis County Purchasing Policies and Procedures Manual states that professional services can only be procured through the Request for Qualifications (RFQ) process. 2. Policies and procedures are in place for evaluating contractors before renewing their contracts.</p>	
	<p>A professional services contractor's poor performance goes uncorrected due to inadequate monitoring.</p>	<p>1. The contract requires reporting of performance measures by the contractor. County operational employees review the contractors' reports and address concerns. 2. The contract requires detailed monthly reporting of services provided. The gatekeeper addresses invoice concerns, and the Division Director handles performance concerns reported by the gatekeeper. 3. County employees go on site-monitoring visits to perform safety checks, interview juveniles, and verify that law enforcement is consistently notified of runaways. Concerns are documented and provided to the Division Director and Deputy Chief.</p>	

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
Contract Management - Professional Services (Cont'd)	Invoices that contain pricing errors or charges for services not rendered are paid, resulting in a loss of County funds.	<ol style="list-style-type: none"> 1. The gatekeeper/point of contact tracks services received and verifies invoice accuracy. 2. The Division Director's review and approval is required. 	Very High
Grant Management	An ineligible participant receives benefits due to a County employee's error in judgment.	<ol style="list-style-type: none"> 1. Eligibility objectives and procedures clearly communicated to employees. 2. Supervisory approval is required for eligibility determinations. 	Medium
	The County disburses funds for goods or services that will not be reimbursed by the grant.	<ol style="list-style-type: none"> 1. Policies, procedures, and/or training protocols are in place for determining if a good or service will be reimbursed by a grant. 2. Disbursement of grant funds requires pre-authorization, including documented approval by the Casework Manager. 3. Authorization is provided by accounting personnel who are knowledgeable of the requirements for determining which costs are allowed by the grant. 4. Variances between expected and actual program expenditures are analyzed. 	
Inventory - Health Services	Medication is susceptible to loss or theft due to insufficient tracking, segregation of duties, or barriers to physical access.	<ol style="list-style-type: none"> 1. All medications are subject to regular inventory counts and comparison to the medicine log book. Differences are noted and investigated. The results are reviewed and approved by a manager. 2. Only authorized personnel are allowed into the medicine storage area. Entrances are protected by secured access points. 3. Nurses record the delivery of medications in the medicine log book, and document when medications are a) dispensed to juveniles, or b) sent to Del Valle for incineration. 4. The quantity of inventory on hand is kept to short-term needs to provide limited exposure to theft. 	Very High
	Juvenile Probation pays for medication that was either not ordered or was not received.	All medications received are checked against the pharmacy's supporting documentation before they are accepted and the delivery slip is signed.	
	Unused or expired medications remain onsite after the juvenile is released in violation of regulations and contractual obligations.	Policies and procedures for the proper disposal of medications are in place.	

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Procurement – Goods & Services</p>	<p>1. Grant or budget funds may not be available for required items or services. 2. Invalid purchase requests could lead to misuse of County funds for goods/services that do not contribute to County objectives.</p>	<p>An employee identifies the goods/services required, and completes a requisition form. A manager reviews the request and signs off.</p>	<p>Medium</p>
	<p>Court authorization to procure services on behalf of a defendant is not obtained.</p>	<p>A legal document providing court authorization to request services for a defendant must be attached to the request form.</p>	
	<p>The County pays for goods that have not been received, are damaged prior to receipt, or are not representative of the description provided by the vendor.</p>	<p>All goods received are checked against the suppliers' packing slips/purchase orders before they are accepted and the packing slips signed.</p>	
	<p>The vendor does not fill the order for goods/services within the necessary time frame or their delivery does not meet order specifications.</p>	<p>1. Evaluations are periodically completed to monitor vendor performance and address any concerns. 2. Supporting documentation for requests and any relevant vendor communication is maintained.</p>	

HUMAN RESOURCES

MISSION AND OBJECTIVES

Human Resources & Staff Development assesses TCJPD processes as they relate to human resources, and develops and implements processes to ensure compliance with applicable employment laws as well as TCJPD policies/procedures.

SIGNIFICANT ACTIVITIES

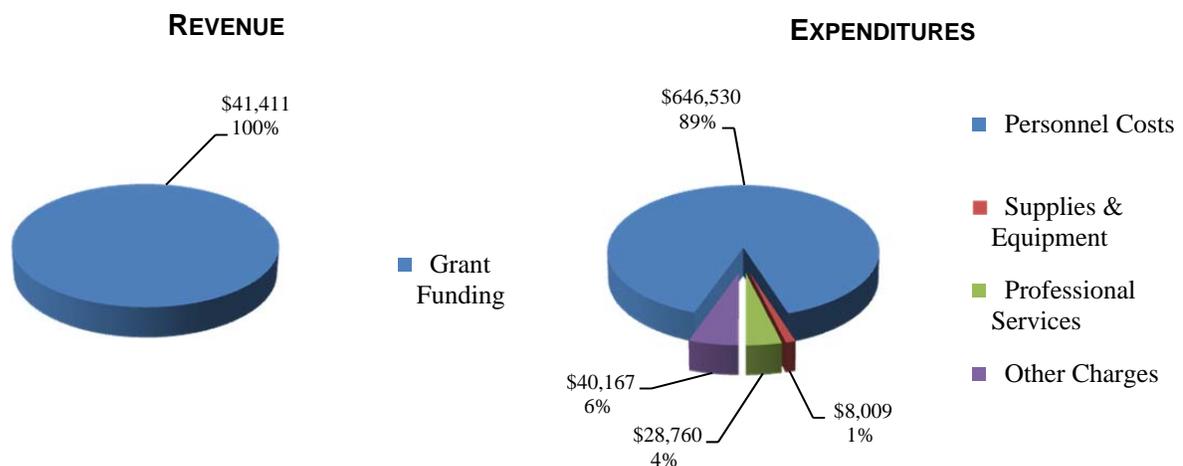
Personnel Services - Coordinate activities with the County Human Resources Management Department and provide a consistent method for maintaining employee records as well as processing personnel actions, and worker compensation claims. Consult with TCJPD personnel regarding employee relations issues; make recommendations and participate in activities for reaching TCJPD strategic goals; manage TCJPD's recruiting and retention efforts; and the employee performance management process, as well as serve as a liaison with outside agencies and the public.

Staff Development - Manage and facilitate training needed to meet the requirements of the Texas Juvenile Probation Commission and other standards as well as identified staff needs.

Volunteer/Intern Services - Provide standard, efficient mechanism for obtaining, approving, and assigning volunteers; for addressing miscellaneous inquiries and requests for information; as well as for coordinating facility tours.

FISCAL YEAR 2014 FINANCIAL DATA

During fiscal year 2014, Human Resources received \$41,411 in the form of grant funding. Personnel costs represented approximately 89% of their expenditures which totaled \$723,466. The details for their revenues and expenditures are provided below in graph form.



Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Contract Management - Professional Services</p>	<p>1. The County disburses funds to a vendor for providing services to a juvenile offender without first obtaining court authorization as required by statute. 2. The Department exhausts their budget funds on professional services that do not meet County objectives, leaving insufficient funds for valid expenditures.</p>	<p>Formal, documented policies and procedures exist for authorizing services prior to the request. The Service Authorization Form (SAF) is used for this purpose, and requires the following: 1. Supporting legal documents must be attached to the form. 2. A manager must sign the form indicating their approval. 3. The request for change order section of the form must be completed for status changes.</p>	<p>Low</p>
	<p>Fraud, errors, or misuse of contracted professional services occurs, resulting in the loss of County funds.</p>	<p>1. The gatekeeper/point of contact is the only authorized employee to request services from the contractor. 2. Only requests for services made on a properly completed and authorized referral form are accepted.</p>	
	<p>The County contracts with a professional services vendor that is not the best fit in terms of price and/or performance.</p>	<p>1. The Travis County Purchasing Policies and Procedures Manual states that professional services can only be procured through the Request for Qualifications (RFQ) process. 2. Policies and procedures are in place for evaluating contractors before renewing their contracts.</p>	
	<p>A professional services contractor's poor performance goes uncorrected due to inadequate monitoring.</p>	<p>1. The contract requires reporting of performance measures by the contractor. County operational employees review the contractors' reports and address concerns. 2. The contract requires detailed monthly reporting of services provided. The gatekeeper addresses invoice concerns, and the Division Director handles performance concerns reported by the gatekeeper. 3. County employees go on site-monitoring visits to perform safety checks, interview juveniles, and verify that law enforcement is consistently notified of runaways. Concerns are documented and provided to the Division Director and Deputy Chief.</p>	

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
Contract Management - Professional Services (Cont'd)	Invoices that contain pricing errors or charges for services not rendered are paid, resulting in a loss of County funds.	1. The gatekeeper/point of contact tracks services received and verifies invoice accuracy. 2. The Division Director's review and approval is required.	Low
Procurement – Goods & Services	1. Grant or budget funds may not be available for required items or services. 2. Invalid purchase requests could lead to misuse of County funds for goods/services that do not contribute to County objectives.	An employee identifies the goods/services required, and completes a requisition form. A manager reviews the request and signs off.	Low
	The County pays for goods that have not been received, are damaged prior to receipt, or are not representative of the description provided by the vendor.	All goods received are checked against the suppliers' packing slips/purchase orders before they are accepted and the packing slips signed.	
	The vendor does not fill the order for goods/services within the necessary time frame or their delivery does not meet order specifications.	1. Evaluations are periodically completed to monitor vendor performance and address any concerns. 2. Supporting documentation for requests and any relevant vendor communication is maintained.	

IT/PLANNING & RESEARCH

MISSION AND OBJECTIVES

Information Technology (IT)/Planning & Research seeks to provide effective and consistent support regarding administrative matters, by coordinating with other County offices, the Juvenile Board, the Texas Juvenile Probation Commission (TJPC), and other governmental entities, for the benefit of the Juvenile Probation Department and its clients.

SIGNIFICANT ACTIVITIES

Research and Evaluation - Research, analyze, and evaluate information/programs as well as report statistics to the Department, State, and other entities.

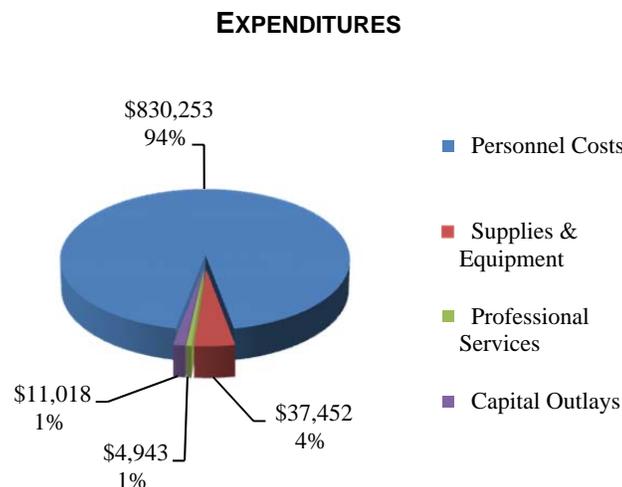
Systems Support Services - Evaluate, plan, support, and liaise with the County Information Technology Services Department (ITS) to ensure all computer and network needs are addressed, including project planning and software implementation.

Data Management - Provide evaluation, project planning, program development, and support services. Liaise with TCJPD staff, grantors, and the TJPC to ensure all juvenile case data is maintained according to grantor and TJPC reporting standards. Develop internal business processes.

Grants Administration - Research, coordinate, and facilitate TCJPD grant applications, contracts, and revenue certifications as well as perform ongoing grant-related monitoring, maintenance, and reporting.

FISCAL YEAR 2014 FINANCIAL DATA

During fiscal year 2014, personnel costs for IT/Planning & Research represented approximately 94% of their expenditures which totaled \$883,666. This functional area is 100% funded by the General Fund. The details for their expenditures are provided below in graph form.



Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Contract Management - Professional Services</p>	<p>The County contracts with a professional services vendor that is not the best fit in terms of price and/or performance.</p>	<p>1. The Travis County Purchasing Policies and Procedures Manual states that professional services can only be procured through the Request for Qualifications (RFQ) process. 2. Policies and procedures are in place for evaluating contractors before renewing their contracts.</p>	<p>Low</p>
	<p>Invoices that contain pricing errors or charges for services not rendered are paid, resulting in a loss of County funds.</p>	<p>1. The gatekeeper/point of contact tracks services received and verifies invoice accuracy. 2. The Division Director's review and approval is required.</p>	
<p>Fixed Assets</p>	<p>Loaner computers and/or related equipment are stolen, misplaced, or damaged, resulting in a loss of County funds.</p>	<p>1. Juvenile Probation's IT staff maintains a log to track the movement of loaner computer hardware, laptops, and other computer accessories. 2. Access to the inventory of loaner computer equipment is restricted.</p>	<p>Very Low</p>
<p>Grant Management</p>	<p>Performance reporting is not accurate and/or in agreement with supporting documentation, resulting in difficulties with the grantor.</p>	<p>1. Policy requires an independent review of performance reports to verify report accuracy and conformance to reporting requirements. 2. Independent audits of program data provided by program coordinators are required to ensure accuracy and compliance with grant requirements.</p>	<p>Medium</p>
	<p>Performance reports are not timely submitted to the grantor, resulting in the County not receiving reimbursement for grant expenditures.</p>	<p>Grant performance reporting deadlines are tracked and reported to staff. Reminder emails are sent to program coordinators, finance employees, and other users.</p>	
	<p>The County sustains losses due to sabotage, vandalism, destruction of networks, and/or computer processing centers.</p>	<p>1. There are formal, documented policies and procedures that require staff to perform the following IT-related actions in a timely manner: requesting, establishing, issuing, suspending and closing user accounts. 2. Policies and procedures are in place to ensure that an employee, contractor or third party user's exit from the organization is managed and that the return of all equipment and the removal of all access rights are carried out.</p>	

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Information Technology & Information Systems</p>	<p>The number of software licenses owned by the County are inappropriate due to one or more of the following:</p> <ol style="list-style-type: none"> 1. The County has not purchased licenses for software installed by employees on their County-owned computers. 2. The County does not renew software licenses when they expire and employees continue to use the software. 3. Too many software licenses were purchased, resulting in a loss of County funds. 	<p>TCJPD's Systems Support Division maintains a software license tracking log in Excel which maps the software to the employee using it. It also tracks changes such as the replacement or transfer of software licenses.</p>	<p>Medium</p>
	<p>Unauthorized users gain access to secure areas of TCJPD containing County IT equipment, confidential information, or fixed assets, resulting in data breaches, and/or financial losses to the County.</p>	<ol style="list-style-type: none"> 1. A security plan has been implemented which protects the facility with appropriate controls to ensure that only authorized personnel are allowed access to the facility, to remove equipment from the facility, and to repair and/or modify physical components of the facility. 2. A proper contingency plan is in place for permitting and enabling physical access to alternate authorized individuals in the event the primary person is unable to perform their duties. 3. All visitors are identified and only allowed into private areas with appropriate level of escort. 	
<p>Procurement – Goods & Services</p>	<ol style="list-style-type: none"> 1. Grant or budget funds may not be available for required items or services. 2. Invalid purchase requests could lead to misuse of County funds for goods/services that do not contribute to County objectives. 	<p>An employee identifies the goods/services required, and completes a requisition form. A manager reviews the request and signs off.</p>	<p>Low</p>
	<p>The County pays for goods that have not been received, are damaged prior to receipt, or are not representative of the description provided by the vendor.</p>	<p>All goods received are checked against the suppliers' packing slips/purchase orders before they are accepted and the packing slips signed.</p>	

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
Procurement – Goods & Services (Cont’d)	The vendor does not fill the order for goods/services within the necessary time frame or their delivery does not meet order specifications.	1. Evaluations are periodically completed to monitor vendor performance and address any concerns. 2. Supporting documentation for requests and any relevant vendor communication is maintained.	Low

JJAEP

MISSION AND OBJECTIVES

The Juvenile Justice Alternative Education Program (JJAEP) serves students aged 10-17 years of age who are expelled from Travis County school districts and meet the criteria outlined in Chapter 37 of the Texas Education Code. The goals of the program are to provide an effective education program and improve behavioral and academic performance.

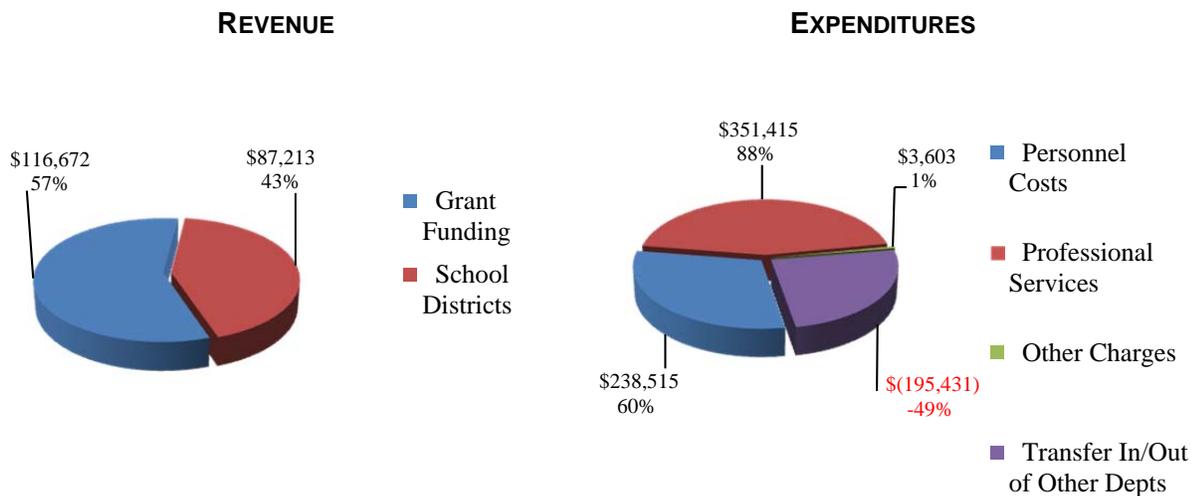
SIGNIFICANT ACTIVITIES

- JJAEP employs a holistic approach in working with juveniles. This includes utilization of a behavior modification classroom, inclusion of families in the behavior modification process, as well as a behavior-based and level of achievement system which increases motivation for learning.
- The students’ academic goals are addressed via the structured classroom setting, related curriculum, and academic progression aimed at achieving success and working toward appropriate grade levels.
- Therapeutic goals are achieved through the completion of assessments by a program therapist, as well as daily group, individual, and family counseling.
- Rehabilitation goals are achieved through the use of individual counseling, competency groups, field trips, and guest speakers.
- JJAEP offers transitional planning and assistance which provides for students’ needs both upon entering the program, and upon their return to their home schools.

FISCAL YEAR 2014 FINANCIAL DATA

During fiscal year 2014, JJAEP received revenues totaling \$203,885 which consisted of \$116,672 in grant funds and \$87,213 in program funds provided by school districts. Funds received for executing the JJAEP Program are special revenue funds that may only be expended for JJAEP Program purposes (Section 37.012, Education Code, and interlocal agreements with school districts).

Professional services and personnel costs represented approximately 88% and 60%, respectively, of expenditures which totaled \$398,102. This total for expenditures is net of a transfer from Truancy Court of \$195,431. JJAEP is funded by the General Fund 53%, a grant 25%, and special revenue funds 22%. The details for their revenues and expenditures are provided below in graph form.



Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Contract Management – ILA/Revenue</p>	<p>The interlocal agreement (ILA)/revenue contractor is not billed in accordance with one or more of the following:</p> <ol style="list-style-type: none"> 1. Revenue contract rates 2. Commissioners' Court-approved rates 3. Statute 	<ol style="list-style-type: none"> 1. The TJJD requires the use of their attendance vouchers for the monthly billing of mandatory expulsion students. 2. New revenue contracts are created on an annual basis and provide the rates to be charged. 3. JJAEP's discretionary expulsion students who have been expelled for a Title V offense are billed at a higher rate. The JJAEP obtains a law enforcement report as supporting documentation of the offense. 4. Semi-annually, the JJAEP Program Manager prepares a list of the discretionary expulsion students who attended for the semester and submits it to Financial Services for review and preparation of the school district invoices. 	<p>Medium</p>
	<p>JJAEP revenue is not remitted to the County in accordance with contract payment terms or applicable statute.</p>	<ol style="list-style-type: none"> 1. Employees monitor receivables and pursue collection of past due accounts by calling the contractor or sending/ emailing collection letters. 2. There is a policy requiring monthly review of revenue accounts for lower than anticipated results, and swift action to collect amounts owed to the County. 	
	<p>ILA/revenue contract reporting contains errors or incomplete information.</p>	<ol style="list-style-type: none"> 1. JJAEP students are required to sign in every day they are in attendance. The Administrative Assistant uses the sign-in sheets as supporting documentation for the preparation of the monthly attendance spreadsheet which is used for revenue contract reporting and invoicing. 2. The JJAEP Program Manager verifies the accuracy of the attendance spreadsheet and submits it to TJJD with the monthly online attendance reports and vouchers. 3. Copies of the reports and vouchers are provided to Financial Services and the Auditor's Office for additional review. 4. Monthly status reports are generated and reviewed by the Financial Services Manager and the Chief of the Juvenile Probation Department. 	

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Contract Management - Professional Services</p>	<p>1. The County disburses funds to a vendor for providing services to a juvenile offender without first obtaining court authorization as required by statute. 2. The Department exhausts their budget funds on professional services that do not meet County objectives, leaving insufficient funds for valid expenditures.</p>	<p>Formal, documented policies and procedures exist for authorizing services prior to the request. The Service Authorization Form (SAF) is used for this purpose, and requires the following: 1. Supporting legal documents must be attached to the form. 2. A manager must sign the form indicating their approval. 3. The request for change order section of the form must be completed for status changes.</p>	<p>Medium</p>
	<p>Fraud, errors, or misuse of contracted professional services occurs, resulting in the loss of County funds.</p>	<p>1. The gatekeeper/point of contact is the only authorized employee to request services from the contractor. 2. Only requests for services made on a properly completed and authorized referral form are accepted.</p>	
	<p>The County contracts with a professional services vendor that is not the best fit in terms of price and/or performance.</p>	<p>1. The Travis County Purchasing Policies and Procedures Manual states that professional services can only be procured through the Request for Qualifications (RFQ) process. 2. Policies and procedures are in place for evaluating contractors before renewing their contracts.</p>	
	<p>A professional services contractor's poor performance goes uncorrected due to inadequate monitoring.</p>	<p>1. The contract requires reporting of performance measures by the contractor. County operational employees review the contractors' reports and address concerns. 2. The contract requires detailed monthly reporting of services provided. The gatekeeper addresses invoice concerns, and the Division Director handles performance concerns reported by the gatekeeper. 3. County employees go on site-monitoring visits to perform safety checks, interview juveniles, and verify that law enforcement is consistently notified of runaways. Concerns are documented and provided to the Division Director and Deputy Chief.</p>	

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
Contract Management - Professional Services (Cont'd)	Invoices that contain pricing errors or charges for services not rendered are paid, resulting in a loss of County funds.	1. The gatekeeper/point of contact tracks services received and verifies invoice accuracy. 2. The Division Director's review and approval is required.	Medium
Grant Management	The County disburses funds for goods or services that will not be reimbursed by the grant.	1. Policies, procedures, and/or training protocols are in place for determining if a good or service will be reimbursed by a grant. 2. Disbursement of grant funds requires pre-authorization, including documented approval by the Casework Manager. 3. Authorization is provided by accounting personnel who are knowledgeable of the requirements for determining which costs are allowed by the grant. 4. Variances between expected and actual program expenditures are analyzed.	Low
	Grant financial and/or performance reports are not timely submitted to the grantor, resulting in the County not receiving reimbursement for grant expenditures.	Grant reporting deadlines are tracked and reported to staff. Reminder emails are sent to program coordinators, finance employees, and other users.	
	Financial reports do not contain all grant expenditures to be reimbursed, resulting in a loss of County grant funds.	Supervisory review of financial reports to verify accuracy and completeness of data.	
	The County receives an audit finding as the result of being unable to provide supporting documentation for their grant financial reports.	A checklist of required supporting documentation must be completed and included in the file along with the documents.	
Procurement – Goods & Services	1. Grant or budget funds may not be available for required items or services. 2. Invalid purchase requests could lead to misuse of County funds for goods/services that do not contribute to County objectives.	An employee identifies the goods/services required, and completes a requisition form. A manager reviews the request and signs off.	Low
	Court authorization to procure services on behalf of a defendant is not obtained.	A legal document providing court authorization to request services for a defendant must be attached to the request form.	

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Procurement – Goods & Services (Cont’d)</p>	<p>The County pays for goods that have not been received, are damaged prior to receipt, or are not representative of the description provided by the vendor.</p>	<p>All goods received are checked against the suppliers' packing slips/purchase orders before they are accepted and the packing slips signed.</p>	<p>Low</p>
	<p>The vendor does not fill the order for goods/services within the necessary time frame or their delivery does not meet order specifications.</p>	<p>1. Evaluations are periodically completed to monitor vendor performance and address any concerns. 2. Supporting documentation for requests and any relevant vendor communication is maintained.</p>	
<p>Program Management</p>	<p>1. An ineligible participant receives benefits due to a County employee's error in judgment, and/or 2. Program benefits are incorrectly computed and distributed.</p>	<p>Independent review and signature approval of program eligibility and benefit determinations are required.</p>	<p>Medium</p>
	<p>Gift cards, bus passes, etc.: Program benefits, such as gift cards and bus passes, are lost or stolen.</p>	<p>1. Physical barriers are in place to prevent unauthorized access to gift cards and bus passes. 2. The acquisition and distribution of bus passes and gift cards are tracked through the use of logs and sign-offs.</p>	
	<p>Clothing vouchers: Vouchers are used to purchase items or services not covered by the program.</p>	<p>The voucher is given to a County employee who will make purchases on behalf of the client. The voucher is never given to the client.</p>	
	<p>Due to excessive delays in making payments, the vendor drops their account with the County resulting in the discontinuation of the voucher program.</p>	<p>Employees are required to adhere to a deadline for submitting receipts after making purchases with vouchers.</p>	
	<p>Vouchers are lost or stolen, resulting in vouchers being fraudulently used for non-program purposes.</p>	<p>1. The acquisition and distribution of vouchers are tracked with logs and sign-offs. 2. The client’s personal identification number (PID) is written on the voucher documents before distribution to the employee making purchases.</p>	

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Special Revenue Funds</p>	<p>Special revenue funds are inappropriately disbursed, resulting in a violation of statute and/or contractual requirements.</p>	<p>1. Potential payments are reviewed to ensure compliance with statute and/or legal requirements by both the Program Administrator and Financial Services staff. Signature authorization is provided for both reviews. 2. There is a semi-annual meeting with the JJAEP Cooperative where expenditures and budget changes are discussed. The Co-Op makes the decisions about whether or not JJAEP funds can be expended in that manner.</p>	<p>Low</p>
	<p>Statutory report and/or audit requirements are not met.</p>	<p>Management stays up-to-date on statutory requirements, including statutory changes, and meets those requirements as appropriate.</p>	

MENTAL HEALTH COURT

MISSION AND OBJECTIVES

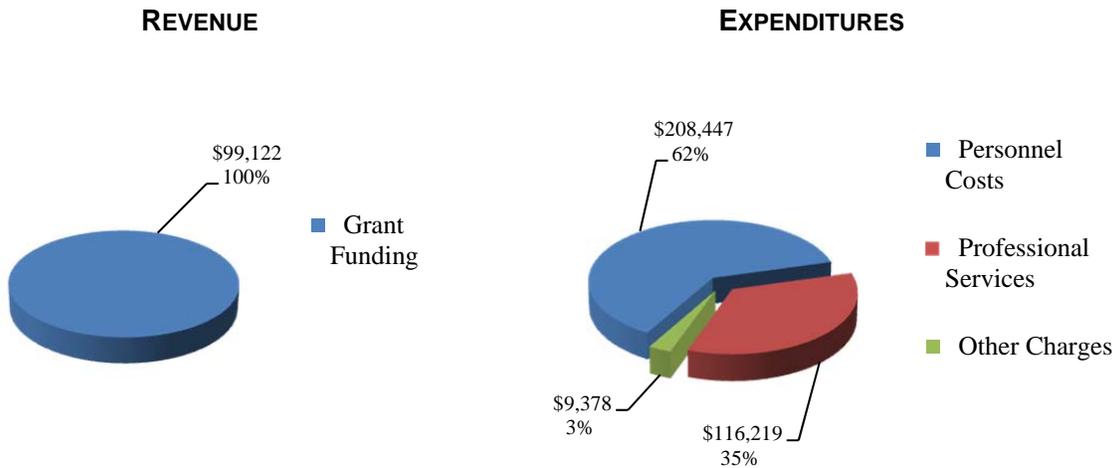
The Juvenile Mental Health Court/Collaborative Opportunities for Positive Experiences (COPE) Program serves pre-adjudicated juveniles who have a mental health diagnosis. The goals of the program are to divert juveniles with mental health diagnoses from adjudication, ensure they receive the necessary services to be successful, provide rapid linkage to services in the community that will provide on-going support to the children and families, and decrease recidivism

SIGNIFICANT ACTIVITIES

- Provide psychological evaluations to juveniles accepted into the program to address cognitive/processing deficits, learning disabilities, history of trauma, and obtain thorough explanations of their mental health diagnoses.
- Provide therapeutic services and linkage to other community support services. The juveniles, their families, and the contracted service providers meet with the COPE team to review progress on a regular schedule determined by their level of supervision. JPOs monitor the families’ participation in the services.
- Develop aftercare plans to maintain mental health supports after the juveniles are discharged from supervision.

FISCAL YEAR 2014 FINANCIAL DATA

During fiscal year 2014, the Mental Health Court received \$99,122 in the form of grant funding. Personnel costs represented approximately 62% of their expenditures which totaled \$334,044. This functional area is funded 79% by the General Fund and 21% by grant funds. The details for their revenue and expenditures are provided below in graph form.



Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Contract Management - Professional Services</p>	<p>1. The County disburses funds to a vendor for providing services to a juvenile offender without first obtaining court authorization as required by statute. 2. The Department exhausts their budget funds on professional services that do not meet County objectives, leaving insufficient funds for valid expenditures.</p>	<p>Formal, documented policies and procedures exist for authorizing services prior to the request. The Service Authorization Form (SAF) is used for this purpose, and requires the following: 1. Supporting legal documents must be attached to the form. 2. A manager must sign the form indicating their approval. 3. The request for change order section of the form must be completed for status changes.</p>	<p>High</p>
	<p>Fraud, errors, or misuse of contracted professional services occurs, resulting in the loss of County funds.</p>	<p>1. The gatekeeper/point of contact is the only authorized employee to request services from the contractor. 2. Only requests for services made on a properly completed and authorized referral form are accepted.</p>	
	<p>The County contracts with a professional services vendor that is not the best fit in terms of price and/or performance.</p>	<p>1. The Travis County Purchasing Policies and Procedures Manual states that professional services can only be procured through the Request for Qualifications (RFQ) process. 2. Policies and procedures are in place for evaluating contractors before renewing their contracts.</p>	
	<p>A professional services contractor's poor performance goes uncorrected due to inadequate monitoring.</p>	<p>1. The contract requires reporting of performance measures by the contractor. County operational employees review the contractors' reports and address concerns. 2. The contract requires detailed monthly reporting of services provided. The gatekeeper addresses invoice concerns, and the Division Director handles performance concerns reported by the gatekeeper. 3. County employees go on site-monitoring visits to perform safety checks, interview juveniles, and verify that law enforcement is consistently notified of runaways. Concerns are documented and provided to the Division Director and Deputy Chief.</p>	

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
Contract Management - Professional Services (Cont'd)	Invoices that contain pricing errors or charges for services not rendered are paid, resulting in a loss of County funds.	<ol style="list-style-type: none"> 1. The gatekeeper/point of contact tracks services received and verifies invoice accuracy. 2. The Division Director's review and approval is required. 	High
Grant Management	An ineligible participant receives benefits due to a County employee's error in judgment.	<ol style="list-style-type: none"> 1. Eligibility objectives and procedures clearly communicated to employees. 2. Supervisory approval is required for eligibility determinations. 	Low
	The County disburses funds for goods or services that will not be reimbursed by the grant.	<ol style="list-style-type: none"> 1. Policies, procedures, and/or training protocols are in place for determining if a good or service will be reimbursed by a grant. 2. Disbursement of grant funds requires pre-authorization, including documented approval by the Casework Manager. 3. Authorization is provided by accounting personnel who are knowledgeable of the requirements for determining which costs are allowed by the grant. 4. Variances between expected and actual program expenditures are analyzed. 	
	Performance reporting is not accurate and/or in agreement with supporting documentation, resulting in difficulties with the grantor.	<ol style="list-style-type: none"> 1. Policy requires an independent review of performance reports to verify report accuracy and conformance to reporting requirements. 2. Independent audits of program data provided by program coordinators are required to ensure accuracy and compliance with grant requirements. 	
	Performance reports are not timely submitted to the grantor, resulting in the County not receiving reimbursement for grant expenditures.	Grant performance reporting deadlines are tracked and reported to staff. Reminder emails are sent to program coordinators, finance employees, and other users.	
Procurement – Goods & Services	<ol style="list-style-type: none"> 1. Grant or budget funds may not be available for required items or services. 2. Invalid purchase requests could lead to misuse of County funds for goods/services that do not contribute to County objectives. 	An employee identifies the goods/services required, and completes a requisition form. A manager reviews the request and signs off.	Medium

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Procurement – Goods & Services (Cont’d)</p>	<p>Court authorization to procure services on behalf of a defendant is not obtained.</p>	<p>A legal document providing court authorization to request services for a defendant must be attached to the request form.</p>	<p>Medium</p>
	<p>The County pays for goods that have not been received, are damaged prior to receipt, or are not representative of the description provided by the vendor.</p>	<p>All goods received are checked against the suppliers' packing slips/purchase orders before they are accepted and the packing slips signed.</p>	
	<p>The vendor does not fill the order for goods/services within the necessary time frame or their delivery does not meet order specifications.</p>	<p>1. Evaluations are periodically completed to monitor vendor performance and address any concerns. 2. Supporting documentation for requests and any relevant vendor communication is maintained.</p>	
<p>Program Management</p>	<p>1. An ineligible participant receives benefits due to a County employee's error in judgment, and/or 2. Program benefits are incorrectly computed and distributed.</p>	<p>Independent review and signature approval of program eligibility and benefit determinations are required.</p>	<p>Low</p>
	<p>Program benefits in the form of gift cards are lost or stolen.</p>	<p>1. Physical barriers are in place to prevent unauthorized access to gift cards. 2. The acquisition and distribution of gift cards are tracked through the use of logs and sign-offs.</p>	

MISCELLANEOUS SPECIAL REVENUE FUNDS

Special revenue funds are used to account for revenues derived from fees and other revenue sources that are restricted by statute or contractual obligation to finance specific activities. TCJPD has seven special revenue funds, two of which are specific to the JJAEP and Truancy Court Programs. Details about these special revenue funds are provided in the functional area risk profiles for JJAEP and Court Administration, respectively. The remaining five special revenue funds are not specific to any functional area. Listed below are the five miscellaneous special revenue funds by funding source.

COURT-ORDERED FEES

1. **Juvenile Deferred Prosecution Fund** - Deferred prosecution fees are to be used for juvenile probation or community-based juvenile corrections services or facilities in which a juvenile may be required to live while under court supervision (Section 53.03, Family Code).
2. **Juvenile Delinquency Prevention Fund** - The juvenile delinquency prevention and graffiti eradication fee can only be used to fund the following: repair damage, educational and intervention programs, public awards leading to the apprehension and prosecution of such offenders, various teen programs designed to prevent juveniles from engaging in delinquent conduct, and funding for the County Juvenile Probation Department (Article 102.0171, Code of Criminal Procedure).
3. **Juvenile Fee Fund** - Probation fees may only be used for juvenile probation or community-based juvenile corrections services or facilities in which a juvenile may be required to live while under court supervision (Section 54.061, Family Code).

UNCLAIMED RESTITUTION

Unclaimed Juvenile Restitution Fund - Juvenile restitution payments that remain unclaimed for more than five years are placed in this special revenue fund. Monies can only be used for the same purposes for which the County may spend juvenile state aid (Section 54.0482, Family Code).

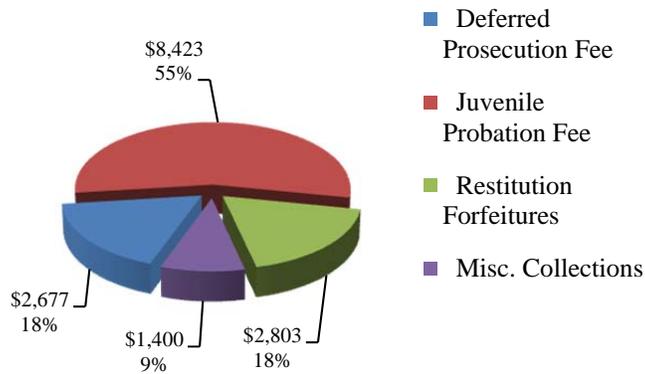
DONATIONS

Gardner House Handicraft Fund - Donations received from the public are deposited in this special revenue fund for tracking purposes, not because there is a statutory or contractual requirement. The funds are to be used for juveniles in the custody of Travis County at the Gardner Betts Juvenile Justice Center.

FISCAL YEAR 2014 FINANCIAL DATA

During fiscal year 2014, miscellaneous special revenue funds (excluding JJAEP and Truancy Court) received \$11,100 in fees for services, \$2,803 in restitution forfeitures, and \$1,400 in miscellaneous collections for a total of \$15,303. There were no expenditures for these funds. The details for their revenues are provided below in graph form.

REVENUE



Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
Special Revenue Funds	Special revenue funds are inappropriately disbursed, resulting in a violation of statute and/or contractual requirements.	Potential payments are reviewed to ensure compliance with statute and/or legal requirements by Financial Services staff. Signature authorization to request disbursement is required.	Low
	Statutory report and/or audit requirements are not met.	Management stays up-to-date on statutory requirements, including statutory changes, and meets those requirements as appropriate.	

PROBATION SERVICES

MISSION AND OBJECTIVES

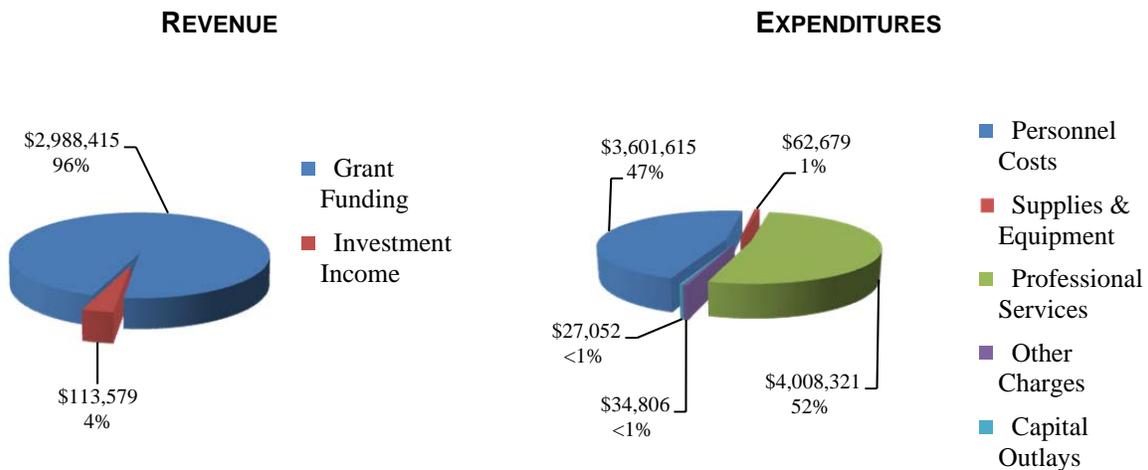
Probation Services is comprised of three field supervision units (North, South, and Central), and five specialized units (Intensive Supervision Program, Special Needs Diversionary Program, Placement Unit, Sex Offender Unit, and Crossover Unit). JPOs supervise youth in the community and while in residential treatment centers with the goal of providing effective supervision and services to enhance competency development, public safety, and accountability.

SIGNIFICANT ACTIVITIES

- Supervision is accomplished by home, school, and office visits, which frequently include contact with one or both parents. Probation Services employees travel to residential treatment centers a minimum of one time per month to provide supervision to juveniles placed outside the home for treatment.
- Juvenile compliance with their rules of probation is verified by performing curfew checks, drug testing, etc.
- Case plans are developed and designed to ensure that juveniles obtain the recommended treatment and/or education to address the psychological/social needs identified at Intake. JPOs request services from the Juvenile Assessment Unit as well as from professional services contractors.
- JPOs work with the Victim Services Unit to create and implement plans for juveniles to address their accountability to their victims.
- Juveniles are assessed by JPOs to determine if they would benefit from having a mentor, and if so the youth and their parents/guardians are provided the opportunity to obtain one.

FISCAL YEAR 2014 FINANCIAL DATA

During fiscal year 2014, Probation Services received \$2,988,415 in the form of grant funding and \$113,579 of investment income for a total of \$3,101,994. Personnel costs and professional services represented approximately 47% and 52%, respectively, of their expenditures which totaled \$7,734,473. This functional area is funded 62% by the General Fund and 38% by grants. The details for their revenues and expenditures are provided below in graph form.



Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Contract Management - Professional Services</p>	<p>1. The County disburses funds to a vendor for providing services to a juvenile offender without first obtaining court authorization as required by statute. 2. The Department exhausts their budget funds on professional services that do not meet County objectives, leaving insufficient funds for valid expenditures.</p>	<p>Formal, documented policies and procedures exist for authorizing services prior to the request. The Service Authorization Form (SAF) is used for this purpose, and requires the following: 1. Supporting legal documents must be attached to the form. 2. A manager must sign the form indicating their approval. 3. The request for change order section of the form must be completed for status changes.</p>	<p>High</p>
	<p>Fraud, errors, or misuse of contracted professional services occurs, resulting in the loss of County funds.</p>	<p>1. The gatekeeper/point of contact is the only authorized employee to request services from the contractor. 2. Only requests for services made on a properly completed and authorized referral form are accepted.</p>	
	<p>The County contracts with a professional services vendor that is not the best fit in terms of price and/or performance.</p>	<p>1. The Travis County Purchasing Policies and Procedures Manual states that professional services can only be procured through the Request for Qualifications (RFQ) process. 2. Policies and procedures are in place for evaluating contractors before renewing their contracts.</p>	
	<p>A professional services contractor's poor performance goes uncorrected due to inadequate monitoring.</p>	<p>1. The contract requires reporting of performance measures by the contractor. County operational employees review the contractors' reports and address concerns. 2. The contract requires detailed monthly reporting of services provided. The gatekeeper addresses invoice concerns, and the Division Director handles performance concerns reported by the gatekeeper. 3. County employees go on site-monitoring visits to perform safety checks, interview juveniles, and verify that law enforcement is consistently notified of runaways. Concerns are documented and provided to the Division Director and Deputy Chief.</p>	

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
Contract Management - Professional Services (Cont'd)	Invoices that contain pricing errors or charges for services not rendered are paid, resulting in a loss of County funds.	<ol style="list-style-type: none"> 1. The gatekeeper/point of contact tracks services received and verifies invoice accuracy. 2. The Division Director's review and approval is required. 	High
Grant Management	An ineligible participant receives benefits due to a County employee's error in judgment.	<ol style="list-style-type: none"> 1. Eligibility objectives and procedures clearly communicated to employees. 2. Supervisory approval is required for eligibility determinations. 	Medium
	The County disburses funds for goods or services that will not be reimbursed by the grant.	<ol style="list-style-type: none"> 1. Policies, procedures, and/or training protocols are in place for determining if a good or service will be reimbursed by a grant. 2. Disbursement of grant funds requires pre-authorization, including documented approval by the Casework Manager. 3. Authorization is provided by accounting personnel who are knowledgeable of the requirements for determining which costs are allowed by the grant. 4. Variances between expected and actual program expenditures are analyzed. 	
	Performance reporting is not accurate and/or in agreement with supporting documentation, resulting in difficulties with the grantor.	<ol style="list-style-type: none"> 1. Policy requires an independent review of performance reports to verify report accuracy and conformance to reporting requirements. 2. Independent audits of program data provided by program coordinators is required to ensure accuracy and compliance with grant requirements. 	
	Performance reports are not timely submitted to the grantor, resulting in the County not receiving reimbursement for grant expenditures.	Grant performance reporting deadlines are tracked and reported to staff. Reminder emails are sent to program coordinators, finance employees, and other users.	
Inventory - UA Kits	Inventory items (for example, urine analysis kits) are susceptible to loss or theft due to insufficient barriers to physical access.	<ol style="list-style-type: none"> 1. Only authorized personnel are allowed into the storage area. Entrances are protected by secured access points. 2. Policy requires employees to update, sign and date inventory logs when removing or returning/ replenishing items. 	Very Low

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
Inventory - UA Kits (Cont'd)	The County pays for goods that have not been received.	All goods received are checked against the suppliers' packing slips/purchase orders before they are accepted and the packing slips signed.	Very Low
Procurement – Goods & Services	1. Grant or budget funds may not be available for required items or services. 2. Invalid purchase requests could lead to misuse of County funds for goods/services that do not contribute to County objectives.	An employee identifies the goods/services required, and completes a requisition form. A manager reviews the request and signs off.	Medium
	Court authorization to procure services on behalf of a defendant is not obtained.	A legal document providing court authorization to request services for a defendant must be attached to the request form.	
	The County pays for goods that have not been received, are damaged prior to receipt, or are not representative of the description provided by the vendor.	All goods received are checked against the suppliers' packing slips/purchase orders before they are accepted and the packing slips signed.	
	The vendor does not fill the order for goods/services within the necessary time frame or their delivery does not meet order specifications.	1. Evaluations are periodically completed to monitor vendor performance and address any concerns. 2. Supporting documentation for requests and any relevant vendor communication is maintained.	
	Program Management	1. An ineligible participant receives benefits due to a County employee's error in judgment, and/or 2. Program benefits are incorrectly computed and distributed.	
Bus passes: Program benefits in the form of bus passes are lost or stolen.		1. Physical barriers are in place to prevent unauthorized access to bus passes. 2. The acquisition and distribution of bus passes are tracked through the use of logs and sign-offs.	
Clothing vouchers: Clothing vouchers are used to purchase items or services not covered by the program.		The voucher is given to a County employee who will make purchases on behalf of the client. The voucher is never given to the client.	
Due to excessive delays in making payments, the vendor drops their account with the County resulting in the discontinuation of the voucher program.		Employees are required to adhere to a deadline for submitting receipts after making purchases with vouchers.	

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Program Management (Cont'd)</p>	<p>Clothing vouchers are lost or stolen, resulting in vouchers being fraudulently used for non-program purposes.</p>	<p>1. The acquisition and distribution of vouchers are tracked with logs and sign-offs. 2. The client's personal identification number (PID) is written on the voucher documents before distribution to the employee making purchases.</p>	<p>Medium</p>

RESIDENTIAL SERVICES

MISSION AND OBJECTIVES

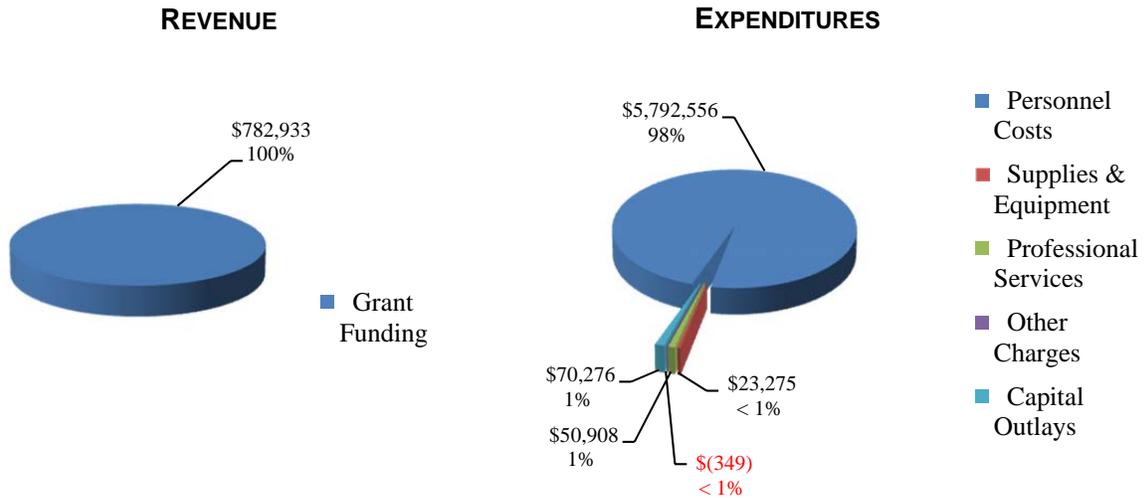
The mission for Residential Services is to protect the community from delinquency, impose accountability, and equip juveniles with the required competencies to live productively in the community. Eligible juveniles are committed by court order to Residential Services. Parental involvement and responsibility are key components of the program.

SIGNIFICANT ACTIVITIES

- Residential Services offers the following three programs designed to meet the needs of post-adjudicated youth in the Intermediate Sanction Center (ISC):
 - *Substance Abuse Treatment Program* - Juveniles receive education on chemical dependency, life skills, and relapse prevention. In addition, they receive chemical dependency counseling and participate in structured activities. Chemical dependency counseling is provided on a weekly basis by licensed counselors via individual, group, and family therapy.
 - *Behavioral Modification Treatment* - Juveniles participate in group therapy interventions, multifamily therapy groups, and structured activities that focus on such areas as life skills, vocational training, anger management, and healthy relationships. Individual therapy is provided as needed.
 - *Sexual Behavior Treatment Program* - The treatment team is led by a Licensed Sex Offender Treatment Provider who assesses risks, needs and strengths. The treatment provider develops an individual treatment program that targets specific behavioral goals and objectives. Group and individual counseling as well as family reunification are key components of the program.
- Residential Services also uses two of their units at the ISC for residents requiring a transitional halfway house (HWH) treatment model. The HWH is designed for residents to test their new skills in a less secure, but still very structured setting. Residents return to school in the community, become involved in vocational training, and/or earn passes at home with parents/guardians in an effort to transition to aftercare supervision.
- Residential Services also provides assistance to residents for parenting groups, gang intervention groups, individual counseling, victim empathy, community services, GED, job readiness, as well as specialized groups such as Girls Circle, ARISE Life Skills, etc.

FISCAL YEAR 2014 FINANCIAL DATA

During fiscal year 2014, Residential Services received \$782,933 in the form of grant funding. Personnel costs represented approximately 98% of their expenditures which totaled \$5,936,666. This functional area is funded 83% by the General Fund and 17% by grants. The details for their revenue and expenditures are provided below in graph form.



Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Contract Management - Professional Services</p>	<p>1. The County disburses funds to a vendor for providing services to a juvenile offender without first obtaining court authorization as required by statute. 2. The Department exhausts their budget funds on professional services that do not meet County objectives, leaving insufficient funds for valid expenditures.</p>	<p>Formal, documented policies and procedures exist for authorizing services prior to the request. The Service Authorization Form (SAF) is used for this purpose, and requires the following: 1. Supporting legal documents must be attached to the form. 2. A manager must sign the form indicating their approval. 3. The request for change order section of the form must be completed for status changes.</p>	<p>High</p>
	<p>Fraud, errors, or misuse of contracted professional services occurs, resulting in the loss of County funds.</p>	<p>1. The gatekeeper/point of contact is the only authorized employee to request services from the contractor. 2. Only requests for services made on a properly completed and authorized referral form are accepted.</p>	
	<p>The County contracts with a professional services vendor that is not the best fit in terms of price and/or performance.</p>	<p>1. The Travis County Purchasing Policies and Procedures Manual states that professional services can only be procured through the Request for Qualifications (RFQ) process. 2. Policies and procedures are in place for evaluating contractors before renewing their contracts.</p>	
	<p>A professional services contractor's poor performance goes uncorrected due to inadequate monitoring.</p>	<p>1. The contract requires reporting of performance measures by the contractor. County operational employees review the contractors' reports and address concerns. 2. The contract requires detailed monthly reporting of services provided. The gatekeeper addresses invoice concerns, and the Division Director handles performance concerns reported by the gatekeeper. 3. County employees go on site-monitoring visits to perform safety checks, interview juveniles, and verify that law enforcement is consistently notified of runaways. Concerns are documented and provided to the Division Director and Deputy Chief.</p>	

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
Management - Professional Services (Cont'd)	Invoices that contain pricing errors or charges for services not rendered are paid, resulting in a loss of County funds.	<ol style="list-style-type: none"> 1. The gatekeeper/point of contact tracks services received and verifies invoice accuracy. 2. The Division Director's review and approval is required. 	High
Grant Management	An ineligible participant receives benefits due to a County employee's error in judgment.	<ol style="list-style-type: none"> 1. Eligibility objectives and procedures clearly communicated to employees. 2. Supervisory approval is required for eligibility determinations. 	High
	The County disburses funds for goods or services that will not be reimbursed by the grant.	<ol style="list-style-type: none"> 1. Policies, procedures, and/or training protocols are in place for determining if a good or service will be reimbursed by a grant. 2. Disbursement of grant funds requires pre-authorization, including documented approval by the Casework Manager. 3. Authorization is provided by accounting personnel who are knowledgeable of the requirements for determining which costs are allowed by the grant. 4. Variances between expected and actual program expenditures are analyzed. 	
	Performance reporting is not accurate and/or in agreement with supporting documentation, resulting in difficulties with the grantor.	<ol style="list-style-type: none"> 1. Policy requires an independent review of performance reports to verify report accuracy and conformance to reporting requirements. 2. Independent audits of program data provided by program coordinators are required to ensure accuracy and compliance with grant requirements. 	
	Performance reports are not timely submitted to the grantor, resulting in the County not receiving reimbursement for grant expenditures.	Grant performance reporting deadlines are tracked and reported to staff. Reminder emails are sent to program coordinators, finance employees, and other users.	
Inventory - UA Kits	Inventory items (for example, urine analysis kits) are susceptible to loss or theft due to insufficient barriers to physical access.	<ol style="list-style-type: none"> 1. Only authorized personnel are allowed into the storage area. Entrances are protected by secured access points. 2. Policy requires employees to update, sign and date inventory logs when removing or returning/ replenishing items. 	Very Low

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
Inventory - UA Kits (Cont'd)	The County pays for goods that have not been received.	All goods received are checked against the suppliers' packing slips/purchase orders before they are accepted and the packing slips signed.	Very Low
Resident Trust Funds	Juvenile resident could use excess funds for purposes that are counterproductive to their rehabilitation program.	If a resident has more than \$10 per week they are required to give the excess to a staff member.	Low
	Funds could be lost or stolen by staff or other residents.	<ol style="list-style-type: none"> 1. The staff member places resident money in a locked file cabinet. 2. A Trust Fund Account Balance Form/Receipt must be completed and signed by staff and the resident upon making all deposits and withdrawals. 3. If the resident gets a job, a staff member goes with them to set up a bank account. Staff members do not get signatory authority for the bank account. 	
Procurement – Goods & Services	<ol style="list-style-type: none"> 1. Grant or budget funds may not be available for required items or services. 2. Invalid purchase requests could lead to misuse of County funds for goods/services that do not contribute to County objectives. 	An employee identifies the goods/services required, and completes a requisition form. A manager reviews the request and signs off.	Medium
	Court authorization to procure services on behalf of a defendant is not obtained.	A legal document providing court authorization to request services for a defendant must be attached to the request form.	
	The County pays for goods that have not been received, are damaged prior to receipt, or are not representative of the description provided by the vendor.	All goods received are checked against the suppliers' packing slips/purchase orders before they are accepted and the packing slips signed.	
	The vendor does not fill the order for goods/services within the necessary time frame or their delivery does not meet order specifications.	<ol style="list-style-type: none"> 1. Evaluations are periodically completed to monitor vendor performance and address any concerns. 2. Supporting documentation for requests and any relevant vendor communication is maintained. 	
Program Management	<ol style="list-style-type: none"> 1. An ineligible participant receives benefits due to a County employee's error in judgment, and/or 2. Program benefits are incorrectly computed and distributed. 	Independent review and signature approval of program eligibility and benefit determinations are required.	Medium

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Program Management (Cont'd)</p>	<p>Bus passes: Program benefits in the form of bus passes are lost or stolen.</p>	<p>1. Physical barriers are in place to prevent unauthorized access to bus passes. 2. The acquisition and distribution of bus passes are tracked through the use of logs and sign-offs.</p>	<p>Medium</p>
	<p>Clothing vouchers: Clothing vouchers are used to purchase items or services not covered by the program.</p>	<p>The voucher is given to a County employee who will make purchases on behalf of the client. The voucher is never given to the client.</p>	
	<p>Due to excessive delays in making payments, the vendor drops their account with the County resulting in the discontinuation of the voucher program.</p>	<p>Employees are required to adhere to a deadline for submitting receipts after making purchases with vouchers.</p>	
	<p>Clothing vouchers are lost or stolen, resulting in vouchers being fraudulently used for non-program purposes.</p>	<p>1. The acquisition and distribution of vouchers are tracked with logs and sign-offs. 2. The client's personal identification number (PID) is written on the voucher documents before distribution to the employee making purchases.</p>	

TRUANCY COURT

MISSION AND OBJECTIVES

The Truancy Court Program seeks to decrease truancy rates at the four participating middle schools. Students become involved in the program after they are identified by the schools as being chronic truants. JPOs assigned to the Truancy Court Program work with the juveniles out at the schools.

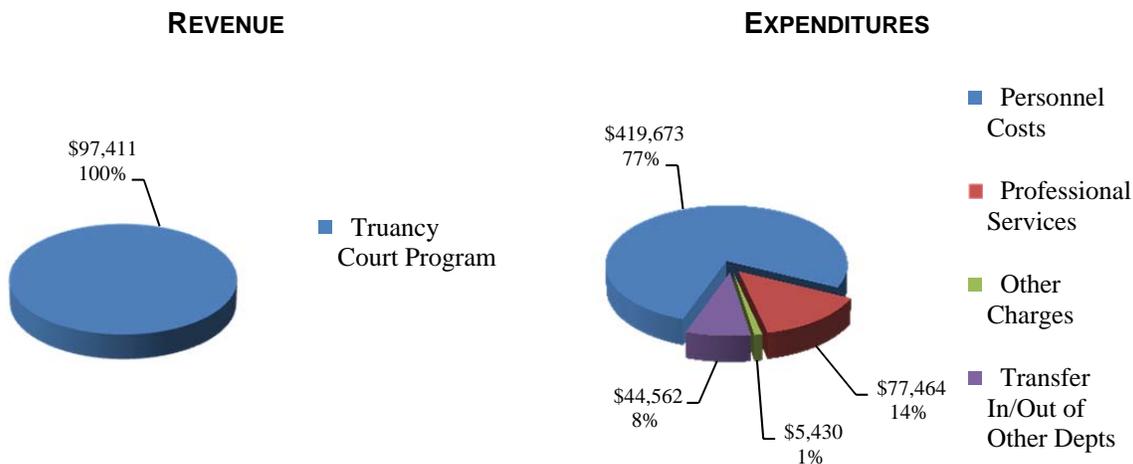
SIGNIFICANT ACTIVITIES

- Most of the students take advantage of a deferred prosecution agreement in lieu of prosecution. The juvenile and parent/guardian sign a contract, and the student’s compliance with the contract results in the legal matter being dismissed by the court.
- The probation officers assigned to the program are responsible for monitoring the compliance of the juveniles involved with Truancy Court.
- A case plan is developed and students are linked to TCJPD and community resources.
- Periodic reviews are held before the judge. Non-compliance with the contract may result in an adjudication and prolonged involvement with the court.

FISCAL YEAR 2014 FINANCIAL DATA

During fiscal year 2014, Truancy Court received \$97,411 in charges for services from the AISD Truancy Court Program. Funds received for executing the Truancy Court Program are special revenue funds that may only be expended to fund Truancy Court operations (in accordance with the AISD interlocal agreement).

Personnel costs and professional services represented approximately 77% and 14%, respectively, of their expenditures which totaled \$547,129. This functional area is funded approximately 70% by the General Fund, and 30% by special revenue funds. The details for their revenue and expenditures are provided below in graph form.



Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Contract Management – ILA/Revenue</p>	<p>Fees are not assessed in accordance with one or more of the following:</p> <ol style="list-style-type: none"> 1. Revenue contract pricing 2. Commissioners' Court-approved fee schedule 3. Statute 	<p>The revenue contract contains the pricing to be used when assessing fees. Either a new contract or amendments to the contract are made when pricing changes are required.</p>	<p>Medium</p>
	<p>Revenue contract fees are not remitted to the County in accordance with contract payment terms or applicable statute.</p>	<ol style="list-style-type: none"> 1. Employees monitor receivables and pursue collection of past due accounts by calling the contractor or sending/ emailing collection letters. 2. There is a policy requiring monthly review of revenue accounts for lower than anticipated results, and swift action to collect amounts owed to the County. 	
<p>Procurement – Goods & Services</p>	<ol style="list-style-type: none"> 1. Grant or budget funds may not be available for required items or services. 2. Invalid purchase requests could lead to misuse of County funds for goods/services that do not contribute to County objectives. 	<p>An employee identifies the goods/services required, and completes a requisition form. A manager reviews the request and signs off.</p>	<p>Low</p>
	<p>Court authorization to procure services on behalf of a defendant is not obtained.</p>	<p>A legal document providing court authorization to request services for a defendant must be attached to the request form.</p>	
	<p>The County pays for goods that have not been received, are damaged prior to receipt, or are not representative of the description provided by the vendor.</p>	<p>All goods received are checked against the suppliers' packing slips/purchase orders before they are accepted and the packing slips signed.</p>	
	<p>The vendor does not fill the order for goods/services within the necessary time frame or their delivery does not meet order specifications.</p>	<ol style="list-style-type: none"> 1. Evaluations are periodically completed to monitor vendor performance and address any concerns. 2. Supporting documentation for requests and any relevant vendor communication is maintained. 	
<p>Program Management</p>	<ol style="list-style-type: none"> 1. An ineligible participant receives benefits due to a County employee's error in judgment, and/or 2. Program benefits are incorrectly computed and distributed. 	<p>Independent review and signature approval of program eligibility and benefit determinations are required.</p>	<p>High</p>

Business Process	Potential Risk	Reported Risk Management Techniques	Process Risk Rating
<p>Program Management (Cont'd)</p>	<p>Gift cards, bus passes, etc.: Program benefits, such as gift cards and bus passes, are lost or stolen.</p>	<p>1. Physical barriers are in place to prevent unauthorized access to gift cards and bus passes. 2. The acquisition and distribution of bus passes and gift cards are tracked through the use of logs and sign-offs.</p>	<p>High</p>
	<p>Clothing vouchers: Vouchers are used to purchase items or services not covered by the program.</p>	<p>The voucher is given to a County employee who will make purchases on behalf of the client. The voucher is never given to the client.</p>	
	<p>Due to excessive delays in making payments, the vendor drops their account with the County resulting in the discontinuation of the voucher program.</p>	<p>Employees are required to adhere to a deadline for submitting receipts after making purchases with vouchers.</p>	
	<p>Vouchers are lost or stolen, resulting in vouchers being fraudulently used for non-program purposes.</p>	<p>1. The acquisition and distribution of vouchers are tracked with logs and sign-offs. 2. The client's personal identification number (PID) is written on the voucher documents before distribution to the employee making purchases.</p>	
<p>Special Revenue Funds</p>	<p>Special revenue funds are inappropriately disbursed, resulting in a violation of statute and/or contractual requirements.</p>	<p>1. Potential payments are reviewed to ensure compliance with statute and/or legal requirements by both the Program Administrator and Financial Services staff. Signature authorization is provided for both reviews. 2. Court Administration employees complete purchase vouchers and submit them to their Director for signature authorization. Purchase vouchers are used for incentives such as gift cards.</p>	<p>Low</p>
	<p>Statutory report and/or audit requirements are not met.</p>	<p>Management stays up-to-date on statutory requirements, including statutory changes, and meets those requirements as appropriate.</p>	

AREA OF CONCERN

OVERVIEW

At the center of TCJPD’s operations is Juvenile Court, which is largely governed by the Texas Family Code. In particular, Chapters 53 and 54 cover the assessment of court fees as well as other aspects of handling the cases. The Court Administration Division handles court operations such as creating legal documents, recording court activities in the court tracking software, and maintaining case files. The court tracking software is not integrated with the accounts receivable software, so a manual process is in place for notifying the Financial Services Division to assess and waive fees. Juvenile Probation Officers are responsible for providing this notification for the juveniles they work with.

The Financial Services Division creates procedures for assessing, collecting, and waiving court-ordered fees. When we started the engagement, we noted that Financial Services had not updated their policies and procedures for the collection of court-ordered fees since March 2, 2005. Since that date, Sections 54.0461 and 54.0462 were added to the Texas Family Code. These sections require the assessment of specific fees (see below).

FEE ASSESSMENTS

Juvenile Court is required to assess the following fees in order to be in compliance with the Texas Family Code:

Section	Fee Type	Year Added	Fee Amount	Fee Distribution	Circumstances for fee assessment
54.061(a)	Probation	1979	\$15/month	County special revenue fund	When a child is placed on probation under Section 54.04(d)(1) of the <u>Family Code</u> .
54.0411(a)	Juvenile Probation Diversion	1987	\$20	Texas Comptroller	When a disposition hearing is held under Section 54.04 of the <u>Family Code</u> .
54.0461(a)	Juvenile Delinquency Prevention	2007	\$50	County special revenue fund	When a child is adjudicated as having engaged in delinquent conduct that violates Section 28.08 (graffiti), of the <u>Penal Code</u> .
54.0462(a)(1)	Offenses requiring DNA Testing	2009	\$34/\$50	Texas Comptroller	When a child is adjudicated as having committed a felony and a DNA sample is required under Section 54.0409 or other law. The fee is \$34 unless the child is committed to a Texas Juvenile Justice Department facility in which case the fee is \$50.

The TCJPD is only assessing one of the four fees they are required by statute to assess. During fiscal year 2014, they collected juvenile probation fees totaling \$8,423. No funds were collected for the other three court costs in the period. This is problematic for the following reasons:

- Juvenile Court is required to assess the \$20 juvenile probation diversion fee whenever a disposition hearing takes place. A disposition hearing must take place before juvenile probation fees can be assessed, so there should never be a situation where probation fees are assessed, but the juvenile probation diversion fee is not.

- Before assessing the probation fee, TCJPD staff must determine if the family is financially solvent. It is reasonable to assume that if the family is able to pay a \$15 monthly probation fee, they should also be able to afford a one-time \$20 fee for the disposition hearing, as well as the other two statutory fees above (as applicable).

Sections 54.0411(a) and 54.0462(a)(1) require the assessment of fees that are to be transferred to the Texas Comptroller. If the fees are improperly waived, there is a risk that the County will experience a loss of funds if the State performs an audit and determines that indigence was not properly handled and/or documented. The County would then be required to remit fees to the State that were not collected from the juveniles. To put this into perspective, during fiscal year 2014, Juvenile Court held 856 disposition hearings. If the State determined that the County was required to remit the \$20 fee required by Section 54.0411(a) for each of these hearings, the County would experience a loss of funds totaling \$17,120. Likewise, the County would be required to remit the \$34/\$50 fee required by Section 54.0462(a)(1) for the number of cases the State determines had fees that were improperly waived.

In addition, Sections 54.061(a), 54.0461(a), and 54.0462(a)(1), contain the following statement regarding the steps that must be taken if fee assessments required by these sections are waived:

If the court finds that a child, parent, or other person responsible for the child's support is unable to pay the fee required under Subsection (a), the court shall enter into the child's case records a statement of that finding. The court may waive a fee under this section only if the court makes the finding under this subsection.

We recommend that TCJPD set up a statutorily-compliant, consistent methodology for determining indigence, which should be clearly documented in each juvenile's case file as appropriate. For juveniles not deemed indigent, TCJPD should assess and collect all of the appropriate court costs required by statute.

MANAGEMENT RESPONSE

The Juvenile Probation Department understands the importance of assessing and collecting fees in accordance with statute. Our legal counsel and Financial Services have been researching these issues, and will work with the Chief Probation Officer and the District Judges to determine the proper course of action. Once a decision is made about documenting waived and assessed fees, he will work with Financial Services employees to revise our policies and procedures, as deemed necessary.