



**COMMISSIONERS COURT  
COMMUNICATION**

COURT ORDER NUMBER \_\_\_\_\_

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DATE: 11/19/2024

**SUBJECT: CONSIDERATION OF LETTER OF ENGAGEMENT WITH WEAVER AND TIDWELL, LLP FOR THE FISCAL YEAR 2024 ANNUAL FINANCIAL AUDIT OF THE TARRANT COUNTY COMMUNITY SUPERVISION AND CORRECTIONS DEPARTMENT**

**\*\*\* CONSENT AGENDA \*\*\***

**COMMISSIONERS COURT ACTION REQUESTED**

It is requested that the Commissioners Court consider a Letter of Engagement between Weaver and Tidwell, LLP to serve as the County's outside auditor for the fiscal year ending September 30, 2024, for the Tarrant County Community Supervision and Corrections Department.

**BACKGROUND**

On September 4, 2024, the Commissioners Court, through Court Order #143807, awarded Tarrant County's annual financial audit to Weaver and Tidwell LLP, beginning with FY 2024 with four (4) options for annual renewal.

This engagement is the first audit year under the award. The attached Engagement Letter details the services to be provided for the financial audit for the fiscal year ending September 30, 2024 (FY 2024).

**FISCAL IMPACT**

Fees for the audit of Texas Department of Criminal Justice Community Justice Assistance Division funds (CSCD) in the amount of \$19,500.00 will be paid from account 562011/GCJAD-2004/2510100000/C0010-2025.

SUBMITTED BY	Auditor	PREPARED BY:	Linda Castillo
		APPROVED BY:	Linda Castillo



November 15, 2024

Ms. Cobi Tittle, Tarrant County Community Supervisions and Corrections Director  
Board of Criminal Court Judges of Tarrant County, Texas  
200 W. Belknap St.  
Fort Worth, Texas 76102

Mr. Chandler M. Merritt, County Administrator  
Tarrant County, Texas  
100 E. Weatherford  
Fort Worth, Texas 76102

Dear Ms. Tittle and Mr. Merritt,

You have requested that Weaver and Tidwell, L.L.P. (“Weaver”, “our”, “us”, and “we”) audit the combined financial statements of the Tarrant County Community Supervision and Corrections Department (the “Department”), as of August 31, 2024, and for the year then ended and the related notes to the combined financial statements, which collectively comprise the Department’s combined financial statements as listed in the table of contents.

Supplementary information other than RSI will accompany the Department’s combined financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the combined financial statements and perform certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and additional procedures in accordance with U.S. GAAS. We intend to provide an opinion on the following supplementary information in relation to the combined financial statements as a whole:

1. Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – All Community Corrections Funds
2. Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – All Diversion Funds
3. Individual Statements of Revenues, Expenditures, and Changes in Fund Balance – Budget, Actual and Variance
4. Schedule of Differences Between Audit and CSCD Reports

We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter.

### **Audit Objectives**

The objective of our audit is the expression of opinions as to whether your combined financial statements are fairly presented, in all material aspects, in conformity with the basis of accounting that demonstrates compliance with the Texas Department of Criminal Justice – Community Assistance Division (TDCJ-CJAD) reporting requirements; including Independent Audit Guidelines (IAG), Financial Management Manual for TDCJ-CJAD Funding (FMM), and applicable laws and regulations. The objective also includes reporting on internal control related to the combined financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the combined financial statements in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States of America (“GAGAS”).

### **Auditor Responsibilities**

We will conduct our audit in accordance with U.S. GAAS and GAGAS. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant

Weaver and Tidwell, L.L.P.

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accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements. If appropriate, our procedures will therefore include tests of documentary evidence that support the transactions recorded in the accounts, tests of the physical existence of assets, and direct confirmation of cash, investments, and certain other assets and liabilities by correspondence with creditors and financial institutions. As part of our audit process, we may request written representations from your attorneys, and they may bill you for responding. At the conclusion of our audit, we will also request certain written representations from you about the combined financial statements and related matters.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements (whether caused by errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations) may not be detected exists, even though the audit is properly planned and performed in accordance with U.S. GAAS and GAGAS.

In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the combined financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

In making our risk assessments, we consider internal control relevant to the Department's preparation and fair presentation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the combined financial statements that we have identified during the audit.

Jackie Gonzalez is the engagement partner or equivalent for the audit services specified in this letter and is responsible for supervising our services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report.

We expect to begin our audit procedures in September 2024 and issue our report no later than in February 2025. The fiscal officer for the CSCD will review the draft independent audit report for compliance with the IAG, Compliance Requirements, Standard Reporting Formats, and review the audited financial statements for accuracy before we issue our final independent audit report. We will issue a written report upon completion of our audit of the Department's combined financial statements. Our report will be addressed to the Board of the Criminal Court Judges of Tarrant County, Texas. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement. If our opinions on the combined financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or withdraw from this engagement.

As part of obtaining reasonable assurance about whether the combined financial statements are free of material misstatement, we will perform tests of the Department's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance, and we will not express such an opinion.

In accordance with the requirements of GAGAS, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance over financial reporting will not be an objective of the audit and, therefore, no such opinion will be expressed.

### **Management Responsibilities**

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance, acknowledge and understand that they have responsibility:

- a. for the preparation and fair presentation of the combined financial statements in accordance with the framework described in Audit Objectives above;

- b. for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements; and
- c. to provide us with:
  - i. access to all information of which management is aware that is relevant to the preparation and fair presentation of the combined financial statements such as records, documentation, and other matters;
  - ii. additional information that we may request from management for the purpose of the audit; and
  - iii. unrestricted access to persons within the Department from whom we determine it necessary to obtain audit evidence.
- d. for including the auditor's report, and our report on any supplementary information if described above, in any document containing the combined financial statements that indicates that such combined financial statements have been audited by the Department's auditor;
- e. for identifying and ensuring that the Department complies with the laws and regulations applicable to its activities;
- f. for adjusting the combined financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year under audit are immaterial, both individually and in the aggregate, to the combined financial statements as a whole;
- g. for maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
- h. with regard to the supplementary information referred to above: (a) for the preparation of the supplementary information in accordance with the applicable criteria; (b) to provide us with the appropriate written representations regarding supplementary information; (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information; and (d) to present the supplementary information with the audited combined financial statements, or if the supplementary information will not be presented with the audited combined financial statements, to make the audited combined financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon; and
- i. informing us of facts that may affect the combined financial statements of which you may become aware during the period from the date of the auditor's report to the date the combined financial statements are issued.

We understand that your employees will prepare all confirmations we request and will locate any documents or support for any other transactions we select for testing.

If we agree herein or otherwise to perform any non-attest services (such as tax services or any other non-attest services), you agree to assume all management responsibilities for those services; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

GAGAS require that we document an assessment of the skills, knowledge, and experience of management, should we participate in any form of preparation of the combined financial statements and related schedules or disclosures as these actions are deemed a non-audit/non-attest service.

During the course of our engagement, we will request information and explanations from management regarding the Department's operations, internal controls, future plans, specific transactions and accounting systems and procedures. At the conclusion of our engagement, we will require, as a precondition to the issuance of our report, that management provide certain representations in a written representation letter. The Department agrees that as a condition of our engagement to perform an audit that management will, to the best of its knowledge and belief, be truthful, accurate and complete in all representations made to us during the course of the audit and in the written representation letter. The procedures we perform in our engagement and the conclusions we reach as a basis for our report will be heavily influenced by the written

and oral representations that we receive from management. False or misleading representations could cause us to expend unnecessary efforts in the audit; or, worse, could cause a material error or a fraud to go undetected by our procedures.

### **Fees and Invoicing**

We estimate the fee for this engagement will be \$19,500. The total fee for our services will be determined by the complexity of the work performed and the tasks required. Individual hourly rates vary according to the degree of responsibility involved and the skills required. It is understood that neither our fees nor the payment thereof will be contingent upon the results of this engagement.

Our fee estimate is based on anticipated cooperation from all involved and the assumption that unexpected circumstances will not be encountered during the engagement. Our engagement fees do not include consulting on the adoption of new accounting standards and any future increased duties because of any regulatory body, auditing standard or an unknown or unplanned significant transaction. If significant additional time is necessary, we will discuss the reasons with you and arrive at a new fee estimate before we incur the additional costs.

In addition to the fee for our services, reasonable and necessary out-of-pocket expenses we incur (such as parking, reproduction and printing, postage and delivery, and out-of-market travel, meals, and accommodations) will be invoiced at cost. At this time, we do not anticipate incurring substantial expenses.

We will also invoice for reasonable and necessary time and out-of-pocket expenses we incur to respond to any request (such as a subpoena, summons, court order, or administrative investigative demand) pertaining to this engagement in a legal matter to which we are not a party. Our time to facilitate the response will be billed at our then-current standard hourly rates, and our expenses (including attorney's fees) will be billed at cost. If we agree to perform additional substantive services related to or arising out of the request, such matters may be the subject of a new engagement letter.

Our invoices are payable in accordance with Texas Government Code § 2251.021

### **Ethical Conflict Resolution**

In the unlikely event that circumstances occur which we in our sole discretion believe could create a conflict with either the ethical standards of our firm or the ethical standards of our profession in continuing our engagement, we may suspend our services until a satisfactory resolution can be achieved or we may resign from the engagement. We will notify you of such conflict as soon as practicable, and will discuss with you any possible means of resolving them prior to suspending our services.

The hiring of or potential employment discussions with any of our personnel could impair our independence. Accordingly, you agree to inform the engagement partner or equivalent prior to any such potential employment discussions taking place.

### **Audit Documentation and Confidentiality**

The audit documentation we prepare pertaining to and in support of this engagement is our property and constitutes confidential information. Department staff will be granted reasonable access to the audit documentation upon written request. If we are requested to make the audit documentation available to outside parties, except in the case of requests during our peer review (discussed below) or when prohibited by law or direction of law enforcement, any such requests will be discussed with you before we make the documentation available to the requesting parties.

Depending on the requirements of this engagement, we may use the services of our affiliate, Weaver and Tidwell India LLP, a limited liability partnership incorporated in India, or one or more other third-party service providers to assist us. Before sharing confidential information with those service providers, we will (i) secure agreements to maintain the confidentiality of confidential information and ensure the confidential information is only used for the purpose of assisting us with the performance of this engagement and (ii) take commercially reasonable precautions to determine the service providers have appropriate procedures in place to prevent the unauthorized disclosure of confidential information. If we use such service providers, we will remain responsible for all work performed and any breach of our confidentiality arrangements by those service providers.

We may be requested to make certain audit documentation (working papers) available to regulators and other government agencies (including state auditor's staff) pursuant to authority given by law or regulation. You should understand that responding to many such requests is mandatory. In those cases, access to such working papers will be provided under our

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supervision and we may, upon their request, provide the regulator or agency with copies of all or selected working papers. The requesting party may intend or decide to distribute the copies or information contained therein to others, including other regulators or agencies. You will be billed for additional fees as a result of the aforementioned work.

Our firm, as well as other accounting firms, participates in a peer review program covering our audit and accounting practices. This program requires that once every three years, we subject our system of quality control to an examination by another accounting firm. As part of this process, the firm conducting our peer review will review a sample of our work. It is possible that the work we perform for you may be selected for such a review. If it is, our peer review firm is bound by professional standards to keep all information confidential, and we are required to provide the required information.

We will retain our audit documentation for a period of at least seven years from the date of our report. You agree that following such period, we may destroy the audit documentation without notice to you.

To maintain independence, we will not act as the host of your financial or non-financial information or as your information back-up service provider. Instead, it is your responsibility to maintain a complete set of your financial and non-financial data and records. If some portion of your data and records is contained only within our files, you agree to inform us before the issuance of our report, and we will provide that to you.

Except as may be noted herein, the parties do not intend this engagement letter to be for the benefit of any third-party. You may inform us of third parties who will receive a copy of our report. Unless you inform us of such third parties in writing, we are not aware of who you intend to supply our report to and we do not anticipate any such third-parties' reliance upon our professional services unless expressly stated herein.

In order to facilitate this engagement, we may transmit and store data via email, the cloud, or other electronic and Internet-based mechanisms. Please be aware that those mediums inherently pose a risk of misdirection or interception of confidential information. Any request you have to limit such transmissions or use a different means of transmission or storage must be made in writing and you will be responsible for any resulting compromise in data security.

### **Dispute Resolution Procedure including Jury Waiver**

If a dispute arises out of or relates to this engagement or engagement letter, or the breach thereof, and if the dispute cannot be settled through negotiation, the parties agree first to try in good faith to settle the dispute by mediation before resorting to litigation. In such event, the parties will attempt to agree upon a location, mediator, and mediation procedures, but absent such agreement any party may require mediation in Houston, Texas, administered by the AAA under its Commercial Mediation Procedures.

This engagement letter and all disputes between the parties shall be governed by, resolved, and construed in accordance with the laws of the State of Texas, without regard to conflict-of-law principles. Any action arising out of or relating to this engagement or engagement letter shall only be brought in, and each party agrees to submit and consent to the exclusive jurisdiction of the federal or state courts in the State of Texas and convenience of those situated in Harris County, Texas.

Each party hereby irrevocably waives any right it may have to trial by jury in any proceeding arising out of or relating to this engagement or this engagement letter.

Whenever possible, this engagement letter shall be interpreted in such a manner as to be effective and valid under applicable laws, regulations, or published interpretation, but if any term of this engagement letter is declared illegal, unenforceable, or unconscionable, that term shall be severed or modified, and the remaining terms of the engagement letter shall remain in force. The parties agree that the court should modify any term declared to be illegal, unenforceable, or unconscionable in a manner that will retain the intended term as closely as possible.

If because of a change in status or due to any other reason, any provision in this engagement letter or any other contract we have with you, or enter into, would be prohibited by, or would impair our independence for this engagement under laws, regulations or published interpretations by governmental bodies, professional organizations or other regulatory agencies, such provision shall, to that extent, be of no further force and effect and the contract shall consist of the remaining portions.

### **Miscellaneous**

In accordance with the requirements of *Government Auditing Standards*, we have attached a copy of the latest external peer review report of our firm for your consideration and files.

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We may at times provide you with documents marked as drafts. You understand that those documents are for your review purposes only. You should not rely upon those documents in any way.

Although the engagement partner or equivalent responsible for this engagement is a licensed certified public accountant, we inform you that we have non-licensees who may provide services pertaining to this engagement.

If you intend to make reference to our firm or include our report or any portion of it in a published document or other reproduction, and that document or other reproduction includes a version of our report or the financial statements that is assembled differently than any version we provided you or audited, you agree to provide us with printers' proofs or masters for our review and approval before reproducing. You also agree to provide us with a copy of the final reproduced material for our written approval before it is distributed. If, in our professional judgment, the circumstances require, we may withhold our approval. This requirement does not pertain to distributing our report or the financial statements when you do not modify their assembly or in situations where you disseminate the audited financial statements as a standalone document, such as on your website.

This engagement letter sets forth all of the agreed upon terms and conditions of our engagement with respect to the matters covered herein and supersedes any that may have come before. This engagement letter may not be amended or modified except by further writing signed by all the parties. Any provisions of this engagement letter which expressly or by implication are intended to survive its termination or expiration will survive and continue to bind the parties. The use of electronic signatures or multiple counterparts to execute this engagement letter shall have the same force and effect as a manually or physically signed original instrument.

We appreciate the opportunity to assist you and look forward to working with you and your team.

Sincerely,

*Weaver and Tidwell, L.L.P.*

**WEAVER AND TIDWELL, L.L.P.**  
Fort Worth, Texas

Please sign and return a copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our engagement as described herein, including each party's respective responsibilities. By signing below, the signatory also represents that they have been authorized to execute this agreement.

**Tarrant County, Texas**

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



## Report on Firm's System of Quality Control

September 19, 2022

To the Partners of Weaver & Tidwell, L.L.P.  
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Weaver & Tidwell, L.L.P. (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended May 31, 2022. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a system review as described in the Standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

### **Firm's Responsibility**

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

### **Peer Reviewer's Responsibility**

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

### **Required Selections and Considerations**

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act; audits of employee benefit plans, an audit performed under FDICIA, and examinations of service organizations [SOC 1 and SOC 2 engagements].)

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

## Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Weaver & Tidwell, L.L.P. applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended May 31, 2022, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Weaver & Tidwell, L.L.P. has received a peer review rating of *pass*.

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Eide Bailly LLP