



### **Agenda Action Form Overview**

The Board is requested to approve Budget Amendment 21BCC000033 appropriating \$15,164 of General Fund fund balance to support a payment due to a missed FY 2018-19 monthly payment to a Juvenile Crime Prevention Council program provider. Funding for this payment was received by the County in FY 2018-19 and was inadvertently not forwarded to the program, consequently those funds fell to General Fund fund balance at the end of FY18/19. This amendment re-appropriates those funds to JCPC so that we can remit the funds to the provider.

### **Background/Justification**

Durham County receives a monthly disbursement from the NC Department of Public Safety (NC DPS) for the Juvenile Crime Prevention Council. This disbursement is then re-distributed to agencies in accordance with the annual JCPC Funding Plan. The Criminal Justice Resource Center (CJRC) has been tasked with the administration of JCPC Funding and other related functions.

In April 2019 (FY 2018-19), when CJRC experienced a transition in JCPC coordinators, an administrative step was missed and Exchange Family Center (EFC) did not receive their monthly disbursement for Parenting of Adolescents in the amount of \$15,164. This error was not brought to CJRC's attention until Spring of 2020 (FY 2019-20) while access to the County's financial system SAP was unavailable due to the malware attack. Over the past several months, staff from Durham County Finance and CJRC have conducted extensive research to confirm the funds were indeed received by the County and that the payment was in fact not provided to the program. A letter from EFC has been attached which provides additional information.

As a result of this oversight, the funds that had been received from NC DPS on April 12, 2019 as part of the April JCPC disbursement, were not re-distributed and remained in CJRC's balance which reverted to the County's General Fund fund balance as part of the FY 2018-19 fiscal year end process.

In an effort to correct this oversight and provide the missing funds to the Exchange Family Center as intended for JCPC programming, it is recommended that \$15,164 be appropriated from General Fund fund balance to CJRC's budget because CJRC's current budget cannot sustain absorbing this payment.

The staff and administration of the Criminal Justice Resource Center has conducted a comprehensive review of its accounting practices, has received extensive training from Finance Department staff, and has implemented processes to assure this oversight does not happen again.

### **Policy Impact**

This request is consistent with past actions where unspent restricted funds closed to unassigned fund balance. The restricted unspent funds technically should have been requested by CJRC in the year end process to be classified as restricted fund balance for CJRC programs in the General Fund. The restricted fund balance would have been appropriated in the next fiscal year by Board action along with other restricted fund balance for other business areas (typically in October of



the next fiscal year once the prior fiscal year general ledger balances are final). Because we were unaware of this balance not being paid to the provider, the request to restrict these funds in fund balance did not occur.

**Procurement Background**

N/A

**Fiscal Impact**

If approved, this action will appropriate \$15,164 from the County's General Fund fund balance to the Criminal Justice Resource Center's FY20-21 budget to be expended to Exchange Family Center. This is a non-recurring transaction.

**Recommendation**

The County Manager recommends that the Board approve Budget Amendment 21BCC000033 appropriating \$15,164 of General Fund fund balance to support a current payment of a missed FY 2018-19 monthly payment to the Juvenile Crime Prevention Council.