
REPORT DIGEST

BIG MUDDY RIVER CORRECTIONAL CENTER

COMPLIANCE AUDIT
For the Two Years Ended:
June 30, 1996

Summary of Findings:

| | |
|--------------------------|---|
| Total this audit | 3 |
| Total last audit | 3 |
| Repeated from last audit | 0 |

Release Date:



State of Illinois
Office of the Auditor General

WILLIAM G. HOLLAND
AUDITOR GENERAL

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SYNOPSIS

- ◆ The Center expended \$5,065 during the fiscal year 1996 lapse period for trees and shrubs for landscaping projects at the DuQuoin State Fairgrounds.
- ◆ The Business Administrator position within the Center's business office has been vacant since March 1996. In addition, an Accountant II position has been vacant since May 1996. These vacancies have led to a breakdown of various aspects of the Center's fiscal internal control environment.

{Expenditures and Activity Measures are summarized on the reverse page.}

ILLINOIS DEPARTMENT OF CORRECTIONS
BIG MUDDY RIVER CORRECTIONAL CENTER
COMPLIANCE AUDIT
For The Two Years Ended June 30, 1996

| EXPENDITURE STATISTICS | FY 1996 | FY 1995 | FY 1994 |
|--|---------------------|---------------------|---------------------|
| ! Total Expenditures (All Appropriated Funds) | \$24,439,475 | \$22,335,925 | \$20,159,885 |
| Personal Services..... | \$14,839,936 | \$13,736,388 | \$12,145,831 |
| % of Total Expenditures..... | 60.73% | 61.50% | 60.24% |
| Average No. of Employees..... | 451 | 435 | 318 |
| Average Salary Per Employee..... | \$32,905 | \$31,578 | \$38,194 |
| Inmate Compensation..... | \$362,916 | \$341,335 | \$378,456 |
| % of Total Expenditures..... | 1.48% | 1.53% | 1.88% |
| Other Payroll Costs (FICA, Retirement)..... | \$1,800,812 | \$1,547,624 | \$1,353,718 |
| % of Total Expenditures..... | 7.37% | 6.93% | 6.72% |
| Contractual Services..... | \$3,900,729 | \$3,487,706 | \$2,972,202 |
| % of Total Expenditures..... | 15.96% | 15.61% | 14.74% |
| All Other Items..... | \$3,535,082 | \$3,222,872 | \$3,309,678 |
| % of Total Expenditures..... | 14.46% | 14.43% | 16.42% |
| ! Cost of Property and Equipment | \$51,007,552 | \$50,871,226 | \$50,655,473 |

| SELECTED ACTIVITY MEASURES | FY 1996 | FY 1995 | FY 1994 |
|---|-----------------|-----------------|-----------------|
| ! Average Number of Residents | 1,758 | 1,678 | 1,396 |
| ! Ratio of Correctional Officers to Residents..... | 1/5.26 | 1/5.26 | 1/6.25 |
| ! Cost Per Year Per Resident | \$13,849 | \$13,222 | \$14,331 |
| ! Rated Resident Capacity | 1,152 | 1,152 | 1,152 |
| ! Approximate Square Feet Per Resident | 31 | 31 | 35 |

| CENTER WARDEN(S) |
|--|
| During Audit Period: Ms. Mary Hardy-Hall Currently: Mr. Jack T. Hartwig |

**FINDINGS, CONCLUSIONS
RECOMMENDATIONS**

**LAPSE PERIOD EXPENDITURES FOR
LANDSCAPING PROJECTS**

**\$5,065 spent during lapse
period for landscaping
projects at the DuQuoin
State Fairgrounds.**

During our testing of lapse period expenditures for fiscal year 1996 we identified \$5,065 the Center expended from its appropriation for horticulture supplies (trees and shrubs) for landscaping projects at the DuQuoin State Fairgrounds. We also identified an additional \$2,631 incurred during the first part of fiscal year 1997 for the same purpose.

**Expenditures did not appear
be consistent with the
purpose for which funds had
been appropriated.**

These expenditures did not appear to be consistent with the purpose for which the Center's funds were appropriated. The Center should not use its appropriated funds to purchase materials for projects for other State agencies.

We recommended the Center expend public funds in accordance with the purpose for which such funds were appropriated and that only labor be provided for those projects not directly associated with the Department of Corrections. (Finding 1, page 6)

Center management accepted the recommendations, and indicated it is the Department's belief that funds were expended in accordance with the facility's goals. They also responded that in the future all efforts will be made to ensure that funds will be expended in accordance with the purpose for which such funds have been appropriated.

**BREAKDOWN OF INTERNAL CONTROL
ENVIRONMENT AS A RESULT OF BUSINESS
OFFICE VACANCIES**

**Vacancies within the business
office have resulted in
breakdowns of the fiscal
internal control environment.**

The Business Administrator position within the Center has been vacant since March of 1996. In addition, an Accountant II position has been vacant since May of 1996. One of the key functions of the Business Administrator is to manage the overall control environment of the business office and to perform various checks of the internal control structure to provide assurance as to its effectiveness.

During our audit the following exceptions were noted in the Center's fiscal internal control environment:

Errors had not been corrected or reconciliation performed on accounting records.

- Budgetary Accounting Error Report - we identified several errors that had been carried forward for an excessive period of time (i.e. longer than 30 days).
- Inventory Master List - we noted the Inventory Master List had not been properly reconciled to the general ledger since March 1996.
- General Ledger - We noted the general ledger had not been posted and properly reconciled since April of 1996.

We recommended the Department fill these vacancies as soon as possible to facilitate the timely performance of all business office functions. (Finding 2, page 8)

Center management stated they have partially implemented the recommendation. Specifically, the Accountant II position was filled October 16, 1996 and the Business Administrator position should be filled before December 31, 1996.

OTHER FINDING

The remaining finding is less significant and is being given appropriate attention by Center management. We will review progress toward implementation of our recommendations during our next audit.

Mr. Mark Krell, Chief Internal Auditor, provided the Center's responses to our findings and recommendations.

AUDITORS' OPINION

We conducted a compliance audit of the Center as required by the Illinois State Auditing Act. We also performed certain agreed upon procedures with respect to the accounting records of the Center to assist our single audit of the entire Department. Financial statements for the Department will be presented in that report.

WILLIAM G. HOLLAND, Auditor General

WGH:RPU:pp

SPECIAL ASSISTANT AUDITORS

Our Special Assistant Auditors were Kemper CPA Group, LLC.

