



STATE OF ILLINOIS
**OFFICE OF THE
 AUDITOR GENERAL**

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

DEPARTMENT OF CORRECTIONS

Compliance Examination
 For the Two Years Ended June 30, 2022

Release Date: September 26, 2023

FINDINGS THIS AUDIT: 46				AGING SCHEDULE OF REPEATED FINDINGS			
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	0	11	11	2020	5, 10, 18	12, 25, 27, 31, 39, 40, 43, 44, 45, 46	
Category 2:	6	29	35	2018	6	21	
Category 3:	<u>0</u>	<u>0</u>	<u>0</u>	2016	16, 20	13, 19, 23, 41	
TOTAL	6	40	46	2014	4, 9	36, 37	
				2012	3	11, 24, 29, 42	
				2010		14	
				2008	1, 2	7, 8	
				2006		17, 34	
FINDINGS LAST AUDIT: 60				2000		30, 35	
				1998		32	

INTRODUCTION

This digest covers the Compliance Examination of the Department of Corrections (Department) for the two years ended June 30, 2022. The Department’s Financial Statement Audit covering the year ended June 30, 2022 was previously released under separate cover on July 6, 2023. In total, this report contains 46 findings, 8 of which were reported in the Financial Audit.

SYNOPSIS

- (22-12) The Department did not comply with extended supervision of sex offender requirements of the Unified Code of Corrections
- (22-16) The Department did not comply with the required transfers of profits from the DOC Commissary Funds.
- (22-18) The Department failed to provide offender resident information to appropriate parties.
- (22-35) The Department failed to meet training requirements.

Category 1: Findings that are **material weaknesses** in internal control and/or a **qualification** on compliance with State laws and regulations (material noncompliance).

Category 2: Findings that are **significant deficiencies** in internal control and **noncompliance** with State laws and regulations.

Category 3: Findings that have **no internal control issues but are in noncompliance** with State laws and regulations.

**FINDINGS, CONCLUSIONS, AND
RECOMMENDATIONS**

**NONCOMPLIANCE WITH EXTENDED SUPERVISION
OF SEX OFFENDER REQUIREMENTS OF THE
UNIFIED CODE OF CORRECTIONS**

The Department of Corrections (Department) failed to report individuals' progress under the extended supervision of sex offender requirements of the Unified Code of Corrections (Code).

During Fiscal Year 2021 and Fiscal Year 2022, there were a total of 446 and 498, respectively, individuals released under extended mandatory supervision of sex offender requirements. These individuals are defined by the Code (730 ILCS 5/5-8-1(d)(4)) as including those who committed the offense of predatory criminal sexual assault of a child, aggravated criminal sexual assault, criminal sexual assault, certain offenses of aggravated child pornography, or manufacture or dissemination of child pornography after specified dates, whose terms of mandatory supervised release range from 3 years to life.

Department did not submit required reports to the chief of police or sheriff

During the examination period, the Department did not submit the required progress reports to the chief of police or sheriff in the municipality or county in which the offender resides and is registered. (Finding 12, pages 56 – 57)

The auditors recommended the Department comply with the sex offender progress report requirements of the Code. The auditors further recommended the Department pursue legislative change if they do not believe the current statutory provisions are reasonable and appropriate.

Department accepted recommendation

The Department stated that the recommendation is implemented and the Department is in the process of seeking legislative remedy.

**NONCOMPLIANCE WITH THE REQUIRED
TRANSFERS OF PROFITS FROM THE DOC
COMMISSARY FUNDS**

The Department of Corrections (Department) did not transfer 40% of profits from DOC Commissary Funds to allow expenditure of all designated profits for the special benefit of individuals in custody and employees from the Individuals and Employee Benefit Funds.

\$5.8 million of commissary profits was owed to the Benefit Funds at the end of Fiscal Year 2022

Amounts due to the Individuals and Employee Benefit Funds from the DOC Commissary Funds totaled \$5.8 million, \$8.4 million, and \$8.9 million as of June 30, 2022, 2021 and 2020, respectively. The Department did not comply with the requirement to expend 40% of Individual and Employee

Commissary profits for the special benefit of committed persons and employees and the advancement or reimbursement of employee travel, respectively.

Auditors reviewed monthly transfers of profits by the correctional centers and noted the following:

26 centers did not transfer 40% of monthly commissary funds profit to the related benefit fund for an average of 49% of months

- Twenty-six centers did not transfer 40% of monthly commissary fund net profit to the related benefit fund an average of 49% of months during Fiscal Years 2021 and 2022.
- In 23% of instances where centers identified excess cash available in the commissary fund at month-end, those excess funds were not transferred fully or at all to the related benefit and/or 523 Fund, and insufficient documentation was maintained to support the center's decision to retain the excess cash. Since centers must retain sufficient funds to maintain commissary operations, cash excess is calculated as commissary funds remaining after deducting the total of payables plus two and a half times the cost of inventory on hand. (Finding 16, pages 63 – 65) **This finding has been reported since 2016.**

The auditors recommended the Department review and update its policies and procedures as needed to ensure a consistent and accurate transfer of commissary profits occurs and maintain sufficient supporting documentation for measures taken. Additionally, the auditors recommended the Department develop and implement a plan of action to decrease the liability with the Commissary Funds. Further, if the Department determines the current statutory language is not sufficient to accommodate operations of the Commissary Funds, it should seek legislative changes.

Department accepted recommendation

The Department accepted the recommendation and stated it has made a concerted effort to pay down the liabilities owed by the Commissary Funds to the respective Benefit Funds as evidenced by the fact that the balance decreased by over \$3 million between June 30, 2020 and June 30, 2022. The Department further responded it plans to continue its efforts in this endeavor.

FAILURE TO PROVIDE OFFENDER RESIDENT INFORMATION TO APPROPRIATE PARTIES

The Department failed to appropriately notify the appropriate parties of residency of persons on parole and mandatory supervised release.

The Unified Code of Corrections (Code) requires the Department provide investigation reports, evaluations,

disciplinary history, parole plan, orders and contacts to State regulated facilities within three days of residency.

Department was unable to provide a list of paroled or released individuals residing in State regulated facilities

Auditors requested the Department provide the population of persons on parole or mandatory supervised release who became a resident of a facility licensed or regulated by the Department of Public Health (DPH), Department of Healthcare and Family Services (HFS), or Department of Human Services (DHS) in Fiscal Year 2021 or Fiscal Year 2022. However, the Department was unable to provide the requested population and therefore, auditors were unable to test whether notifications occurred. Management also stated they were unable to timely comply with notification requirements of the Code. As of June 30, 2021, and June 30, 2022, the Department had a total of 22,663 and 20,895 individuals, respectively, on parole or mandatory supervised release. (Finding 18, pages 68 – 69)

Department unable to timely provide parolee and mandatory supervised releasee information

The auditors recommended the Department implement measures to identify individuals subject to notification requirements and to report required information to the appropriate parties as soon as possible. The auditors also recommended the Department seek legislative remedy if the mandated timeframe for notification is deemed unreasonable.

Department accepted recommendation

The Department accepted the recommendation. The Department also stated it is not able to provide the mandated information within the 3-day turnaround time because they are rarely notified within this time frame that a person on parole has become a resident of a facility licensed or regulated by the DPH, which is all hospitals and nursing homes within the State, HFS, or DHS. The Department further stated it plans to seek a mandate revision during the next legislative session.

FAILURE TO MEET TRAINING REQUIREMENTS

The Department did not document the completion of all employees' training requirements during Fiscal Year 2021 and Fiscal Year 2022.

The Department administers training and requires that all new employees receive orientation and pre-service training, and all employees receive in-service training on a fiscal year basis. In addition, the Department follows training requirements of the State Officials and Employees Ethics Act.

During auditors testing of personnel training records, the following was noted:

11 (18%) employees tested lacked documentation of any in-service training during FY21

- Fourteen of 60 (23%) employees tested did not complete the Fiscal Year 2021 minimum in-service training hours. Eleven of those employees lacked documentation of any in-service training during the

22% of employees tested during FY22 did not complete minimum in-service training hours

8 (13%) employees tested lacked documentation of any in-service training during FY22

fiscal year, and the other three employees lacked 24 to 38 required annual training hours.

- Thirteen of 60 (22%) employees tested did not complete the Fiscal Year 2022 minimum in-service training hours. Eight of those employees lacked documentation of any in-service training during the fiscal year, and the other employees fell short by 13 to 39.5 training hours.
- One of 10 (10%) newly hired employees tested completed ethics training 127 days late.
- One of 60 (2%) employees tested did not complete the 2021 sexual harassment training.
- One of 60 (2%) employees tested did not complete the 2022 sexual harassment training. (Finding 35, pages 99 – 100) **This finding has been reported since 2000.**

The auditors recommended the Department implement sufficient internal controls to document and monitor all training and follow up to ensure employees receive the required training to enable them to perform their specific job duties and to reduce risks to the Department.

Department accepted recommendation

The Department accepted the recommendation. The Department stated it has implemented resource computers in the centers for those without access to a computer during their regular duties to provide access to training during work hours. The lockdowns during the COVID-19 pandemic hindered the ability of staff members to be relieved of duty to complete training. The Department has also implemented a system whereby a staff person who has not obtained the required training is given a corrective action plan to ensure they are compliant. If they still do not meet the training requirements, they are issued disciplinary tickets. As a result, 76% of Department staff have completed Harassment and Discrimination training and 98% have completed the Ethics training as of August 2023.

OTHER FINDINGS

The remaining findings pertain to financial reporting; noncompliance and control weaknesses regarding laws, rules, regulations, and grant agreements; fiscal and administrative responsibilities; and information technology controls. We will review the Department's progress towards the implementation of our recommendations in our next compliance examination.

AUDITOR'S OPINION

The financial audit report was previously released. The auditors qualified their opinion on the governmental activities

for Finding 2022-004. Except for this matter, the auditors stated the financial statements of the Department as of and for the year ended June 30, 2022 are fairly stated in all material respects.

ACCOUNTANT'S OPINION

The accountants conducted a State compliance examination of the Department for the two years ended June 30, 2022, as required by the Illinois State Auditing Act. The accountants qualified their report on State compliance for Findings 2022-001 through 2022-006, 2022-009, 2022-010, 2022-016, 2022-018, and 2022-020 individually, and for Findings 2022-011 through 2022-015, 2022-017, 2022-019, 2022-023, 2022-025 through 2022-028, 2022-031, 2022-038, 2022-040, and 2022-043 through 2022-046 in the aggregate. Except for the noncompliance described in these findings, the accountants stated the Department complied, in all material respects, with the requirements described in the report.

This State compliance examination was conducted by Adelfia LLC.

SIGNED ORIGINAL ON FILE

JANE CLARK
Division Director

This report is transmitted in accordance with Section 3-14 of the Illinois State Auditing Act.

SIGNED ORIGINAL ON FILE

FRANK J. MAUTINO
Auditor General

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