
REPORT DIGEST

DEPARTMENT OF CORRECTIONS GENERAL OFFICE

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

Summary of Findings:

Total this audit	18
Total last audit	13
Repeated from last audit	8

Release Date:



State of Illinois
Office of the Auditor General

WILLIAM G. HOLLAND
AUDITOR GENERAL

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SYNOPSIS

- ◆ The Department did not maintain adequate internal controls at community correctional centers to assure accounting records were properly maintained.
- ◆ The payroll costs and time spent by two facility business administrators were not allocated among the facilities at which they actually worked.
- ◆ Two Assistant Director positions mandated by statute have not been filled but have been replaced with higher paying Deputy Director positions.
- ◆ The Department did not adequately monitor substance abuse counseling services provided by a vendor at two correctional facilities.

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

DEPARTMENT OF CORRECTIONS - GENERAL OFFICE
FINANCIAL AND COMPLIANCE AUDIT
For The Two Years Ended June 30, 1996

EXPENDITURE STATISTICS	FY 1996	FY 1995	FY 1994
! Total Expenditures(All Treasury Held Funds)	\$111,815,102	\$95,138,810	\$89,872,162
<u>OPERATIONS TOTAL</u>	\$108,741,294	\$91,054,436	\$83,627,440
% of Total Expenditures.....	96%	96%	93%
Personal Services.....	\$31,070,323	\$28,714,907	\$24,811,276
% of Operations Expenditures	28%	31%	30%
Average No. of Employees	799	782	695
Average Employee Salary.....	\$38,886	\$36,720	\$35,699
Other Payroll Costs (FICA, Retirement).....	\$28,738,806	\$26,230,405	\$24,249,156
% of Operations Expenditures	26%	29%	29%
Contractual Services.....	\$18,022,803	\$14,365,893	\$14,149,574
% of Operations Expenditures	17%	16%	17%
Claims and Settlements.....	\$12,148,692	\$6,859,077	\$6,588,523
% of Operations Expenditures	12%	8%	8%
All Other Operations Items.....	\$18,760,670	\$14,884,154	\$13,828,911
% of Operations Expenditures	17%	16%	16%
<u>GRANTS AND TREATMENT PROGRAMS</u>	\$3,073,808	\$4,084,374	\$6,344,722
% of Total Expenditures.....	4%	4%	7%
! Cost of Property and Equipment.....	\$19,257,822	\$20,261,413	\$18,682,910
SELECTED ACTIVITY MEASURES	FY 1996	FY 1995	FY 1994
! ADULT CENTERS			
Average Population.....	35,769	34,560	32,288
Rated Capacity	25,825	25,625	24,384
Population in Excess of Capacity	9,944	8,935	7,904
Average Annual Costs	\$16,710	\$15,761	\$15,968
! JUVENILE CENTERS			
Average Population.....	1,700	1,573	1,469
Rated Capacity	1,210	1,210	1,210
Population in Excess of Capacity	490	363	259
Average Annual Costs	\$30,445	\$30,618	\$31,018
! COMMUNITY CENTERS			
Average Population.....	1,255	1,233	1,193
Rated Capacity	1,083	1,083	1,083
Population in Excess of Capacity	170	150	110
Average Annual Costs	\$15,624	\$14,232	\$14,094
AGENCY DIRECTOR			
During Audit Period: Mr. Odie Washington			
Currently: Mr. Odie Washington			

INTRODUCTION

Our report presents our financial and compliance audit of the Department of Corrections' General Office, and our audit of the entire Department under the Single Audit Act of 1984. The Department administers 33 correctional facilities - 27 adult centers, 6 youth centers and 11 community correctional centers. Our special assistant auditors at the 33 correctional facilities performed various procedures in the areas of commodity inventories, property control, local funds, and data processing. Our auditors at the 33 correctional facilities assisted the General Office auditors in the preparation of the Department-wide financial and compliance audit.

FINDINGS, CONCLUSIONS RECOMMENDATIONS

INTERNAL CONTROL WEAKNESSES

Internal control weaknesses at community correctional centers

In addition to the 33 correctional centers, the Department operates 11 community correctional centers. Approximately 1,300 inmates are housed in community correctional centers throughout the State. Inmates who are nearing the conclusions of their sentences and have made a satisfactory adjustment while confined to prison may be eligible for participation in the work release program. Inmates housed in community correctional centers are expected to become employed or participate in some other worthwhile endeavor such as attending school. Participation in the work release program is considered a privilege, and those inmates who do not abide by the strict rules and regulations enforced at the community correctional centers are transferred back to prison. A program to monitor some inmates with electronic devices in their homes was implemented in 1990 and continues today in monitoring 1,000 inmates.

During our audit fieldwork at the community centers, we noted many accounting internal control weaknesses, and observed that several of the centers lacked procedures to maintain accounting records. Some of the internal control weaknesses noted included:

- ! Checks were signed by one person when two authorized signers are required.
- ! Bank reconciliations were not prepared.
- ! Cash receipts and disbursements ledgers were not maintained.
- ! General maintenance fees for food and housing were not being charged.
- ! Resident financial folders did not contain all required documents.
- ! Resident weekly financial transaction forms were not prepared.
- ! Maintenance fees collected for electronic

