

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS

ILLINOIS YOUTH CENTER - JOLIET

LIMITED SCOPE COMPLIANCE EXAMINATION

For the Two Years Ended June 30, 2006

Performed as Special Assistant Auditors
For the Auditor General, State of Illinois

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
ILLINOIS YOUTH CENTER - JOLIET
LIMITED SCOPE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2006

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CENTER OFFICIALS

Warden (7/1/05 - Current)	Mr. Larry Peterson
Acting Warden (7/1/04 - 6/30/05)	Mr. John Rita, Jr.
Assistant Warden – Programs (3/1/06 - Current)	Ms. Millicent McCoy
Assistant Warden – Programs (7/1/04 - 2/28/06)	Ms. Janice Burns
Assistant Warden – Operations (7/1/05 - Current)	Mr. John Rita, Jr.
Business Office Administrator (10/1/06 - Current)	Ms. Kim Turner
Business Office Administrator (3/16/05 – 4/7/05)	Ms. Margaret Blair
Acting Business Office Administrator (7/1/04 – 3/15/05)	Mr. G. K. Chinoy

The Center is located at:

2848 West McDonough Street
Joliet, IL 60436



IYC Joliet, 2848 W McDonough St, Joliet IL 60436
Phone: (815) 725-1206 / TDD: (800) 526-0844

MANAGEMENT ASSERTION LETTER

De Raimo Hillger & Ripp
Certified Public Accountants
655 N. LaGrange Road, Suite 102
Frankfort, IL 60423

October 5, 2006

Ladies and Gentlemen:

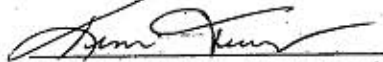
We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the Center. We are responsible for and we have established and maintained an effective system of internal controls over compliance requirements. We have performed an evaluation of the Center's compliance with the following assertions during the two-year period ended June 30, 2006. Based on this evaluation, we assert that during the years ended June 30, 2006 and June 30, 2005, the Center has materially complied with the assertions below.

- A. The Center has obligated, expended, received and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The Center has obligated, expended, received and used public funds of the State in accordance with any limitations, restrictions, conditions or mandatory directions imposed by law upon such obligation, expenditure, receipt or use.
- C. The Center has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. The State revenues and receipts collected by the Center are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate and in accordance with law.
- E. The money or negotiable securities or similar assets handled by the Center on behalf of the State or held in trust by the Center have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate and in accordance with law.

Yours very truly,

Illinois Youth Center - Joliet


Mr. Larry Peterson, Warden


Ms. Kim Turner, Business Administrator

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
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COMPLIANCE REPORT

SUMMARY

The limited scope compliance testing performed during this examination was conducted in accordance with *Government Auditing Standards* and in accordance with the Illinois State Auditing Act.

ACCOUNTANTS' REPORT

The Independent Accountants' Report on State Compliance, on Internal Control Over Compliance and on Supplementary Information for State Compliance Purposes relates only to those chapters of the "Audit Guide for Performing Financial Audits and Compliance Attestation Engagements of Illinois State Agencies" (*Audit Guide*) which are identified in the report as having compliance testing performed.

SUMMARY OF FINDINGS

<u>Number of</u>	<u>This Report</u>	<u>Prior Report</u>
Findings	4	5
Repeated findings	2	1
Prior recommendations implemented or not repeated	3	1

Details of findings are presented in a separately tabbed report section.

SCHEDULE OF FINDINGS

CURRENT FINDINGS

<u>Item No.</u>	<u>Page</u>	<u>Description</u>
06-1	10	Inadequate Trust Fund Procedures
06-2	11	Inadequate Controls Over Locally Held Funds
06-3	13	Perpetual Inventory System Not Maintained
06-4	14	Inaccurate Fixed Asset Reporting

PRIOR FINDINGS NOT REPEATED

<u>Item No.</u>	<u>Page</u>	<u>Description</u>
06-5	15	Improper Accounting of Inmate Commissary Profits
06-6	15	Inadequate Internal Controls Over Fixed Assets and Equipment
06-7	16	No Documentation of Approval of Payroll Vouchers

EXIT CONFERENCE

Center management waived having an exit conference per a letter dated February 7, 2007.

Responses to the recommendations were provided by Mary Ann Bohlen, Department of Corrections, Supervisor of Central Accounting in a letter dated February 7, 2007.

DE RAIMO HILLGER & RIPP

Certified Public Accountants & Business Consultants

655 N. La Grange Road • Suite 102 • Frankfort, IL 60423-1347 • Telephone: (815) 469-7500 • Facsimile: (815) 469-6970

JOHN J. DE RAIMO
FERNE M. HILLGER
ROBERT J. RIPP

INDEPENDENT ACCOUNTANTS' REPORT ON STATE COMPLIANCE, ON INTERNAL CONTROL OVER COMPLIANCE, AND ON SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES

Honorable William G. Holland
Auditor General
State of Illinois

Compliance

As Special Assistant Auditors for the Auditor General, we performed a limited scope compliance examination of the State of Illinois Department of Corrections - Illinois Youth Center - Joliet's compliance with the requirements listed below, as more fully described in the Audit Guide for Performing Financial Audits and Compliance Attestation Engagements of Illinois State Agencies (*Audit Guide*) as adopted by the Auditor General, during the two years ended June 30, 2006. The management of the State of Illinois Department of Corrections - Illinois Youth Center - Joliet is responsible for compliance with these requirements. Our responsibility is to express an opinion on the State of Illinois Department of Corrections - Illinois Youth Center - Joliet's compliance based on our examination.

- A. The State of Illinois Department of Corrections - Illinois Youth Center - Joliet has obligated, expended, received, and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The State of Illinois Department of Corrections - Illinois Youth Center - Joliet has obligated, expended, received, and used public funds of the State in accordance with any limitations, restrictions, conditions or mandatory directions imposed by law upon such obligation, expenditure, receipt or use.
- C. The State of Illinois Department of Corrections - Illinois Youth Center - Joliet has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. The State revenues and receipts collected by the State of Illinois Department of Corrections - Illinois Youth Center - Joliet are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate and in accordance with law.
- E. Money or negotiable securities or similar assets handled by the State of Illinois Department of Corrections - Illinois Youth Center - Joliet on behalf of the State or held in trust by the State of Illinois Department of Corrections - Illinois Youth Center - Joliet have been properly and legally administered and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

Our limited scope compliance examination of the Center was limited to the following areas of the *Audit Guide*:

- Chapter 8 – Personal Services Expenditures
- Chapter 9 – Contractual Services Expenditures
- Chapter 11 – Commodities Expenditures
- Chapter 18 – Appropriations, Transfers and Expenditures
- Chapter 22 – Review of Agency Functions and Planning Program
- Chapter 30 – Auditing Compliance With Agency Specific Statutory Mandates

The areas of the *Audit Guide* not examined at the Center have had procedures performed on a Department-wide basis through the compliance examination of the Department's General Office, and accordingly, any findings from the results of those procedures have been included in the Department of Corrections – General Office compliance report. We have also performed certain procedures with respect to the accounting records of the Center to assist in the performance of the Auditor General's financial statement audit of the entire Department of Corrections for the year ended June 30, 2006. The results of these additional procedures have been communicated to the Department of Corrections – General Office auditors.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants; the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the Illinois State Auditing Act (Act); and the *Audit Guide* as adopted by the Auditor General pursuant to the Act; and, accordingly, included examining, on a test basis, evidence about the State of Illinois Department of Corrections - Illinois Youth Center - Joliet's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the State of Illinois Department of Corrections - Illinois Youth Center - Joliet's compliance with specified requirements.

In our opinion, the State of Illinois Department of Corrections - Illinois Youth Center - Joliet complied, in all material respects, with the aforementioned requirements during the two years ended June 30, 2006. However, the results of our procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with criteria established by the *Audit Guide*, issued by the Illinois Office of the Auditor General and which are described in the accompanying Schedule of Findings as findings 06-1, 06-2, 06-3 and 06-4.

As required by the *Audit Guide*, immaterial findings relating to instances of noncompliance excluded from this report have been reported in a separate letter to your office.

Internal Control

The management of the State of Illinois Department of Corrections - Illinois Youth Center - Joliet is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws and regulations. In planning and performing our limited scope compliance examination, we considered the State of Illinois Department of Corrections - Illinois Youth Center - Joliet's internal control over compliance with the aforementioned requirements in order to determine our examination procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the *Audit Guide*, issued by the Illinois Office of the Auditor General. We have also performed certain procedures with respect to the accounting records of the Center to assist in the performance of the Auditor

General's financial statement audit of the entire Department of Corrections for the year ended June 30, 2006. The results of these additional procedures have been communicated to the Department of Corrections – General Office auditors.

Our consideration of internal control over compliance with the aforementioned requirements would not necessarily disclose all matters in internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws and regulations that would be material in relation to one or more of the aforementioned requirements being examined may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving internal control over compliance that we consider to be material weaknesses. However, the results of our procedures disclosed other matters involving internal control which are required to be reported in accordance with criteria established by the *Audit Guide*, issued by the Illinois Office of the Auditor General and which are described in the accompanying Schedule of Findings as finding 06-2.

As required by the *Audit Guide*, immaterial findings relating to internal control deficiencies excluded from this report have been reported in a separate letter to your office.

Supplementary Information for State Compliance Purposes

Our examination was conducted for the purpose of forming an opinion on compliance with the requirements listed in the first paragraph of this report. The accompanying supplementary information as listed in the table of contents as Supplementary Information for State Compliance Purposes is presented for purposes of additional analysis. We have applied certain limited procedures as prescribed by the *Audit Guide*, as adopted by the Auditor General to the 2006 and 2005 Supplementary Information for State Compliance Purposes, except for information on the Annual Cost Statistics and Service Efforts and Accomplishments, Comparative Schedule of Cash Receipts and Deposits, Employee Overtime and Shared Resources on which we did not perform any procedures. However, we do not express an opinion on the supplementary information.

We have not applied procedures to the 2004 Supplementary Information for State Compliance Purposes, and accordingly, we do not express an opinion thereon.

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, Center and Department management, and is not intended to be and should not be used by anyone other than these specified parties.

De Raimo Hillger & Ripp

October 5, 2006

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
ILLINOIS YOUTH CENTER – JOLIET
LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2006

Current Findings

06-1: Inadequate Trust Fund Procedures

Illinois Youth Center – Joliet (Center) did not deposit inmates' locally held trust funds into individual interest bearing savings accounts.

It was noted that all ten (100%) of the inmates' locally held trust fund accounts with balances in excess of \$200 were not deposited locally in individual interest bearing savings accounts. These ten accounts with balances in excess of \$200 totaled \$3,272. The Center had signed statements from nine of these inmates stating that they did not want to open an individual savings account. The Center is in the process of opening a savings account for the other inmate. The Center maintained a total of 281 inmate trust fund accounts with a total balance of \$16,225 as of June 30, 2006. Interest earned on these funds was deposited into the Inmate Benefit Fund. Interest earnings deposited into the Inmate Benefit Fund on these funds amounted to \$10 and \$163 for FY 2006 and FY 2005, respectively.

730 ILCS 5/3-4-3(a) states that any interest or other income from moneys deposited with the Department of Corrections by a resident of the Juvenile Division in excess of \$200 shall accrue to the individual's account. Illinois Department of Corrections Administrative Directive 02.42.101 states that monies in excess of \$200 for juveniles shall be deposited locally in individual interest bearing savings accounts for the juveniles which shall be maintained by the facility.

Center management stated that they cannot force individuals to open accounts. Any individual requesting/authorizing the Center to open an account will have one.

Failure to properly deposit inmate trust fund monies in individual interest bearing savings accounts results in noncompliance with statutes and regulations and loss of interest earnings for the facility's juvenile inmates. (Finding Code No. 06-01, 04-1)

Recommendation: The Center should ensure that individual inmate trust fund accounts in excess of \$200 are deposited locally in individual interest bearing savings accounts or seek legislative remedy to this statutory requirement.

Response: Recommendation accepted. The Department is in the process of reviewing options under the statute, which would meet the requirements of the Patriot Act for the savings accounts. Once the procedures are established, the Administrative Directive will be revised accordingly.

STATE OF ILLINOIS
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SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2006

Current Findings – Continued

06-2: Inadequate Internal Controls Over Locally Held Funds

The Center had inadequate internal controls over locally held funds. The Center maintains four locally held funds. Information on these funds are as follows:

	<u>FY 2005</u>	<u>FY 2006</u>
Total Receipts	\$ 159,857	\$ 115,141
Total Disbursements	\$ 179,553	\$ 119,522
Balance as of June 30:	\$ 36,512	\$ 18,276

During our examination we noted:

- Of the seventy-eight reconciliations tested, fourteen (18%) did not contain evidence that the reconciliation was reviewed and approved by Center Management. Illinois Department of Corrections Administrative Directive 02.40.104 requires that reconciliations be submitted to the Business Administrator and Chief Administrative Officer for review and signature.
- Of the seventy-eight reconciliations tested, thirty-nine (50%) did not contain monthly reconciliations of cashier receipts issued during the month to deposits received by the bank. Illinois Department of Corrections Administrative Directive 02.40.104 requires that all cashier's receipts issued during the month be reconciled to bank deposits.
- Of the fifty-two receipts tested totaling \$46,976, twelve (23%) receipts accounting for \$18,211 (38%) were not deposited timely. These receipts were deposited between 1 and 28 days late. Illinois Department of Corrections Administrative Directive 02.40.110 requires that cash accumulated in the amount of \$1,000 or more on any Business Office working day shall be deposited no later than noon the next working day and that deposits shall be made at least once a week.
- Of the 69 disbursements tested totaling \$41,543:
 - Two (3%) disbursements accounting for \$350 (1%) did not have proper supporting documentation such as vendor invoices. The Illinois State Records Act (5 ILCS 160/8) requires that the Center preserve records containing adequate and proper documentation. In addition, the Illinois Department of Corrections Administrative Directive 02.95.105 requires that Center records be properly identified for ready access and storage at the facility.

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SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2006

Current Findings – Continued

06-2: Inadequate Internal Controls Over Locally Held Funds – Continued

- o One (1%) disbursement accounting for \$4,814 (12%) did not agree to the supporting documentation. Prudent business practices require disbursements to agree to or be reconciled to supporting documentation.

Center management stated that personnel shortages in the business office resulted in reconciliations not being approved, reconciliations of cash receipts to bank deposits not being performed, and lack of supporting documentation.

Not reconciling monthly cashier receipts issued during the month to bank deposits may result in inaccurate Center records of its cash receipts and cash balance. Furthermore, not maintaining supporting documentation for locally held receipts and disbursements prevents an independent review to determine if the accounting for such funds was appropriate and in accordance with laws, rules and regulations. In addition, failure to timely deposit receipts results in loss of interest earnings. (Finding Code No. 06-2, 04-2)

Recommendation: We recommend that the Center implement appropriate procedures to ensure that reconciliations are reviewed and approved, cash receipts are reconciled to bank deposits, receipts are deposited timely, and supporting documentation is maintained and reconciled to disbursements.

Response: Recommendation accepted. The facility will make every effort to comply with the Administrative Directive and statutory requirements. The exceptions noted were errors and oversights during the time of staff turnover.

STATE OF ILLINOIS
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ILLINOIS YOUTH CENTER – JOLIET
LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2006

Current Findings – Continued

06-3: Perpetual Inventory System Not Maintained

The Center did not maintain a perpetual inventory system as required by the Illinois Department of Corrections Administrative Directives.

For eighteen months during the examination period, the Center did not use an automated inventory management system to track commodity items received and issued at the Center. As of December 2004, the Center stopped using the Automated Inventory Management System (AIMS). The Center anticipated they would begin using a replacement system, the Inventory Management System (TIMS). However, as of June 30, 2006, they had not yet started using TIMS. The Center maintained a manual inventory system where quantities received, quantities issued and a balance were recorded for each item on individual inventory cards. These cards did not indicate unit prices, total costs or calculate a weighted-average cost.

The Illinois Department of Corrections Administrative Directive 02.82.101 states that a standardized inventory control system be used for commodities. In addition, Illinois Department of Corrections Administrative Directives 02.82.112A-J and 02.82.114A-J provide guidance on the reconciliation of the inventory count to the perpetual inventory records and the resolution of any discrepancies.

Center management stated the AIMS clerk was promoted in December 2004. At that time it was decided that another employee would not be trained on the AIMS system in anticipation of switching to the replacement system, TIMS.

Failure to maintain a perpetual inventory system prevents the Center from reviewing any discrepancies between perpetual records and physical counts and results in incomplete information for financial reporting. (Finding Code No. 06-3)

Recommendation: We recommend the Center start using an inventory management system to ensure that the inventory is properly tracked, priced and reported.

Response: Recommendation accepted. The Department is currently in the process of implementing a real time inventory system. The new system will address the issues noted in the audit.

STATE OF ILLINOIS
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ILLINOIS YOUTH CENTER – JOLIET
LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2006

Current Findings – Continued

06-4: Inaccurate Fixed Asset Reporting

The Center did not accurately prepare the Facility Worksheet of Fixed Assets (C15W). The C15W is standardized quarterly worksheet used to report and reconcile the Center's fixed asset activity to the Illinois Department of Corrections Central Office.

For the period ending December 31, 2004, the total assets were overstated by \$12,147 on the C15W. The following was noted:

- The beginning balance for equipment did not agree to the previous quarter. It was overstated by \$963.
- The net change in property reported did not agree to Center records. It was overstated by \$11,184

For the period ending March 31, 2005, the total assets were overstated by \$8,213 on the C15W. The net change in property reported did not agree to Center records. It was understated by \$3,934.

For the period ending June 30, 2005, an adjustment of \$8,213 was reported on the C15W to correct the previous errors. The June 30, 2005 balances reported on the C15W agreed to Center records.

Illinois Department of Corrections Administrative Directive 02.70.155 states that the quarterly reports on fixed assets shall be reconciled to the facility's fixed asset records.

Center management stated that staff shortages in the business office resulted in the reconciliation procedures not being followed.

Inaccurate Reports of State Property could result in assets being misstated at the Center, Department and State level. (Finding Code No. 06-4)

Recommendation: We recommend that the Center comply with reconciliation procedures over property and equipment to ensure proper accountability

Response: Recommendation implemented. The error was corrected prior to the audit in the report for the quarter ended 6/30/05.

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Prior Findings Not Repeated

06-5: Improper Accounting of Inmate Commissary Profits

The Illinois Youth Center – Joliet (Center) did not properly account for the commissions they received from Inmate commissary orders.

For the period from January 1, 2004 through June 30, 2004, the Center placed commissary orders in the amount of \$47,423. These orders resulted in commissions of \$11,856. No portion of the \$11,856 in commissions was transferred to the Illinois Department of Corrections 523 fund.

The Department of Corrections (Central Office) compliance examination for the two years ended June 30, 2004 addressed youth center mark-ups in finding 04-9. The finding concluded that youth centers not maintaining a commissary should not mark-up cost of goods by 25-35% as that appears to be in conflict with the Code. The Department of Corrections responded that a review of juvenile facility operations in regards to inmate purchases will be completed and a standard policy and procedure will be implemented. (Finding Code No. 04-5)

Disposition: This finding will be addressed in the Illinois Department of Corrections compliance examination report.

06-6: Inadequate Internal Controls Over Fixed Assets and Equipment

The Illinois Youth Center – Joliet (Center) did not maintain proper internal controls over property. The following were noted:

- Three of twenty five property items (12%) were not tagged. These three untagged items accounted for \$5,736 (6%) of the total sample tested of \$97,248.
- Ten (50%) of twenty property item deletions tested did not have proper approvals. These ten property deletions accounted for \$4,297 (1%) of the total sample tested of \$443,706.
- Items valued at \$86,001 that had been missing for more than six months had not been removed from the Center's property records in accordance with Illinois Department of Corrections Administrative Directives. (Finding Code No. 04-3, 02-1, 00-1)

Disposition: During the current examination period, our testing did not disclose any instances of missing property tags, deletions without proper approval, or missing property that had not been removed from property records.

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SCHEDULE OF FINDINGS
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Prior Findings Not Repeated - Continued

06-7: No Documentation of Approval of Payroll Vouchers

The Illinois Youth Center – Joliet (Center) payroll records did not contain evidence that any of the payroll vouchers were reviewed and approved by Center management.

Testing of payroll records disclosed that 48 of 48 (100%) of the vouchers tested showed no evidence of approval by the Center's management prior to payment. (Finding Code No. 04-4)

Disposition: During the current examination period, our testing did not disclose any instances of payroll vouchers not being reviewed and approved by Center management.

STATE OF ILLINOIS
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ILLINOIS YOUTH CENTER - JOLIET
LIMITED SCOPE COMPLIANCE EXAMINATION
SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES
For the Two Years Ended June 30, 2006

SUMMARY

Supplementary Information for State Compliance Purposes presented in this section of the report includes the following:

Fiscal Schedules and Analysis:

- Schedule of Appropriations, Expenditures and Lapsed Balances
- Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances
- Description of Locally Held Funds
- Schedule of Locally Held Funds
- Schedule of Changes in State Property
- Comparative Schedule of Cash Receipts and Deposits (not examined)
- Analysis of Significant Variations in Expenditures
- Analysis of Significant Lapse Period Spending
- Schedule of Changes in Inventories

Analysis of Operations

- Center Functions and Planning Program
- Average Number of Employees
- Employee Overtime (not examined)
- Inmate Commissary Operation
- Shared Resources (not examined)
- Annual Cost Statistics
 - Costs Per Year Per Inmate (not examined)
 - Ratio of Employees to Inmates (not examined)
 - Cell Square Feet Per Inmate (not examined)
 - Food Services (not examined)
 - Medical and Clergy Service Contracts (not examined)
- Service Efforts and Accomplishments (not examined)

The accountants' report on the Supplementary Information for State Compliance Purposes presented in the Compliance Report Section states the auditors have applied certain limited procedures as prescribed by the *Audit Guide*, as adopted by the Auditor General to the 2006 and 2005 Supplementary Information for State Compliance Purposes, except for information on the Annual Cost Statistics and Service Efforts and Accomplishments, Comparative Schedule of Cash Receipts and Deposits, Employee Overtime and Shared Resources on which they did not perform any procedures. However, the auditors do not express an opinion on the supplementary information. The auditors have not applied procedures to the 2004 Supplementary Information for State Compliance Purposes, and accordingly, do not express an opinion thereon.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
ILLINOIS YOUTH CENTER - JOLIET
LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
For The Year Ended June 30, 2006

	APPROPRIATIONS NET OF TRANSFERS	EXPENDITURES THROUGH JUNE 30, 2006	LAPSE PERIOD EXPENDITURES JULY 1 TO AUGUST 31, 2006	TOTAL EXPENDITURES 14 MONTHS ENDED AUGUST 31, 2006	BALANCES LAPSED AUGUST 31, 2006
PUBLIC ACT 94-0015					
GENERAL REVENUE FUND - 001					
Personal services	\$ 10,682,300	\$ 10,134,924	\$ 547,092	\$ 10,682,016	\$ 284
Employee retirement contributions paid by employer	135,500	134,857	439	135,296	204
Student, member and inmate compensation	14,600	13,246	1,334	14,580	20
State contributions to State Employees' Retirement System	832,500	789,641	42,637	832,278	222
State contributions to Social Security	792,800	751,932	40,844	792,776	24
Contractual services	1,850,700	1,506,336	344,246	1,850,582	118
Travel	4,700	3,239	1,398	4,637	63
Travel and allowances for committed, paroled and discharged prisoners	1,300	1,161	89	1,250	50
Commodities	350,100	312,700	34,490	347,190	2,910
Printing	3,700	3,537	104	3,641	59
Equipment	24,700	5,193	19,473	24,666	34
Telecommunications services	34,700	34,667	-	34,667	33
Operation of automotive equipment	31,400	26,070	5,300	31,370	30
Total - Fiscal Year 2006	\$ 14,759,000	\$ 13,717,503	\$ 1,037,446	\$ 14,754,949	\$ 4,051

Note: The information reflected in this schedule was taken from the Center's records and reconciled to records of the State Comptroller.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
ILLINOIS YOUTH CENTER - JOLIET
LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
For The Year Ended June 30, 2005

	APPROPRIATIONS NET OF TRANSFERS	EXPENDITURES THROUGH JUNE 30, 2005	LAPSE PERIOD EXPENDITURES JULY 1 TO AUGUST 31, 2005	TOTAL EXPENDITURES 14 MONTHS ENDED AUGUST 31, 2005	BALANCES LAPSED AUGUST 31, 2005
PUBLIC ACT 93-0842 & 93-0681					
<u>GENERAL REVENUE FUND - 001</u>					
Personal services	\$ 10,852,300	\$ 10,308,567	\$ 522,196	\$ 10,830,763	\$ 21,537
Employee retirement contributions paid by employer	21,489	21,488	-	21,488	1
Student, member and inmate compensation	47,000	35,293	4,148	39,441	7,559
State contributions to State Employees' Retirement System	1,690,600	1,601,186	81,949	1,683,135	7,465
State contributions to Social Security	780,200	737,480	37,947	775,427	4,773
Contractual services	1,765,500	1,621,658	113,415	1,735,073	30,427
Travel	5,000	2,582	2,118	4,700	300
Travel and allowances for committed, paroled and discharged prisoners	4,200	2,100	-	2,100	2,100
Commodities	438,300	362,796	41,685	404,481	33,819
Printing	7,900	1,893	1,418	3,311	4,589
Equipment	5,000	-	-	-	5,000
Telecommunications services	60,300	47,848	3,123	50,971	9,329
Operation of automotive equipment	39,000	28,821	9,476	38,297	703
Total - Fiscal Year 2005	\$ 15,716,789	\$ 14,771,712	\$ 817,475	\$ 15,589,187	\$ 127,602

Note: The information reflected in this schedule was taken from the Center's records and reconciled to records of the State Comptroller.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
ILLINOIS YOUTH CENTER - JOLIET
LIMITED SCOPE COMPLIANCE EXAMINATION
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
For The Years Ended June 30,

	FISCAL YEAR		
	2006	2005	2004
	P.A. 94-0015	P.A. 93-0842 & 93-0681	P.A. 93-0091
GENERAL REVENUE FUND - 001			
Appropriations (net of transfers)	<u>\$ 14,759,000</u>	<u>\$ 15,716,789</u>	<u>\$ 18,010,900</u>
EXPENDITURES			
Personal services	\$ 10,682,016	\$ 10,830,763	\$ 10,747,835
Employee retirement contributions paid by employer	135,296	21,488	535,739
Student, member and inmate compensation	14,580	39,441	49,091
State contributions to State Employees' Retirement System	832,278	1,683,135	962,683
State contributions to Social Security	792,776	775,427	799,634
Contractual services	1,850,582	1,735,073	1,710,311
Travel	4,637	4,700	3,203
Travel and allowances for committed, paroled and discharged prisoners	1,250	2,100	2,443
Commodities	347,190	404,481	502,457
Printing	3,641	3,311	2,465
Equipment	24,666	-	57,450
Telecommunications services	34,667	50,971	59,401
Operation of automotive equipment	31,370	38,297	38,636
Total Expenditures	<u>\$ 14,754,949</u>	<u>\$ 15,589,187</u>	<u>\$ 15,471,348</u>
LAPSED BALANCES	<u>\$ 4,051</u>	<u>\$ 127,602</u>	<u>\$ 2,539,552</u>

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
ILLINOIS YOUTH CENTER - JOLIET
LIMITED SCOPE COMPLIANCE EXAMINATION
DESCRIPTION OF LOCALLY HELD FUNDS
For the Two Years Ended June 30, 2006

The locally held funds of the Center are grouped into two fund categories, Governmental and Fiduciary funds. These are non-appropriated funds with the exception of the Travel and Allowance Revolving Fund, which is an appropriated fund. The funds are not held in the State Treasury and are described as follows:

1. Governmental Funds

General Revenue Fund

The Travel and Allowance Revolving Fund is a cash imprest fund located at the Center and is used to provide travel and allowances for discharged residents/inmates. The Travel and Allowance Revolving Fund is replenished from the Center's General Revenue Fund appropriation on a monthly basis upon submission of a duly authorized voucher.

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. The Center maintains two special revenue funds.

Residents' Benefit Fund and Employees' Benefit Fund are used to provide entertainment and recreational activities for residents and employees. The Employees' Benefit Fund is also used to provide travel expense reimbursement for correctional officers while travel vouchers are being processed. During fiscal year 2006 the accounting and expenditure processing of the Residents' Benefit Fund were transferred to the Department of Corrections General Office.

2. Fiduciary Fund

Agency Fund

An agency fund is used to account for assets held as the agent for others. The Center maintains one such fund, the Residents' Trust Fund which is a depository for the residents' money. The Residents' Trust Fund is used to account for the receipts and disbursements of the resident's individual accounts.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
ILLINOIS YOUTH CENTER - JOLIET
LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF LOCALLY HELD FUNDS - SPECIAL REVENUE FUNDS
For the the Year ended June 30, 2006

	Employees' Benefit Fund	Residents' Benefit Fund
<u>REVENUES</u>		
Income from Sales	\$ -	\$ -
Interest / Investment Income	2	684
Miscellaneous		
Entry Fees	-	-
Postage	-	-
Other	3,774	72,785
Donations	-	-
Total Revenues	<u>3,776</u>	<u>73,469</u>
<u>EXPENDITURES</u>		
Purchases	-	-
General and Administrative	-	2,663
Contractual	-	4,949
Equipment	-	2,200
Postage	-	-
Cable Television	-	-
Donations	-	-
Other	3,440	-
Total Expenditures	<u>3,440</u>	<u>9,812</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>336</u>	<u>63,657</u>
<u>OTHER FINANCING SOURCES</u>		
Transfers In	-	10
Transfers (Out)	-	-
Total Other Financing Sources	<u>-</u>	<u>10</u>
Net Change in Fund Balance	336	63,667
Fund Balance July 1, 2005	1,715	16,427
Fund Balance June 30, 2006	<u>\$ 2,051</u>	<u>\$ 80,094</u>

Notes: Schedule is presented on the accrual basis of accounting.

The Residents' Benefit Fund amounts for FY 06 have not been examined.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
ILLINOIS YOUTH CENTER - JOLIET
LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF LOCALLY HELD FUNDS - SPECIAL REVENUE FUNDS
For the the Year ended June 30, 2005

	Employees' Benefit Fund	Residents' Benefit Fund
<u>REVENUES</u>		
Income from Sales	\$ -	\$ -
Interest / Investment Income	8	125
Miscellaneous		
Entry Fees	-	-
Postage	-	-
Other	3,988	16,392
Donations	-	-
Total Revenues	<u>3,996</u>	<u>16,517</u>
<u>EXPENDITURES</u>		
Purchases	-	-
General and Administrative	-	-
Contractual	-	-
Equipment	-	-
Postage	-	-
Cable Television	-	-
Donations	-	-
Other	3,536	24,429
Total Expenditures	<u>3,536</u>	<u>24,429</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>460</u>	<u>(7,912)</u>
<u>OTHER FINANCING SOURCES</u>		
Transfers In	-	163
Transfers (Out)	-	-
Total Other Financing Sources	<u>-</u>	<u>163</u>
Net Change in Fund Balance	460	(7,749)
Fund Balance July 1, 2004	1,255	24,176
Fund Balance June 30, 2005	<u>\$ 1,715</u>	<u>\$ 16,427</u>

Note: Schedule is presented on the accrual basis of accounting.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
ILLINOIS YOUTH CENTER - JOLIET
LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF LOCALLY HELD FUNDS - CASH BASIS

For The Years Ended June 30

	2005		2006	
	Travel and Allowance Rev. Fund	Residents' Trust Fund	Travel and Allowance Rev. Fund	Residents' Trust Fund
Balance - July 1	\$ 2,048	\$ 20,794	\$ 532	\$ 18,962
Receipts				
Investment Income	-	163	-	10
Inmate Account Receipts	-	139,656	-	114,973
Appropriations from General Revenue Fund	2,162	-	1,161	-
TOTAL RECEIPTS	<u>2,162</u>	<u>139,819</u>	<u>1,161</u>	<u>114,983</u>
Disbursements				
Inmate Account Disbursements	-	105,618	-	96,981
Disbursements for released inmates	3,678	35,870	1,243	20,729
TOTAL DISBURSEMENTS	<u>3,678</u>	<u>141,488</u>	<u>1,243</u>	<u>117,710</u>
Fund Transfers				
Fund Transfers In	-	-	-	-
Fund Transfers (Out)	-	(163)	-	(10)
TOTAL TRANSFERS	<u>-</u>	<u>(163)</u>	<u>-</u>	<u>(10)</u>
Balance - June 30	<u>\$ 532</u>	<u>\$ 18,962</u>	<u>\$ 450</u>	<u>\$ 16,225</u>

Note: Schedule is presented on the cash basis of accounting

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
ILLINOIS YOUTH CENTER - JOLIET
LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF CHANGES IN STATE PROPERTY

For The Years Ended June 30,

	2006					2005				
	Land	Buildings	Equipment	Land Improvements	Total	Land	Buildings	Equipment	Land Improvements	Total
Balance, beginning	\$ 573,103	\$ 27,795,366	\$ 1,202,858	\$ -	\$ 29,571,327	\$ 573,103	\$ 27,787,154	\$ 1,278,356	\$ -	\$ 29,638,613
Additions:										
Purchases	-	-	8,652	-	8,652	-	-	-	-	-
Transfers-in:										
Intra-agency	-	-	28,438	-	28,438	-	-	38,623	-	38,623
Inter-agency	-	-	-	-	-	-	8,212	-	-	8,212
Capital Development Board	-	-	-	-	-	-	-	-	-	-
Employees' Commissary Fund	-	-	-	-	-	-	-	-	-	-
Employees' Benefit Fund	-	-	-	-	-	-	-	-	-	-
Residents' Commissary Fund	-	-	-	-	-	-	-	-	-	-
Residents' Benefit Fund	-	-	7,660	-	7,660	-	-	5,358	-	5,358
Donations	-	-	-	-	-	-	-	3,950	-	3,950
Grants	-	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-	-
Total Additions	-	-	44,750	-	44,750	-	8,212	47,931	-	56,143
Deductions:										
Transfers-out:										
Intra-agency	-	-	1,000	-	1,000	-	-	19,792	-	19,792
Inter-agency	-	-	-	-	-	-	-	-	-	-
Scrap property	-	-	-	-	-	-	-	18,140	-	18,140
Surplus property	-	-	-	-	-	-	-	-	-	-
Condemned and lost property	-	-	46,467	-	46,467	-	-	85,497	-	85,497
Adjustment	-	-	-	-	-	-	-	-	-	-
Total Deductions	-	-	47,467	-	47,467	-	-	123,429	-	123,429
Balance, ending	\$ 573,103	\$ 27,795,366	\$ 1,200,141	\$ -	\$ 29,568,610	\$ 573,103	\$ 27,795,366	\$ 1,202,858	\$ -	\$ 29,571,327

Note: The property balances at June 30, 2006 and 2005 have been reconciled to the property reports submitted to the Office of the Comptroller.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
ILLINOIS YOUTH CENTER - JOLIET
LIMITED SCOPE COMPLIANCE EXAMINATION
COMPARATIVE SCHEDULE OF CASH RECEIPTS AND DEPOSITS
(NOT EXAMINED)
For The Years Ended June 30,

	FISCAL YEAR		
	2006	2005	2004
<u>RECEIPTS</u>			
Jury Duty	\$ 237	\$ 69	\$ 455
Inmate Restitution	-	606	-
Dormant Inmate Accounts	7,714	-	-
Funeral Furlough	-	-	-
Staff Witness Fees	-	-	-
Contraband Cash	-	-	-
Copying Fees	-	-	-
Miscellaneous	5	16	-
TOTAL RECEIPTS	<u>\$ 7,956</u>	<u>\$ 691</u>	<u>\$ 455</u>
<u>REMITTANCES</u>			
General Revenue Fund - 001	\$ 7,956	\$ 85	\$ 455
Department of Corrections Reimbursement Fund - 523	-	606	-
TOTAL RECEIPTS REMITTED DIRECTLY TO STATE TREASURER	<u>\$ 7,956</u>	<u>\$ 691</u>	<u>\$ 455</u>
<u>DEPOSITS</u>			
Receipts recorded by Center	\$ 7,956	\$ 85	\$ 455
Add: Deposits in transit - Beginning of year	-	-	-
Deduct: Deposits in transit - End of year	-	-	-
DEPOSITS RECORDED BY THE STATE COMPTROLLER	<u>\$ 7,956</u>	<u>\$ 85</u>	<u>\$ 455</u>

Note: The Deposits reconciliation section of this schedule is a reconciliation of the Center's General Revenue Fund receipts to the Comptroller's General Revenue Fund deposits only. The Comptroller's records do not provide a detail breakdown of deposits into the Department of Corrections Reimbursement Fund #523 by Center.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
ILLINOIS YOUTH CENTER - JOLIET
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2006

Fiscal Year 2006

A comparative schedule of significant variations in expenditures (greater than or equal to a 20% change from the prior fiscal year with total expenditures of at least \$20,000) for the fiscal years ended June 30, 2006 and June 30, 2005 are shown below:

<u>EXPENDITURE ITEM</u>	<u>FISCAL YEAR ENDED JUNE 30</u>		<u>INCREASE (DECREASE)</u>	
	<u>2006</u>	<u>2005</u>	<u>AMOUNT</u>	<u>%</u>
Employee retirement contributions paid by employer	\$ 135,296	\$ 21,488	\$ 113,808	529.64%
Student, member and inmate compensation	\$ 14,580	\$ 39,441	\$ (24,861)	(63.03)%
State contributions to State Employees' Retirement System	\$ 832,278	\$1,683,135	\$ (850,857)	(50.55)%
Equipment	\$ 24,666	\$ 0	\$ 24,666	100.00%
Telecommunications services	\$ 34,667	\$ 50,971	\$ (16,304)	(31.99)%

Center management provided the following explanations for the significant variations identified above.

Employee retirement contributions paid by employer

During fiscal year 2006, the Employee retirement contributions paid by employer increased as these amounts were paid by the State from July 2005 through December 2005. During fiscal year 2005 the amounts had been only paid for the first pay period in July of 2005. The expenses for the remainder of the years were funded from personal services as per union contract requirements.

Student, member and inmate compensation

During fiscal year 2006, the Center stopped paying the inmates to attend school.

State contributions to State Employees' Retirement System

The State contributions to State Employees' Retirement System decreased from fiscal year 2005 to fiscal year 2006 as a result of the annual revision of the employer contribution rate. Contribution rate was 16.107% in fiscal year 2005 and 7.792% in fiscal year 2006.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
ILLINOIS YOUTH CENTER - JOLIET
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2006

Fiscal Year 2006 (continued)

Equipment

Equipment expenditures increased during fiscal year 2006 as additional funding was provided for these expenditures to meet the needs of the Center.

Telecommunications services

Telecommunications services expenditures decreased in fiscal year 2006 because the facility was instructed to prioritize payments to non state providers. Internal service funds were paid as funds were available.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
ILLINOIS YOUTH CENTER - JOLIET
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2006

Fiscal Year 2005

A comparative schedule of significant variations in expenditures (greater than or equal to a 20% change from the prior fiscal year with total expenditures of at least \$20,000) for the fiscal years ended June 30, 2005 and June 30, 2004 are shown below:

<u>EXPENDITURE ITEM</u>	<u>FISCAL YEAR ENDED JUNE 30</u>		<u>INCREASE (DECREASE)</u>	
	<u>2005</u>	<u>2004</u>	<u>AMOUNT</u>	<u>%</u>
Employee retirement contributions paid by employer	\$ 21,488	\$ 535,739	\$ (514,251)	(95.99)%
State contributions to State Employees' Retirement System	\$1,683,135	\$ 962,683	\$ 720,452	74.84%
Equipment	\$ 0	\$ 57,450	\$ (57,450)	(100.00)%

Center management provided the following explanations for the significant variations identified above.

Employee retirement contributions paid by employer

During fiscal year 2005, the Employee retirement contributions paid by employer were less as this expense was only funded for the first pay period in July of 2005. The expense for the remainder of the year was funded from personal services as per union contract requirements.

State contributions to State Employees' Retirement System

The State contributions to State Employees' Retirement System increased from fiscal year 2004 to fiscal year 2005 as a result of the annual revision of the employer contribution rate. Contribution rate was 13.439% in fiscal year 2004 and 16.107% in fiscal year 2005. In addition, the State did not pay contributions for the pay period from March 2004 through June 2004.

Equipment

Equipment expenditures decreased during fiscal year 2005 as reduced funding was provided for these expenditures.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
ILLINOIS YOUTH CENTER - JOLIET
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
For the Two Years Ended June 30, 2006

Our testing of lapse period expenditures for fiscal year ended June 30, 2006 disclosed one appropriation line items with significant (greater than or equal to 20% of total expenditures for the fiscal year and lapse period spending of at least \$10,000) lapse period expenditures, as scheduled below:

<u>EXPENDITURE ITEM</u>	<u>Fiscal Year Ended June 30, 2006</u>		
	<u>TOTAL EXPENDITURES</u>	<u>LAPSE PERIOD EXPENDITURES</u>	<u>PERCENTAGE</u>
Equipment	\$24,666	\$19,473	78.95%

Center management provided the following explanations for the significant lapse period expenditure identified above.

Equipment

Orders for goods were placed upon approval of funding which was at the end of the fiscal year.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
ILLINOIS YOUTH CENTER - JOLIET
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
For the Two Years Ended June 30, 2006

Our testing of lapse period expenditures for fiscal year ended June 30, 2005 disclosed no appropriation line items with significant (greater than or equal to 20% of total expenditures for the fiscal year and lapse period spending of at least \$10,000) lapse period expenditures.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
ILLINOIS YOUTH CENTER - JOLIET
LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF CHANGES IN INVENTORIES

Two Years Ended June 30, 2006

	Balance July 1, 2005	Additions	Deletions	Balance June 30, 2006
GENERAL REVENUE FUND				
General Stores	\$ 72,005	\$ 266,554	\$ 298,288	\$ 40,271
Mechanical Stores	-	-	-	-
Resident Clothing	8,297	22,762	23,570	7,489
Officers' Clothing	-	-	-	-
Office Supplies	-	-	-	-
Postage	457	8,700	8,978	179
Surplus Inventory	-	-	-	-
	<u>\$ 80,759</u>	<u>\$ 298,016</u>	<u>\$ 330,836</u>	<u>\$ 47,939</u>
	Balance July 1, 2004	Additions	Deletions	Balance June 30, 2005
GENERAL REVENUE FUND				
General Stores	\$ 95,772	\$ 333,805	\$ 357,572	\$ 72,005
Mechanical Stores	-	-	-	-
Resident Clothing	-	25,165	16,868	8,297
Officers' Clothing	-	-	-	-
Office Supplies	-	-	-	-
Postage	1,618	6,084	7,245	457
Surplus Inventory	-	-	-	-
	<u>\$ 97,390</u>	<u>\$ 365,054</u>	<u>\$ 381,685</u>	<u>\$ 80,759</u>

Note: The inventory balances at June 30 were reconciled to the records of the Center.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
ILLINOIS YOUTH CENTER - JOLIET
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2006

CENTER FUNCTIONS AND PLANNING PROGRAM

The Illinois Youth Center – Joliet (Center) is located on approximately 140 acres of land at 2848 West McDonough Street, Joliet, Illinois. The Center opened in April 1959 on the far southwest side of the city on land that had previously been the Will County Poor Farm. The Center initially served as a short-term Reception and Diagnostic Center for boys for the Illinois Youth Commission. In August 1974, it became the Illinois Department of Corrections maximum-security juvenile institution, housing the most violent, aggressive and criminally sophisticated youths who have been committed as juvenile delinquents or felons.

The Center was originally designed to accommodate 144 youths. The current rated capacity of the Center is 344. The average daily population is approximately 250. Employees totaled 201 at June 30, 2006, of which 151 are security staff.

The Unified Code of Corrections – 730 ILCS Section 5/3-2-2 mandates the Department to “accept persons committed to it by the Courts of this State for care, custody, treatment, and rehabilitation.” Within this framework, the Department offers to the residents a variety of programs designed to return them to the community with skills to make them useful and productive citizens. These services include remedial, secondary and college-level education courses; a GED program; library services; and vocational guidance and work training programs. Diagnostic and evaluative services and special education programs are also provided.

The Illinois Welfare and Rehabilitation Services Planning Act (20 ILCS 10/1) requires all agencies in the Department of Corrections to develop a formal planning function. As Warden of the Center, Mr. Larry Peterson is responsible for analyzing and reevaluating the Center’s long-term and short-term goals. The Warden annually reviews the objectives for the next five years with appropriate Center staff including the Business Administrator, Assistant Warden of Programs, Assistant Warden of Operations, Major, and Chief Engineer. All objectives are listed by priority and include a tentative year of completion. The Center’s goals are primarily dependent upon budgetary allowances. A listing of Center accomplishments during the past two years is maintained by the Warden.

The short-term goals of the Center as of fiscal year 2006 are limited to budgetary restraints, however, with the planning of the regionalization project, various repairs as well as updates will take place at the Center.

Long-term goals for the institution remain constant. The ongoing maintenance of sidewalks, parkways, plumbing, vehicles, buildings, heating units, air conditioning units, painting, window project, doors and locks, and roadways are a costly responsibility that is a must.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
ILLINOIS YOUTH CENTER - JOLIET
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2006

CENTER FUNCTIONS AND PLANNING PROGRAM (Continued)

During fiscal years 2006 and 2005, the facility has continued to operate with less staff. Key management positions include the Warden, Business Administrator, Health Care Administrator, Educational Facility Administrator and Leisure Time Activity Supervisor. Turnover at the Center in management positions has been relatively high. However, the turnover in personnel cannot be addressed at the Center level. All employees at the Center are hired and/or transferred by the Central Office.

As of July 1, 2006, the Juvenile Division of the Illinois Department of Corrections was separated to form the new Illinois Department of Juvenile Justice. By creating a separate Department of Juvenile Justice, young offenders will receive individualized services including educational, vocational, social, and emotional services that will help enable them to become productive adults. It's expected that the new department will help reduce the number of juvenile offenders that return to the juvenile system.

Based on procedures performed, the Center appears to have policies and procedures in place to comply with regulations requiring a formal planning program. Although there has been high employee turnover and lack of continuity in management during fiscal years 2006 and 2005, Center personnel continue to update and monitor established goals and objectives.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
ILLINOIS YOUTH CENTER - JOLIET
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2006

AVERAGE NUMBER OF EMPLOYEES

The following table, prepared from Center records, presents the average number of employees, by function, for the past three years.

	Fiscal Year		
	<u>2006</u>	<u>2005</u>	<u>2004</u>
Administrative	7	6	6
Business office and stores	7	6	6
Clinical services	14	15	17
Work Camp	2	2	0
Recreation	1	1	1
Maintenance	6	8	8
Utilities	1	2	0
Laundry	1	1	1
Correctional Officers	151	159	171
Dietary	9	9	8
Medical/Psychiatric	2	3	3
Religion	0	0	0
Records	0	0	3
Secretary/Clerical Misc.	0	0	3
Total	<u>201</u>	<u>212</u>	<u>227</u>

EMPLOYEE OVERTIME (not examined)

Certain employees are eligible for overtime if the hours worked during a day exceed the employees standard work hours. Correctional Officers receive a ¼-hour of overtime for each day they stand for roll call. The roll call overtime is paid at straight time for all but Correctional Lieutenants who receive 1 ½ times normal pay.

Overtime is to be distributed as equally as possible among employees who normally perform the work in the position in which the overtime is needed. An employees' supervisor must approve any overtime. In most cases, except for roll call, employees are compensated at 1 ½ times their normal hourly rate for overtime hours worked. Employees have the opportunity to be compensated either in pay for the overtime or receive compensatory time off.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
ILLINOIS YOUTH CENTER - JOLIET
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2006

EMPLOYEE OVERTIME (cont.)

The following table, prepared from Department records presents the paid overtime and earned compensatory time incurred during fiscal year 2006 and 2005.

	<u>2006</u>	<u>2005</u>
Paid overtime hours worked during fiscal year	<u>7,287</u>	<u>6,202</u>
Value of overtime hours worked during fiscal year	<u>\$270,516</u>	<u>\$247,009</u>
Compensatory hours earned during fiscal year	<u>8,136</u>	<u>7,763</u>
Value of compensatory hours earned during fiscal year	<u>\$180,859</u>	<u>\$166,817</u>
Total paid overtime hours and earned compensatory hours during fiscal year	<u>15,423</u>	<u>13,965</u>
Total value of paid overtime hours and earned compensatory hours during fiscal year	<u>\$451,375</u>	<u>\$413,826</u>

INMATE COMMISSARY OPERATION

The Center does not operate a commissary, however, it allows inmates to make purchases from an outside vendor. Effective January 1, 2004 the Unified Code of Corrections, 730 ILCS 5/3-7-2a, was amended to change the mark-up of cost on the goods purchased for resale in the commissary. Effective January 1, 2004 the selling price for all goods shall be sufficient to cover the cost of the goods and an additional charge of up to 35% for tobacco products and up to 25% for non-tobacco products.

The Center does not maintain a Residents' Commissary Fund. Monies for the purchases are transferred out of the Residents' Trust Fund to the Residents' Benefit Fund. The Residents' Benefit Fund pays the vendor and commission checks are deposited into the Residents' Benefit Fund.

As a Residents' Commissary Fund is not maintained and there is no inventory at the Center, testing could not be performed on items for sale.

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SHARED RESOURCES (not examined)

From October 1, 2005 through June 30, 2006, the Business Office Administrator was also the Acting Business Administrator at Illinois Youth Center – Chicago and Illinois Youth Center – St. Charles. During this time period, her salary was paid by Illinois Youth Center – Joliet and she spent approximately 30% of her time performing job duties for Illinois Youth Center – Chicago and 10% of her time performing job duties for Illinois Youth Center – St. Charles.

COSTS PER YEAR PER INMATE (not examined)

Comparative costs of inmate care, prepared from Center records for the fiscal year ended June 30, are shown below:

	Fiscal Year		
	<u>2006</u>	<u>2005</u>	<u>2004</u>
Rated population	<u>344</u>	<u>344</u>	<u>344</u>
Inmate population (as of May 31)	<u>234</u>	<u>204</u>	<u>344</u>
Average number of inmates	<u>250</u>	<u>260</u>	<u>304</u>
Expenditures from appropriations	\$14,754,949	\$15,589,187	\$15,471,348
Less-equipment and capital improvements	<u>(24,666)</u>	<u>0</u>	<u>(57,450)</u>
Net expenditures	<u>\$14,730,283</u>	<u>\$15,589,187</u>	<u>\$15,413,898</u>
Net inmate cost per year	<u>\$ 58,921</u>	<u>\$ 59,958</u>	<u>\$ 50,704</u>

Net expenditures for computing net inmate cost per year represent total expenditures from appropriations less equipment expenditures divided by average number of inmates.

The rated population and inmate population noted above was taken from the Illinois Department of Corrections' quarterly reports to the State legislature.

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RATIO OF EMPLOYEES TO INMATES (not examined)

The following comparisons are prepared from Center records for the fiscal year ended June 30:

	<u>2006</u>	<u>2005</u>	<u>2004</u>
Average number of employees	<u>201</u>	<u>212</u>	<u>227</u>
Average number of correctional officers	<u>151</u>	<u>159</u>	<u>171</u>
Average number of inmates	<u>250</u>	<u>260</u>	<u>304</u>
Ratio of employees to inmates	<u>1 to 1.24</u>	<u>1 to 1.23</u>	<u>1 to 1.34</u>
Ratio of correctional officers to inmates	<u>1 to 1.66</u>	<u>1 to 1.64</u>	<u>1 to 1.78</u>

CELL SQUARE FEET PER INMATE (not examined)

The following comparisons are from a report issued by the Department of Corrections to the State legislature:

	<u>2006</u>	<u>2005</u>	<u>2004</u>
Approximate Square Foot Per Inmate	<u>54</u>	<u>62</u>	<u>37</u>

FOOD SERVICES (not examined)

The following table, prepared from the Center records, summarizes the number of meals served and the average cost per meal.

	Fiscal Year		
	<u>2006</u>	<u>2005</u>	<u>2004</u>
Breakfast	86,621	91,848	104,063
Lunch	87,354	92,542	103,834
Dinner	86,406	93,441	110,477
1:00 a.m. meal	3,640	3,640	0
Staff meals	27,275	25,448	44,640
Vocational School Meals	0	0	0
Total Meals Served	<u>291,296</u>	<u>306,919</u>	<u>363,014</u>
Food Cost	<u>\$ 238,844</u>	<u>\$ 307,536</u>	<u>\$ 352,182</u>
Cost Per Meal	<u>\$ 0.82</u>	<u>\$ 1.00</u>	<u>\$ 0.97</u>

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MEDICAL AND CLERGY SERVICE CONTRACTS (not examined)

The following table, prepared from Center records, summarizes what was paid to vendors for medical and clergy contractual services for fiscal years 2006, 2005 and 2004.

	Fiscal Year		
	<u>2006</u>	<u>2005</u>	<u>2004</u>
Medical Services:			
Health Professionals	<u>\$1,071,370</u>	<u>\$1,072,865</u>	<u>\$1,057,622</u>
	<u>\$1,071,370</u>	<u>\$1,072,865</u>	<u>\$1,057,622</u>
Clergy Services:	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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SERVICE EFFORTS AND ACCOMPLISHMENTS (not examined)

The Illinois Youth Center – Joliet (Center) has remained constant in providing a safe and secure working and living environment for all staff and youths. The staff is dedicated and committed to the safety and security of the institution and they continue to display a high level of professionalism and maintain control while working with the most aggressive, violent, hostile and destructive youths in the State of Illinois. The facility is rated as a Level 1 facility and remains the only all Level 1 juvenile facility in the State.

The rated capacity of the facility is 344 with our average daily population of approximately 250. Employees total 201 at June 30, 2006, of which 151 are security staff.

Religious services are provided on a consistent basis for the youths with outside volunteers.

The youths housed at this facility are not allowed to participate in any public service projects or other types of community involvement. However, various work details exist within the facility from food preparation to maintenance and landscaping allowing the youth to participate in outside work programs and earn monies for commissary items.

In response to record-high recidivism rates for juvenile parole violators, the Department of Corrections is addressing the needs of technical parole violators by providing intermediary services to reduce the number of violators returning to juvenile facilities. The Center's 90-120 day Parole Readjustment Program (PRP) is designed to provide enhanced reentry services to 48 medium security technical violators through a variety of programs including education, individual and group counseling, intensive case management, and a continuum of wrap-around services. Successful outcomes from PRP participation will be measured by discharge from parole without further violations or new offenses and, as a result, communities will be safer, victimizations will be reduced, and juveniles will have the opportunity to redirect their lives in pursuance of law-abiding activities. The program will be reviewed and evaluated annually for its potential of growth and success.

The institution has established a placement office. The placement office helps to ensure that safer housing assignments are made, and have improved equilibrium in housing units by balancing racial and security threat group affiliations, predators and vulnerable components of housing units.

The correctional counselors were relocated from the Administration building to the living units. The move has increased the level of accountability and visibility while providing case management services.

Our mailroom staff has been trained to check for any foreign substance that may be included in the mail such as anthrax.

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SERVICE EFFORTS AND ACCOMPLISHMENTS (not examined) (Continued)

The following has been accomplished during the preceding year:

- Substance Abuse Program
- GED Graduates/High School Graduates
- New Program Activities:
 - Birthday Club
 - Teen Center (Foosball, Weight Room, Movies, Music and Ping Pong)
- Increased training to staff in:
 - Sexual Harassment
 - Sexual Assault
 - Crisis Training
 - Fire and Safety
 - Youth and HIV
- Zero positive drug drops of youths
- Increased number of prosecution cases for staff assaults
- Increased visitors vehicle shakedowns