

**STATE OF ILLINOIS
SEX OFFENDER MANAGEMENT BOARD**

COMPLIANCE EXAMINATION

For the Two Years Ended June 30, 2008

STATE OF ILLINOIS
SEX OFFENDER MANAGEMENT BOARD
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2008

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STATE OF ILLINOIS
SEX OFFENDER MANAGEMENT BOARD
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2008

AGENCY OFFICIALS

Board Chairperson

Cara Smith

Board office is located at:

100 W. Randolph Street
Chicago, Illinois 60601



SEX OFFENDER MANAGEMENT BOARD

March 13, 2009

Honorable William G. Holland
Auditor General
Iles Park Plaza
740 East Ash Street
Springfield, IL 62703
Attention: Lisa Warden, Audit Manager

Dear Mr. Holland:

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 Sex Offender Management Board (Board). 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 Agency's compliance with the following assertions during the two-year period ended June 30, 2008. Based on this evaluation, we assert that during the years ended June 30, 2007 and June 30, 2008, the Agency has materially complied with the assertions below.

- A. The agency 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 agency 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 agency has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.

Yours very truly,

Sex Offender Management Board

Handwritten signature of Cara Smith in black ink.

Cara Smith, Board Chair

Handwritten signature of David Boots in black ink.

David Boots, Fiscal Officer

STATE OF ILLINOIS
SEX OFFENDER MANAGEMENT BOARD
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2008

COMPLIANCE REPORT

SUMMARY

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

ACCOUNTANTS' REPORTS

The Independent Accountants' Report on State Compliance, on Internal Control Over Compliance and on Supplementary Information for State Compliance Purposes does not contain scope limitations, disclaimers, or other significant non-standard language.

SUMMARY OF FINDINGS

| <u>Number of</u> | <u>Current Report</u> | <u>Prior Report</u> |
|--|-----------------------|---------------------|
| Findings | 2 | 0 |
| Repeated findings | 0 | 0 |
| Prior recommendations implemented or not repeated | 0 | 0 |

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

SCHEDULE OF FINDINGS

FINDINGS (STATE COMPLIANCE)

| <u>Item No.</u> | <u>Page</u> | <u>Description</u> | <u>Finding Type</u> |
|-----------------|-------------|---|--|
| 08-1 | 8 | Failure to establish or plan for offender tracking system | Material Weakness and Material Noncompliance |
| 08-2 | 12 | Board not fully seated | Significant Deficiency and Noncompliance |

PRIOR FINDINGS NOT REPEATED

There were no findings noted during the Compliance Examination for the two years ended June 30, 2006.

EXIT CONFERENCE

The findings and recommendations appearing in this report were discussed with Agency personnel at an exit conference on March 4, 2009. Attending were:

Sex Offender Management Board

Cara Smith, Chairperson

Office of the Attorney General

Ann M. Spillane, Chief of Staff
Melissa Mahoney, Deputy Chief of Staff – Administration
Lesslie Morgan, Chief Internal Auditor
David Boots, Chief Fiscal Officer
Josiah Small, Director of Accounting

Office of the Auditor General

Lisa Warden, Audit Manager
Courtney Dzierwa, Audit Supervisor
Stephanie Wildhaber, State Auditor
Eliane Minor, State Auditor

Responses to the recommendations were provided by Lesslie Morgan, Chief Internal Auditor for the Office of the Attorney General.

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OFFICE OF THE AUDITOR GENERAL
WILLIAM G. HOLLAND

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

We have examined the State of Illinois Sex Offender Management Board's compliance with the requirements listed below, as more fully described in the Audit Guide for 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, 2008. The management of the State of Illinois Sex Offender Management Board is responsible for compliance with these requirements. Our responsibility is to express an opinion on the State of Illinois Sex Offender Management Board's compliance based on our examination.

- A. The State of Illinois Sex Offender Management Board 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 Sex Offender Management Board 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 Sex Offender Management Board has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.

We conducted our examination 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 Sex Offender Management Board's compliance with those requirements listed in the first paragraph of this report 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 Sex

Offender Management Board's compliance with specified requirements.

As described in finding 08-1 in the accompanying schedule of findings, the State of Illinois Sex Offender Management Board did not comply, in all material respects, with applicable laws and regulations. Compliance with such requirements is necessary, in our opinion, for the State of Illinois Sex Offender Management Board to comply with the requirements listed in the first paragraph of this report.

In our opinion, except for the noncompliance described in the preceding paragraph, the State of Illinois Sex Offender Management Board complied, in all material respects, with the requirements listed in the first paragraph of this report during the two years ended June 30, 2008. However, the results of our procedures disclosed other instances of noncompliance, 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 08-2.

Internal Control

The management of the State of Illinois Sex Offender Management Board is responsible for establishing and maintaining effective internal control over compliance with the requirements listed in the first paragraph of this report. In planning and performing our examination, we considered the State of Illinois Sex Offender Management Board's internal control over compliance with the requirements listed in the first paragraph of this report 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, but not for the purpose of expressing an opinion on the effectiveness of the State of Illinois Sex Offender Management Board's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the State of Illinois Sex Offender Management's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies and other deficiencies that we consider to be a material weakness.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with the requirements listed in the first paragraph of this report on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to comply with the requirements listed in the first paragraph of this report such that there is more than a remote likelihood that noncompliance with a requirement that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings as items 08-1 and 08-2 to be significant deficiencies.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a requirement listed in the first paragraph of this report will not be prevented or detected by the entity's internal control. Of the significant deficiencies in internal control over compliance described in the accompanying schedule of findings, we consider item 08-1 to be a material weakness.

There were no immaterial findings that have been excluded from this report.

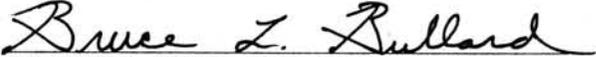
The State of Illinois Sex Offender Management Board's response to the findings identified in our examination are described in the accompanying schedule of findings. We did not examine the State of Illinois Sex Offender Management Board's response and, accordingly, we express no opinion on it.

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 2007 and 2008 Supplementary Information for State Compliance Purposes. However, we do not express an opinion on the supplementary information.

We have not applied procedures to the 2006 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, agency management, and the agency's governing board and is not intended to be and should not be used by anyone other than these specified parties.


BRUCE L. BULLARD, CPA
Director of Financial and Compliance Audits

March 13, 2009

STATE OF ILLINOIS
SEX OFFENDER MANAGEMENT BOARD
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2008

08-1. **FINDING** (Failure to establish or plan for offender tracking system)

The Sex Offender Management Board (Board) did not develop tracking and monitoring systems as required by the Sex Offender Management Board Act (Act), nor did the Board establish a formal planning program with specific timelines for development of those systems.

The Illinois criminal justice system and the Department of Human Services provide housing, counseling, behavior management programs, and monitoring of sex offenders in the State of Illinois. However, the Board is responsible for prescribing the guidelines for evaluation, identification, treatment, tracking and monitoring of those sex offenders. We noted the following:

- The Board did not develop and prescribe a system for tracking sex offenders who had been subjected to evaluation, identification, and treatment under the Act;
- The Board had not developed a system for monitoring offender behaviors and offender adherence to prescribed behavioral changes; and
- The Board had not established any timelines for compliance with these requirements.

These statutory requirements first became effective January 1, 2004. As of June 30, 2008, there were 7,463 registered sex offenders in the State of Illinois subject to the tracking and monitoring requirement.

The Act (20 ILCS 4026/15(f)(4)) requires the Board to develop and prescribe a system for tracking offenders who have been subjected to evaluation, identification, and treatment under the Act. The Act also requires the Board to develop a system for monitoring offender behaviors and offender adherence to prescribed behavioral changes. The results of this tracking and behavioral monitoring are required to be incorporated into any analysis by the Board regarding the effectiveness of the evaluation, identification, and counseling procedures and programs developed under the purview of this Act. Good internal controls require agencies to outline specific methods and related timeframes to achieve objectives, including significant statutory mandates.

The Board Chairman stated the Board had discussed various options for tracking offenders and monitoring offender behavior but had not yet implemented formal tracking and monitoring due to ongoing data collection and concerns over data integrity and personnel. The Chairman stated the Board had not yet identified the best means of procuring this data, nor had the Board developed any means or standard forms to ensure comparability of data received. In addition, the Chairman stated the Board had insufficient funding, and no personnel of its own to process data received from tracking and monitoring the offenders, which is anticipated to be significant in quantity.

STATE OF ILLINOIS
SEX OFFENDER MANAGEMENT BOARD
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2008

Management stated that tracking and monitoring systems are viewed as long-term goals due to absence of a statutory deadline. Officials also noted that the Act does not provide any legal requirement for providers to submit behavioral data to the Board to enable tracking and monitoring. Further, management cited Board vacancies, lack of sufficient Board meeting attendance to reach a quorum, and lack of commitment by the agencies the Board members represent as additional challenges to planning and implementation of the tracking and monitoring requirement. Due to the significant challenges faced, time commitment, limited resources, and competing priorities to meet other Board mandates, the Board anticipates that it will require a long period of time to comply with these provisions of the Act. Officials also acknowledged that legislative changes are needed to either repeal or make the Act's tracking and monitoring provisions feasible and enforceable.

Failure to develop systems to track offenders and monitor offender behaviors and prescribed behavioral changes reduces the data available to the Board for use in analyzing the effectiveness of the treatment procedures and programs developed by the Board to date. Lack of specific timeframes for implementing significant agency mandates may result in a failure to timely achieve objectives of the Act. (Finding Code No. 08-1)

RECOMMENDATION

We recommend the Board either develop a formal plan and timeline for compliance with tracking and monitoring provisions of the Act or seek statutory changes to repeal the requirement. If Board does not seek a repeal of the statutory requirements, the Board should:

- Establish short-term objectives and specific activities to be completed to achieve broader agency goals, including sex offender tracking and behavior monitoring, and establish specific timeframes for completion of each objective and goal;
- Consider seeking necessary statutory or administrative rule changes to implement Act requirements;
- Develop and prescribe a system for tracking sex offenders who have been subjected to evaluation, identification, and treatment under the Act;
- Develop a system for monitoring offender behaviors and offender adherence to prescribed behavioral changes; and
- Incorporate the tracking and monitoring data collected into any analysis performed regarding the effectiveness of the evaluation, identification, and counseling procedures and programs developed under the Act.

BOARD RESPONSE

We understand the Auditor's finding. We would like to raise a number of concerns regarding this issue. The Sex Offender Management Act states that the SOMB should create guidelines for the treatment and evaluation of sex offenders. The Act also states that the SOMB should next develop a system to analyze the effectiveness of the treatment and

STATE OF ILLINOIS
SEX OFFENDER MANAGEMENT BOARD
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2008

evaluation guidelines and follow the progress of offenders who have been subject to the required treatment and evaluation. The SOMB has created guidelines for the treatment and evaluation of sex offenders. The Sex Offender Management Act does not include a statutory deadline for the planning and development of the system to follow the progress of offenders who have been subject to evaluation and treatment under the SOMB Act, 20 ILCS 4026/15(f)(4). The Board has viewed the implementation of this program as a long-term goal that requires detailed policy analysis, followed by years of data collection and subsequent data analysis to determine the effectiveness of the evaluation, identification and counseling procedures developed under the Act.

Under current Illinois law, registration as a sex offender does not require either supervision or monitoring. Approximately two-thirds of registered Illinois sex offenders are not under any form of supervision. Thus, the vast majority of convicted sex offenders who have served their sentence are not subject to any legally-mandated supervision or monitoring. As a result, the SOMB faces a significant challenge in devising a program to evaluate the treatment progress of sex offenders who are under no legal requirement to report this progress or even cooperate in a minimal way with the SOMB.

There are a number of significant factors that have impacted the Sex Offender Management Board's ability to develop a program to follow the treatment progress of offenders that will accurately analyze the methods used to evaluate and treat sex offenders. The work of the Board is greatly impaired by a lack of funding and no staff. Additionally, to ensure that the program analyzes accurate, verifiable data, the Board needs the legal authority to require treatment providers to submit information about their evaluation and treatment methods, along with their observations of the offender's behavior during treatment and after its completion. Currently, the Sex Offender Management Board has no legal authority under the Act to require treatment providers to submit this information, making it extremely difficult to gather this data.

During the past four years, the work of the Board also has suffered due to sporadic Board meeting attendance and numerous Board vacancies. The development of a program to follow treatment progress that analyzes accurate, verifiable data will take more than the part-time administrative support of staff from the Chairman's office. The Office of the Governor must fill its slots on the Board, and every Board member must actively participate in Board meetings on a regular basis and commit resources to this project.

The Board will try to address the recommendations made in the audit finding by conducting a survey of its approved sex offender treatment providers and evaluators regarding their experiences and the number of supervised offenders being treated or evaluated. The survey will request, among other things, the following:

- The number of clients who are under supervision (parole or probation),
- The average length of time supervised offenders have been treated,

STATE OF ILLINOIS
SEX OFFENDER MANAGEMENT BOARD
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2008

- The ability of the supervised clients to pay for services, and
- The interaction by the SOMB approved provider with the supervising officers (parole agents or probation officers).

Upon review of the survey results, the SOMB Research Committee will begin to establish goals for the program to follow the treatment progress of offenders and start the process of identifying the data that needs to be collected as well as possible methods for this data collection. We believe that this will begin to address the Auditor's concerns and enable the Board to make additional progress on these issues.

STATE OF ILLINOIS
SEX OFFENDER MANAGEMENT BOARD
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2008

08-2. **FINDING** (Board not fully seated)

The Sex Offender Management Board (Board) did not consist of 24 members as required by the Sex Offender Management Board Act. In addition, the Board allowed one person to serve on the Board prior to formal appointment to the Board.

The Board was statutorily created to standardize the evaluation, identification, counseling, and continued monitoring of sex offenders at each stage of the criminal or juvenile justice systems or mental health systems so that those offenders will curtail recidivistic behavior and the protection of victims and potential victims will be enhanced. We noted the following:

- The Board had ten vacancies during portions of Fiscal Years 2007 and 2008. Seven of the vacancies were to be filled by appointees selected by the Governor. These vacancies originated between October 2006 and June 2008. None of these vacancies had been filled at the conclusion of our fieldwork. Three of the vacancies were to be filled by appointees selected by the Office of the Attorney General. These vacancies originated in October 2006, February 2007, and March 2007. The Office of the Attorney General subsequently appointed three persons to the Board on October 1, 2008.
- The Board allowed one person to begin serving on the Board prior to formal appointment to the Board. This person began attending and participating in meetings in a voting capacity in April 2007 as a representative of the Department of Human Services, but the person was not formally appointed to the Board by the Governor until September 2007.

The Sex Offender Management Board Act (20 ILCS 4026/15) requires the Board to be composed of 24 members, including two representatives of law enforcement, consisting of a juvenile law enforcement officer and a sex crime investigator; two representatives of the judiciary, specifically one person specializing in juvenile court matters and one person specializing in adult criminal court matters; one member representing the Department of Corrections; one member representing the Illinois State Police; one member representing the Department of Children and Family Services; two licensed mental health professionals with documented expertise in the treatment of sex offenders; and one recognized expert in the field of sexual assault. The Act also states the Board shall include one member to represent the Department of Human Services, upon appointment by the Governor.

Board management stated they have communicated vacancies to the Governor's Office on several occasions, but the vacancies remained unfilled. Board management also stated they were unaware of the vacancies to be filled by appointment by the Office of the Attorney General due to oversight. Board management allowed one individual to serve prior to appointment, as they expected him to be appointed to the Board.

Failure of the Board to be composed of 24 members is noncompliance with State statute, and limits the input into Board decisions by all parties intended by statute. Allowing individuals to participate in meetings and vote in official Board actions prior to appointment may subject the

STATE OF ILLINOIS
SEX OFFENDER MANAGEMENT BOARD
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2008

Board to questions regarding the legitimacy of actions taken by those individuals. (Finding Code No. 08-2)

RECOMMENDATION

We recommend the Board continue communications with the Governor's Office to request that the vacancies be filled. We also recommend the Board periodically review Board member terms to notify the appointing parties of upcoming expirations and vacancies so members can either be newly appointed or reappointed on a timely basis. We also recommend the Board ensure all persons have been formally appointed to the Board before granting membership and voting privileges.

BOARD RESPONSE

We agree with the Auditor's finding and recommendation. The SOMB will continue to communicate with the Governor's Office to request that their board vacancies be filled. The Chairman will periodically check the terms of board appointments to ensure that members can be newly appointed or reappointed in a timely manner. The Board will also ensure that every member has been formally appointed before granting membership and voting privileges.

STATE OF ILLINOIS
SEX OFFENDER MANAGEMENT BOARD
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2008

Prior Findings Not Repeated

There were no material findings noted during the Compliance Examination for the two years ended June 30, 2006.

STATE OF ILLINOIS
SEX OFFENDER MANAGEMENT BOARD
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2008

SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES

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
 - Schedule of Changes in State Property
 - Comparative Schedule of Cash Receipts
 - Reconciliation Schedule of Cash Receipts to Deposits Remitted to the State Comptroller
 - Analysis of Significant Variations in Expenditures
 - Analysis of Significant Variations in Receipts
 - Analysis of Significant Lapse Period Spending

- Analysis of Operations:
 - Agency Functions and Planning Program
 - Average Number of Employees

The accountants' report that covers 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. However, the accountants do not express an opinion on the supplementary information.

STATE OF ILLINOIS
SEX OFFENDER MANAGEMENT BOARD
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
Appropriations for Fiscal Years 2008 and 2007

Fourteen Months Ended August 31, 2008 and August 31, 2007

| P.A. 95-0348 FISCAL YEAR 2008 | Appropriations (Net of Transfers) | Expenditures Through June 30 | Lapse Period Expenditures July 1 to August 31 | Total Expenditures 14 Months Ended August 31 | Balances Lapsed August 31 |
|---|---|---------------------------------|--|---|---------------------------------|
| <u>SEX OFFENDER MANAGEMENT BOARD FUND – 527</u> | | | | | |
| Planning, Research, and Operations | 500,000 | 4,896 | 10,050 | 14,946 | 485,054 |
| Total Fiscal Year 2008 | <u>\$ 500,000</u> | <u>\$ 4,896</u> | <u>\$ 10,050</u> | <u>\$ 14,946</u> | <u>\$ 485,054</u> |
| <hr/> | | | | | |
| P.A. 94-798 FISCAL YEAR 2007 | Appropriations (Net of Transfers) | Expenditures Through June 30 | Lapse Period Expenditures July 1 to August 31 | Total Expenditures 14 Months Ended August 31 | Balances Lapsed August 31 |
| <u>SEX OFFENDER MANAGEMENT BOARD FUND – 527</u> | | | | | |
| Planning, Research, and Operations | 500,000 | 6,900 | 4,800 | 11,700 | 488,300 |
| Total Fiscal Year 2007 | <u>\$ 500,000</u> | <u>\$ 6,900</u> | <u>\$ 4,800</u> | <u>\$ 11,700</u> | <u>\$ 488,300</u> |

Note: Appropriations, expenditures, and lapsed balances were obtained from Agency records and have been reconciled to records of the State Comptroller.

STATE OF ILLINOIS
SEX OFFENDER MANAGEMENT BOARD
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES, AND
LAPSED BALANCES**

| | Fiscal Year | | |
|---------------------------------------|-------------|-------------|--------------|
| | 2008 | 2007 | 2006 |
| <u>Sex Offender Management Board</u> | P.A.95-0348 | P.A. 94-798 | P.A. 94-0015 |
| <u>Fund – 527</u> | | | |
| Appropriations (Net of Transfers) | \$ 500,000 | \$ 500,000 | \$ 500,000 |
| <u>Expenditures</u> | | | |
| Planning, Research, and Operations | \$ 14,946 | \$ 11,700 | \$ 46,399 |
| Total Expenditures | \$ 14,946 | \$ 11,700 | \$ 46,399 |
| Lapsed Balances | \$ 485,054 | \$ 488,300 | \$ 453,601 |

STATE OF ILLINOIS
SEX OFFENDER MANAGEMENT BOARD
SCHEDULE OF CHANGES IN STATE PROPERTY
For the Two Years Ended June 30, 2008

| | |
|--------------------------|-----------------|
| Balance at July 1, 2006 | \$ 3,522 |
| | |
| Additions | 0 |
| Deletions | 0 |
| Net Transfers | <u>0</u> |
| | |
| Balance at June 30, 2007 | <u>\$ 3,522</u> |
| | |
| Balance at July 1, 2007 | \$ 3,522 |
| | |
| Additions | 0 |
| Deletions | 0 |
| Net Transfers | <u>0</u> |
| | |
| Balance at June 30, 2008 | <u>\$ 3,522</u> |

This schedule has been reconciled to property reports submitted to the Office of the Comptroller.

STATE OF ILLINOIS
SEX OFFENDER MANAGEMENT BOARD
COMPARATIVE SCHEDULE OF CASH RECEIPTS
For the Fiscal Years Ended June 30,

| <u>Sex Offender Management Board</u> <u>Fund – 527</u> | <u>2008</u> | <u>2007</u> | <u>2006</u> |
|---|-------------|-------------|------------------|
| U.S. Department of Justice | \$ 0 | \$ 0 | \$ 62,426 |
| Total Receipts | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 62,426</u> |

**RECONCILIATION SCHEDULE OF CASH RECEIPTS TO
DEPOSITS REMITTED TO THE STATE COMPTROLLER**
For the Fiscal Years Ended June 30,

| <u>Sex Offender Management Board</u> <u>Fund – 527</u> | <u>2008</u> | <u>2007</u> | <u>2006</u> |
|---|-------------|-------------|------------------|
| Receipts per Records | \$ 0 | \$ 0 | \$ 62,426 |
| Add: Deposits in Transit, Beginning of Year | - | - | - |
| Less: Deposits in Transit, End of Year | <u>-</u> | <u>-</u> | <u>-</u> |
| Deposits Recorded by the Comptroller | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 62,426</u> |

STATE OF ILLINOIS
SEX OFFENDER MANAGEMENT BOARD
ANALYSIS OF SIGNIFICANT VARIATIONS
For the Two Years Ended June 30, 2008 and 2007

**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN
FISCAL YEARS 2007 AND 2008**

We noted no significant variations in expenditures between Fiscal Years 2007 and 2008.

**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN
FISCAL YEARS 2006 AND 2007**

The Board received a one-time grant from the U.S. Department of Justice during Fiscal Year 2006. Grant funds, totaling \$22,000, were used to pay for a study on sex offender treatment conducted by Illinois State University during Fiscal Year 2006 for the benefit of the Board. The Board did not contract for any studies of this type during Fiscal Year 2007. In addition, the Board incurred expenses totaling \$11,000 for two contractual employees and for training sessions held throughout the State during Fiscal Year 2006. However, the Board did not have any contractual employees during Fiscal Year 2007, nor were any further training sessions held during Fiscal Year 2007.

**ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS BETWEEN FISCAL
YEARS 2007 AND 2008**

The Board did not receive any monies during Fiscal Years 2007 and 2008.

**ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS BETWEEN FISCAL
YEARS 2006 AND 2007**

The Board received a one-time grant from the U.S. Department of Justice during Fiscal Year 2006. No further grant funding was received during Fiscal Year 2007.

ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING

FISCAL YEAR 2008

The Board received a large proportion of reimbursement requests from agencies providing supervision over sex offenders late in the fiscal year, resulting in a large number of reimbursements paid during the lapse period. The Board offers \$300 reimbursements to supervising agencies to defray the costs of juvenile and adult sex offender evaluations as required by the Sex Offender Board Management Act.

FISCAL YEAR 2007

The Board received a large proportion of reimbursement requests from counties late in the fiscal year, resulting in a large number of reimbursements paid during the lapse period.

STATE OF ILLINOIS
SEX OFFENDER MANAGEMENT BOARD
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2008

AGENCY FUNCTIONS AND PLANNING PROGRAM

Agency Functions

The Sex Offender Management Board (Board) was established by the Sex Offender Management Board Act (20 ILCS 4026/1 et. seq.) on July 22, 1997 to standardize the evaluation, identification, counseling, and continued monitoring of sex offenders at each stage of the criminal or juvenile justice systems or mental health systems.

The members of the Board as of June 30, 2008 were:

| | |
|-------------------------|----------------|
| Cara Smith, Chairperson | Donya Adkerson |
| Michael Bednarz | Shauna Boliker |
| Ed Burnette | Carol Corgan |
| Sheryl Essenburg | Norb Goetten |
| Lori Levin | Ron Matekaitis |
| Verlin Meinz | Harry Reed |
| Mike Scholz | Scott Summers |

During the prior examination period, the Board commissioned Illinois State University to evaluate the effectiveness of monitoring offender behaviors and adherence to prescribed behavioral changes. The results of this study concluded that treatment is a vital component for sex offenders on probation. To improve access for indigent offenders to professional treatment and to reduce the financial burden professional treatment places on the Illinois Department of Corrections and other agencies providing supervision, the Board offered \$300 reimbursements to supervising agencies to defray the costs of juvenile and adult sex offender evaluations as required by the Sex Offender Management Board Act (20 ILCS 4026/16). The Board reimbursed supervising agencies a total of \$11,700 and \$13,950 during Fiscal Years 2007 and 2008, respectively.

The Board also maintained a list of 368 approved evaluators for the treatment and monitoring of felony sex offenders considered for probation. In addition, the Board maintained a list of approved facilities and individuals who can treat sex offenders sentenced to probation, conditional release, or periodic imprisonment. These lists are available on the Board's website at www.illinoisattorneygeneral.gov/communities/somb/.

STATE OF ILLINOIS
SEX OFFENDER MANAGEMENT BOARD
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2008

AGENCY FUNCTIONS AND PLANNING PROGRAM (CONTINUED)

Agency Planning Program

The Board's mission is "to develop and implement standards and laws to protect victims and communities and to hold offenders accountable through the identification, treatment, and monitoring of both adult and juvenile sex offenders." The Board established goals at its inception in 1997, and those goals are as follows:

- To use state-of-the-art assessment, treatment, supervision, and polygraph in the management of sex offenders;
- To establish a system of implementation and enforcement of standards across the criminal justice system, juvenile justice system, private providers, and monitoring agencies; and
- To contain all sex offenders to protect victims and increase public safety.

The Board held a retreat in October 2007, during which nine members of the Board participated in discussions regarding future plans of the Board and the complex challenges and issues currently facing the Board. As a result, a research and planning committee was created, consisting of four Board members and an employee of the Office of the Attorney General. This research and planning committee is working on reviewing the Board's current duties and functions, as well as the future direction of the Board.

AVERAGE NUMBER OF EMPLOYEES

The Board did not have any employees during the examination period. The Board relied upon staff of the Office of the Attorney General to perform all administrative and fiscal functions.