



STATE OF ILLINOIS
OFFICE OF THE
AUDITOR GENERAL

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

DEPARTMENT OF CORRECTIONS

State Compliance Examination
For the Two Years Ended June 30, 2024

Release Date: September 23, 2025

FINDINGS THIS AUDIT: 40				AGING SCHEDULE OF REPEATED FINDINGS			
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	2	4	6	2022		12, 26, 28	
Category 2:	11	23	34	2020	4	19, 33, 37, 39, 40	
Category 3:	0	0	0	2018	5	13	
TOTAL	13	27	40	2016	3, 6	7, 21, 22	
FINDINGS LAST AUDIT: 46				2014		15, 16, 17	
				2012		8, 9, 29	
				2010		30	
				2006		11	
				2000		10, 20	
				1998		14	

SYNOPSIS

- (24-2) The Department did not properly maintain its commodity and commissary inventory.
- (24-4) The Department failed to appropriately notify the appropriate parties of residency of persons on parole and mandatory supervised release.
- (24-16) The Department allowed employees to use leave time for their regular shift and then work another shift at an overtime rate on the same day.
- (24-40) The Department failed to report individuals' progress under the extended supervision of sex offender requirements of the Unified Code of Corrections.

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

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

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

FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

INADEQUATE MAINTENANCE OF COMMODITY AND COMMISSARY INVENTORY

The Department of Corrections (Department) did not properly maintain its commodity and commissary inventory.

During our commodity and commissary inventory testing at five correctional centers, we noted the following:

Stateville Correctional Center did not record commodity transactions in the accounting systems

- Stateville Correctional Center did not enter into the accounting system the general commodity inventory items received or issued during Fiscal Year 2023 and 2024. As a result, the center failed to provide a complete and accurate population of items held in inventory on June 30, 2023, and 2024.
- Twelve of 60 (20%) inventory items selected from inventory records did not agree with physical test counts, resulting in a net variance of \$15,407.
- Ten of 60 (17%) inventory items observed for physical test counts while touring inventory locations did not agree with the inventory records, resulting in a net variance of \$4,027.
- We tested 13 items with inventory balances exceeding \$5,000 which appeared to be overstocked as of June 30, 2024, and noted Stateville and Danville Correctional Centers held more than one year's supply of inventory for 5 (38%) items with an excess amount of \$165,679. (Finding 2, pages 15-16)

We recommended the Department improve its centralized oversight function related to inventory to allow for adequate controls, compliance with procedures and rules, as well as provision of guidance, reminders, and assistance to the Center's staff. We also recommended the Department ensure staff are adequately trained on inventory policies and procedures, to ensure inventory and records are properly maintained.

Department accepted the recommendation but contended the timing of inventory counts caused discrepancies from records

Department management accepted the recommendation and noted the Correctional Centers are required to count inventory at the end of each month and reconcile inventory records to physical counts at that time. Management further stated the auditors counted samples of inventory during the month in most cases, which caused the discrepancies since the inventory was actively being received and/or sold. Management also stated staff have been trained on the use of the ERP system in the Stateville and Danville locations.

Accountant's Comment

In an accountant's comment, we noted the inventory exceptions were communicated to the Centers and Department at the time

Documentation not provided to justify discrepancies during testing

of testing, but they were unable to provide support to resolve these discrepancies.

FAILURE TO PROVIDE OFFENDER RESIDENT INFORMATION TO APPROPRIATE PARTIES

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

List of new residents on parole and mandatory supervised release not provided to auditors

The Department was unable to provide the population of persons on parole or mandatory supervised release who became a resident of a facility licensed or regulated by the Departments of Public Health (DPH), Healthcare and Family Services, or Human Services. Therefore, we were unable to test whether notifications of residence to police chiefs and sheriffs occurred. As of June 30, 2024, the Department had a total of 15,185 individuals on parole or mandatory supervised release. **This finding has been reported since 2020.** (Finding 4, pages 19-20)

Unable to test whether police and sheriff notified of residence

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

Department accepted the recommendation

Department officials accepted the recommendation and stated they are unable to provide the mandated information within the 3-day turnaround time because they are rarely notified within this time frame that a person on parole has become a resident of a DPH licensed or regulated facility. The Department also stated they asked for a mandate revision during Fall 2024, but it was not allowed to proceed.

TAKING PAID LEAVE TIME AND WORKING OVERTIME ON THE SAME DAY

The Department allowed employees to use leave time for their regular shift and then work another shift at an overtime rate on the same day.

Over \$151 million paid in annual overtime

For Fiscal Year 2024, 2,958,142 hours of overtime were paid at a cost of \$151,734,099.

80% of employees tested worked overtime on days taken off work

We reviewed overtime payments for 20 employees and noted 16 employees (80%) had a total of 150 instances in two years in which they used a full day of benefit time the same day they also worked overtime. **This finding was first reported in 2014.** (Finding 16, pages 43-44)

We recommended the Department monitor the use of leave time being used on the same day as overtime is worked and comply

with its training manual by not allowing employees to work overtime on the same day that a full day of leave time is also used.

Department stated recommendation implemented but stated practice contradicts the auditor's long-time recommendation

The Department responded that the recommendation has been implemented, then stated it follows policy by not allowing employees to work overtime on the same shift for which benefit time was used, since the overtime would occur during their absence. The Department also stated it plans to revise the Manual to explicitly state the circumstances where the policy applies. Management further noted union agreement requirements to exhaust all efforts to seek volunteers to work overtime prior to mandating employee overtime. Finally, the Department stated that if it excludes offering overtime occurring on a shift other than the shift for which benefit time was used to volunteers, it would violate the union agreement and result in a higher cost to the State.

Accountant's Comment

Department's response is a reversal of their position since 2014

In an accountant's comment, we noted that management contended in their finding response that the Manual only prohibits an employee from working overtime during the hours an employee is on leave. Since 2014, the Department has accepted the recommendation to "comply with its training manual by not allowing employees to work overtime on the same day that a full day of leave time is also used". The Department also issued a directive in 2016 that "employees who utilize a full shift of pre-approved benefit time off on their regularly assigned shift shall not be eligible for an overtime offering for [n]either the preceding shift nor the following shift."

Department's response is inconsistent with documentation

The accountant's comment also stated the Department did not provide documentation of their current position in sufficient time to allow us to test and fully evaluate the Department's claims in response to the finding which are inconsistent with documentation examined regarding the allowability of overtime pay on the same day that leave time is taken.

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

The Department failed to report individuals' progress under the extended supervision of sex offender requirements.

No support of releasee compliance and progress in sex offender treatment reported to local law enforcement

During Fiscal Years 2023 and 2024, 695 individuals were released under extended mandatory supervision of sex offender requirements. We noted for all 60 (100%) individuals tested, the Department was unable to provide support for the submission of the required progress reports to the chief of police, or sheriff in the municipality or county in which the offender resides and is registered. **This finding has been reported since 2020.** (Finding 40, pages 87-88)

We recommended the Department train responsible staff and implement internal controls to ensure the submission of the required progress reports to the chief of police or sheriff in the municipality or county in which the offender resides and is registered. We further recommended the Department pursue legislative change if they do not believe the statutory requirement is reasonable and appropriate.

Department stated recommendation implemented

The Department responded the recommendation has been implemented and stated it sent progress reports during the examination period but did not retain emails or delivery receipt for hand deliveries. Management stated that going forward, Parole Agents are notating delivery in the case management system and email is now saved.

OTHER FINDINGS

The remaining findings pertain to receipts, statutory mandates, information technology, personnel, expenditures, property, and vehicles. We will review the Department's progress towards the implementation of our recommendations in our next State compliance examination.

ACCOUNTANT'S OPINION

The accountants conducted a State compliance examination of the Department for the two years ended June 30, 2024, as required by the Illinois State Auditing Act. The accountants qualified their report on State compliance for Findings 2024-001 through 2024-006 individually and Findings 2024-012, 2024-021 through 2024-024, 2024-026 through 2024-028, 2024-030, 2024-033, 2024-034, 2024-039, 2024-040 in the aggregate. Except for the noncompliance described in these findings, the accountants stated the Department complied, in all material respects, with the requirements described in the report.

This State compliance examination was conducted by Adelfia LLC.

SIGNED ORIGINAL ON FILE

COURTNEY DZIERWA
Division Director

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

SIGNED ORIGINAL ON FILE

FRANK J. MAUTINO
Auditor General

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