

**STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE**

COMPLIANCE EXAMINATION

For the Two Years Ended June 30, 2018

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2018

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AGENCY OFFICIALS

Director	Heidi Mueller (12/19/16 to present) Jesse Montgomery, Acting (until 12/18/16)
Deputy Director of Operations	William Peyton (09/15/17 to present) Randall Barbee, Acting (07/01/17 to 09/14/17) Vacant (04/01/17 to 06/30/17) Jesse Montgomery (until 03/31/17)
Deputy Director of Program Services	Robert Vickery (04/16/17 to present) Robert Vickery, Acting (12/20/16 to 04/15/17) Heidi Mueller (until 12/18/16)
Deputy Director of Aftercare	Eva Moore
Chief of Staff	Erin Johnson (01/02/19 to present) Vacant (04/16/18 to 01/01/19) Marron Mahoney, Acting (07/01/17 to 04/15/18) Mike Taylor (07/16/16 to 06/30/17) Jessica McMiller-Baptiste (until 07/15/16)
Superintendent of School District #428	Sophie Jones-Redmond (06/01/17 to present) Gloria Davis (until 05/31/17)
Chief of Training and Staff Development	Marna Satlak
Administrator of Affirmative Action and Minority Recruitment	James Crowley (10/16/16 to present) Vacant (until 10/15/16)
Chief Financial Officer	Andrew Munemoto (03/16/18 to present) Vacant (until 03/15/18)
Chief Legal Counsel	NeAngela Dixon (04/01/19 to present) NeAngela Dixon, Acting (09/01/18 to 03/31/19) Esther Yahnig (04/16/18 to 08/31/18) Marron Mahoney (07/16/16 to 04/15/18) Marron Mahoney, Acting (until 07/15/16)

STATE OF ILLINOIS
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AGENCY OFFICIALS (Continued)

The Department's General Offices are located at:

2715 West Monroe Street
Springfield, Illinois 62704

1112 South Wabash Avenue, 2nd Floor
Chicago, Illinois 60605



MANAGEMENT ASSERTION LETTER

Honorable Frank J. Mautino
Auditor General
State of Illinois
740 East Ash Street
Springfield, Illinois 62703-3154

1/30/2020

Auditor General Mautino:

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 Department of Juvenile Justice. 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 Department of Juvenile Justice's compliance with the following assertions during the two-year period ended June 30, 2018. Based on this evaluation, we assert that during the years ended June 30, 2017 and June 30, 2018, the Department of Juvenile Justice has materially complied with the assertions below.

- A. The Department of Juvenile Justice 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 Department of Juvenile Justice 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 Department of Juvenile Justice has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. State revenues and receipts collected by the Department of Juvenile Justice 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 Department of Juvenile Justice on behalf of the State or held in trust by the Department of Juvenile Justice have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

Yours truly,

Department of Juvenile Justice

[REDACTED]

Heidi Mueller, Director

[REDACTED]

Andrew Munemoto, Chief Fiscal Officer

[REDACTED]

NeAngela Dixon, Chief Legal Counsel

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
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For the Two Years Ended June 30, 2018

COMPLIANCE REPORT

SUMMARY

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

ACCOUNTANT’S REPORT

The Independent Accountant’s Report on State Compliance, on Internal Control Over Compliance, and on Supplementary Information for State Compliance Purposes does not contain scope limitations or disclaimers, but does contain a modified opinion on compliance and identifies material weaknesses over internal control over compliance.

SUMMARY OF FINDINGS

<u>Number of</u>	<u>Current</u> <u>Report</u>	<u>Prior</u> <u>Report</u>
Findings	21	17
Repeated Findings	13	10
Prior Recommendations Implemented or Not Repeated	4	6

SCHEDULE OF FINDINGS

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
FINDINGS (STATE COMPLIANCE)			
2018-001	12	Inadequate Controls over State Property	Material Weakness and Material Noncompliance
2018-002	15	Inadequate Controls over Voucher Processing	Material Weakness and Material Noncompliance
2018-003	17	Inadequate Controls over Economic Interest Statements	Material Weakness and Material Noncompliance
2018-004	19	Inaccurate Youth Transfer Listing	Material Weakness and Material Noncompliance
2018-005	21	Weakness Regarding Security and Control of Confidential Information	Material Weakness and Material Noncompliance

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2018-006	24	Failure to Maintain Required Personnel Documentation	Material Weakness and Material Noncompliance
2018-007	27	Inaccurate Calculation of Release Dates	Material Weakness and Material Noncompliance
2018-008	29	Inadequate Controls over the Resident Trust Fund	Significant Deficiency and Noncompliance
2018-009	32	Inadequate Controls over the Employee and Resident Benefit Funds	Significant Deficiency and Noncompliance
2018-010	34	Inadequate Controls over the Travel and Allowance Fund	Significant Deficiency and Noncompliance
2018-011	36	Lack of Disaster Contingency Planning	Significant Deficiency and Noncompliance
2018-012	38	Administrative Process Not Fully Segregated	Significant Deficiency and Noncompliance
2018-013	40	Inadequate Controls over Performance Evaluations	Significant Deficiency and Noncompliance
2018-014	42	Noncompliance with the Fiscal Control and Internal Auditing Act	Significant Deficiency and Noncompliance
2018-015	44	Policies and Procedures Regarding Operation of State Vehicles Not Followed	Significant Deficiency and Noncompliance
2018-016	46	Inadequate Controls over Contractual Agreements	Significant Deficiency and Noncompliance
2018-017	48	Inadequate Controls over the Administration of Interagency Agreements	Significant Deficiency and Noncompliance
2018-018	50	Inadequate Controls over Receipts and Refunds	Significant Deficiency and Noncompliance
2018-019	52	Inadequate Administration of Confinement and Discipline Policies	Significant Deficiency and Noncompliance
2018-020	54	Required Reports did not Contain Required Elements	Significant Deficiency and Noncompliance

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2018-021	56	Noncompliance with the Unified Code of Corrections Regarding Inspections of Juvenile Detention Facilities	Significant Deficiency and Noncompliance
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PRIOR FINDINGS NOT REPEATED

A	58	Lack of Due Diligence over Inventory Conversion
B	58	Inadequate Controls over Youth 360 System
C	58	Noncompliance with the Custody Relinquishment Prevention Act
D	58	Failure to Maintain Required Levels of Bilingual Frontline Staff

EXIT CONFERENCE

The findings and recommendations appearing in this report were discussed with Department personnel at an exit conference on December 16, 2019. Attending were:

Department of Juvenile Justice

Heidi Mueller, Director
William Peyton, Deputy Director of Operations
Andrew Munemoto, Chief Financial Officer
Theresa Churchill, Internal Auditor

Office of the Auditor General

Kathy Lovejoy, IS Audit Manager
Peggy Hartson, Audit Manager
Miranda Karger, IS Audit Supervisor
Joseph Parochetti, Staff Auditor

The responses to the recommendations were provided by Theresa Churchill, Internal Auditor, in correspondence dated January 15, 2020.

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OFFICE OF THE AUDITOR GENERAL
FRANK J. MAUTINO

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

Honorable Frank J. Mautino
Auditor General
State of Illinois

Compliance

We have examined the State of Illinois, Department of Juvenile Justice'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, 2018. The management of the State of Illinois, Department of Juvenile Justice is responsible for compliance with these requirements. Our responsibility is to express an opinion on the State of Illinois, Department of Juvenile Justice's compliance based on our examination.

- A. The State of Illinois, Department of Juvenile Justice 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 Juvenile Justice 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 Juvenile Justice has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. State revenues and receipts collected by the State of Illinois, Department of Juvenile Justice 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 Juvenile Justice on behalf of the State or held in trust by the State of Illinois, Department of Juvenile Justice have been properly and legally administered and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

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 (the Audit Guide). Those standards, the Act, and the Audit Guide require that we plan and perform the examination to obtain reasonable assurance about whether the State of Illinois, Department of Juvenile Justice complied, in all material respects, with the specified requirements listed above. An examination involves performing procedures to obtain evidence about whether the State of Illinois, Department of Juvenile Justice complied with the specified requirements listed above. The nature, timing and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance, whether due to fraud or error.

We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the State of Illinois, Department of Juvenile Justice's compliance with specified requirements.

Our examination disclosed the following material noncompliance with the compliance requirements listed in the first paragraph of this report during the two years ended June 30, 2018. As described in items 2018-001 through 2018-007 in the accompanying schedule of findings, the State of Illinois, Department of Juvenile Justice did not comply with requirements regarding applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations. Compliance with such requirements is necessary, in our opinion, for the State of Illinois, Department of Juvenile Justice to comply with the requirements listed in the first paragraph of this report.

In our opinion, except for the material noncompliance described in the preceding paragraph, the State of Illinois, Department of Juvenile Justice complied, in all material respects, with the compliance requirements listed in the first paragraph of this report during the two years ended June 30, 2018. However, the results of our procedures disclosed other instances of noncompliance with the 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 items 2018-008 through 2018-021.

The State of Illinois, Department of Juvenile Justice's responses to the findings identified in our examination are described in the accompanying schedule of findings. The State of Illinois, Department of Juvenile Justice's responses were not subjected to the procedures applied in the compliance examination and, accordingly, we express no opinion on the responses.

The purpose of this report on compliance is solely to describe the scope of our testing and the results of that testing in accordance with the requirements of the Audit Guide issued by the Illinois Office of the Auditor General. Accordingly, this report is not suitable for any other purpose.

Internal Control

Management of the State of Illinois, Department of Juvenile Justice 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, Department of Juvenile Justice's internal control over compliance with the requirements listed in the first paragraph of this report to determine the examination procedures that are appropriate in the circumstances 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, Department of Juvenile Justice's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the State of Illinois, Department of Juvenile Justice's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with the requirements listed in the first paragraph of this report on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that a material noncompliance with a requirement listed in the first paragraph of this report will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings as items 2018-001 through 2018-007 to be material weaknesses.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings as items 2018-008 through 2018-021 to be significant deficiencies.

As required by the Audit Guide, immaterial findings excluded from this report have been reported in a separate letter.

The State of Illinois, Department of Juvenile Justice's responses to the internal control findings identified in our examination are described in the accompanying schedule of findings. The State

of Illinois, Department of Juvenile Justice's responses were not subjected to the procedures applied in the compliance examination and, accordingly, we express no opinion on the responses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Audit Guide, issued by the Illinois Office of the Auditor General. Accordingly, this report is not suitable for any other purpose.

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 for the years ended June 30, 2018, and June 30, 2017, in Schedules 1 through 6 and the Analysis of Operations Section 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 June 30, 2018, and June 30, 2017, accompanying supplementary information in Schedules 1 through 6. However, we do not express an opinion on the accompanying supplementary information.

As reported in item 2018-001, we were not able to conclude the State of Illinois, Department of Juvenile Justice's property records were sufficiently complete and accurate. Therefore, we were unable to conclude the Schedule of Changes in State Property on Schedule 5 was complete.

We have not applied procedures to the June 30, 2016, accompanying supplementary information in Schedules 3 through 6 and in the Analysis of Operations Section, and accordingly, we do not express an opinion or provide any assurance on it.



JANE CLARK, CPA
Director of Financial and Compliance Audits

Springfield, Illinois
January 30, 2020

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2018

2018-001. **FINDING** (Inadequate Controls over State Property)

The Department of Juvenile Justice (Department) did not maintain adequate documentation and control over its State property during the examination period.

The Department did not timely and accurately enter transactions into the property control system. The accountants noted during the walk-through of equipment transactions that equipment purchases/additions were not being timely entered and Department personnel had a backlog of transactions that had not yet been added to the Central Inventory System (CIS). The accountants also noted addition and deletion reports could not be agreed to activity reported in the Agency Report of State Property (Form C-15) reported to the Office of the State Comptroller (Comptroller). As a result, the accountants were unable to reconcile the Department-wide Form C-15s to the Comptroller's Object/Expenditures by Quarter Reports (SA02). The unreconciled differences totaled \$911,536 and \$247,509 in Fiscal Year 2017 and Fiscal Year 2018, respectively.

Due to these conditions, the accountants were unable to conclude whether the Department's population of inventory records was sufficiently precise and detailed under Attestation Standards promulgated by the American Institute of Certified Public Accountants (AT-C § 205.35) to test the Department's State property. In addition, due to these limitations, the accountants were unable to conclude the Department's Schedule of Changes in State Property on page 68 was complete and appropriately reported.

Even given the population limitations noted above, which hindered the ability of the accountants to conclude whether the selected sample was representative of the population as a whole, the accountants selected a sample of items from the property listing provided by the Department and performed testing.

During testing, the accountants noted the following:

- The Department's property control listing did not accurately report equipment locations and location codes.
 - Items were still being reported on the property listing at closed Youth Centers (IYC), including 57 equipment items, totaling \$13,851, under IYC Murphysboro; 17 equipment items, totaling \$4,570, under IYC Kewanee; and 933 equipment items, totaling \$559,940, 55 buildings, totaling \$29,825,386, and 160 acres of land, totaling \$573,103 under IYC Joliet.
 - One building at the St. Charles Youth Center was not able to be located on the property listing.

STATE OF ILLINOIS
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- Although there were eight aftercare locations throughout the State, the property listing only contained two location codes: Springfield and Chicago.
- Items at three different locations in Springfield utilized the same location code.
- For 54 of 60 (90%) deletions tested, totaling \$707,100, the Department failed to provide adequate supporting documentation to substantiate whether the deletion was properly approved, reported to the Department of Central Management Services (CMS), and timely removed from the Department's property records. In addition, 6 of 60 (10%) deletions tested, totaling \$38,402, were approved between 123 and 481 days late.
- During voucher testing, the accountants reviewed 11 purchases of equipment, totaling \$155,885, which were not added to the property listing.
- Thirteen of 60 (22%) equipment items selected from the property listing, totaling \$10,755, were unable to be located.
- Nine of 60 (15%) equipment items selected from various locations throughout the Department were unable to be located on the property listing.
- The Department did not maintain an accurate inventory listing; therefore, its annual inventories and annual certifications to CMS were not adequately completed. The Department reported 852 items (11% of the total amount of inventoried items over \$500) as unable to be located in Fiscal Year 2017, and 397 items (8% of the total inventoried items over \$500) as unable to be located in Fiscal Year 2018. Additionally, the Department noted multiple items, totaling \$446,799, as discrepancies on both the Fiscal Year 2017 and Fiscal Year 2018 annual certifications to CMS due to untimely processing. Furthermore, accountants could not agree all information provided for the inventories conducted at the Youth Centers to the figures reported by the Department.
- The Department did not properly maintain its property. The accountants observed one Youth Center (St. Charles) had 13 unused, condemned, or worn down buildings in need of repairs, demolition, or significant improvements.

The State Property Control Act (30 ILCS 605/4) requires the Department to be accountable for the supervision, control, and inventory of all property under its jurisdiction. The State Property Control Act (30 ILCS 605/6.02) also requires the Department to maintain a permanent record of all items of property under its jurisdiction and control. In addition, the State Records Act (5 ILCS 160/8) requires the Department make and preserve adequate and proper documentation of

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the essential transactions of the Department. Further, the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the Department to establish and maintain a system, or systems, of internal fiscal and administrative controls. These controls should provide assurance that funds, property, and other assets are safeguarded against waste, loss, unauthorized use, and misappropriation.

During the prior examination, Department officials stated property control weaknesses were due to employee oversight and/or proper documentation not being completed upon transfer. During the current examination, Department officials stated the problems were due to understaffing, a lack of funds, and high employee turnover rates.

Without the Department providing complete and adequate documentation to enable testing, the accountants were unable to complete their procedures and provide useful and relevant feedback to the General Assembly regarding the Department's property control. Furthermore, failure to maintain accurate property and equipment records represents noncompliance with State laws and regulations and increases the potential for fraud and the possible loss or theft of State property. In addition, inaccurate property reporting reduces the reliability of State-wide capital asset information. Further, the failure to properly maintain buildings could pose a potential safety threat to the staff and residents. (Finding Code No. 2018-001, 2016-002, 2014-002, 12-02, 10-02, 08-03)

RECOMMENDATION

We recommend the Department strengthen its controls over maintaining, recording, and reporting its State property and equipment by reviewing its inventory and recordkeeping practices to ensure compliance with State laws and regulations. Further, the Department should ensure all its property transactions are accurately and timely recorded on the Department's property records.

DEPARTMENT RESPONSE

The Department of Juvenile Justice (DJJ) accepts the recommendation. The Public Safety Shared Services Center (PSSSC) and DJJ were responsible for this function but were understaffed for the last several years. DJJ will work with PSSSC and DJJ employees to strengthen its controls over maintaining, recording and reporting State property. Furthermore, DJJ will update the PSSSC agreement and will work to secure adequate funding to hire DJJ personnel to perform the function. DJJ maintains that fiscal limitations have a direct impact on the Department's ability to fully segregate from PSSSC and establish itself as a standalone agency.

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2018-002. **FINDING** (Inadequate Controls over Voucher Processing)

The Department of Juvenile Justice (Department) did not exercise adequate controls over voucher processing.

During testing, the auditors noted the following:

- For 2 of 226 (1%) vouchers tested, totaling \$534,642, the Department did not provide documentation to substantiate \$3,181 expended. In addition, for 4 of 60 (7%) payroll vouchers tested, totaling \$7,807, no documentation was provided so the auditors could not determine whether the payments were proper. Lastly, for three vouchers, totaling \$707,033, to a healthcare vendor, the auditors could not determine whether the amounts paid were mathematically accurate due to a lack of support provided. The State Records Act (5 ILCS 160/8) requires preservation of records to contain adequate and proper documentation of agency transactions to furnish information to protect the legal and financial rights of the State.
- Forty-three of 226 (19%) vouchers tested, totaling \$1,684,638, were approved for payment between 2 and 336 days late. The Illinois Administrative Code (74 Ill. Admin. Code 900.70) requires the Department to review a bill and either deny the bill in whole or in part, ask for more information necessary to review the bill, or approve the bill in whole or in part, within 30 days after physical receipt of the bill.
- For 17 of 226 (8%) vouchers tested, totaling \$1,185,224, the related invoices were not date-stamped when received by the Department. As a result, auditors could not determine if the voucher was approved timely or if interest was due to the vendor. The Illinois Administrative Code (74 Ill. Admin. Code 900.30) requires the Department to maintain written or electronic records reflecting the date or dates on which the bill was received.
- For 15 of 40 (38%) awards and grant vouchers tested, totaling \$591, the original date stamp on the invoice was scratched out and a new stamp was applied. The second stamps were between 59 and 747 days after the service date.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the Department to establish and maintain a system, or systems, of internal fiscal and administrative controls that provide assurance that expenditures applicable to operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial and statistical reports and to maintain accountability over the State's resources.

Department officials stated the issues noted were mainly due to conflicting priorities, oversight, and changes in staffing. For the invoices where the date received was changed, Department officials stated the Department of Corrections was covering

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payments to county sheriffs for youth transport but wanted the Department to cover them instead, and they waited to pay them until they received a response from the Governor's Office of Management and Budget.

Inadequate controls over voucher processing could result in untimely or improper payments. In addition, the propriety of disbursements may be questioned due to missing supporting documentation. (Finding Code No. 2018-002)

RECOMMENDATION

We recommend the Department retain all vouchers and adequate supporting documentation. We also recommend the Department timely approve vouchers and ensure the receipt date is properly documented.

DEPARTMENT RESPONSE

The Department of Juvenile Justice (DJJ) accepts the recommendation. DJJ will work with staff to ensure that all supporting documentation is retained, documenting the receipt date and timely approving the vouchers.

STATE OF ILLINOIS
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For the Two Years Ended June 30, 2018

2018-003. **FINDING** (Inadequate Controls over Economic Interest Statements)

The Department of Juvenile Justice (Department) failed to maintain adequate records substantiating the population of employees required to file economic interest statements during the examination period.

During testing, the accountants requested the Department provide the population of employees required to file economic interest statements to test compliance with provisions of the Illinois Governmental Ethics Act (Act). In response to our request, the Department provided a listing of employees required to file economic interest statements during the examination period. The accountants noted the following problem with the Department's population: five employees during Fiscal Year 2017 and two employees during Fiscal Year 2018 filed economic interest statements with the Secretary of State but did not appear on the Department's list.

Due to these conditions, the accountants were unable to conclude whether the Department's population records were sufficiently precise and detailed under Attestation Standards promulgated by the American Institute of Certified Public Accountants (AT-C § 205.35) to test the Department's compliance with economic interest statement filing requirements.

The Act (5 ILCS 420/4A-101(f)) details which employees are required to file economic interest statements. The Act (5 ILCS 420/4A-105) requires a statement of economic interest to be filed by May 1 of each year. The Act (5 ILCS 420/4A-106) further requires on or before February 1 annually, the chief administrative officer of the Department to certify to the Secretary of State the names and mailing addresses of those persons that are required to file economic interest statements. Furthermore, the State Records Act (5 ILCS 160/8) requires the Department to make and preserve records containing adequate and proper documentation of the essential transactions of the Department to protect both the legal and financial rights of the State and of persons directly affected by the Department's activities.

Department officials stated there was some misunderstanding in certain areas of the Department of the requirements to file an economic interest statement. In addition, some employees were on leaves of absence or on administrative lockout and did not have access to communications from the Department.

Without the Department providing complete and adequate documentation to enable testing, the accountants were unable to complete their procedures and provide useful and relevant feedback to the General Assembly regarding the Department's economic interest statements. Furthermore, the failure to notify the Secretary of State of all employees required to file economic interest statements

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and the failure to timely file economic interest statements could lead to employees making decisions in which they should have been disqualified due to a conflict of interest. (Finding Code No. 2018-003)

RECOMMENDATION

We recommend the Department comply with the Act and take appropriate action to ensure required employees file economic interest statements with the Secretary of State.

DEPARTMENT RESPONSE

The Department of Juvenile Justice (DJJ) accepts the recommendation. DJJ will work to ensure an accurate and complete listing is submitted to the Secretary of State and to remind employees of their responsibility to timely submit the Statement of Economic Interest.

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2018-004. **FINDING** (Inaccurate Youth Transfer Listing)

The Department of Juvenile Justice (Department) failed to maintain accurate and complete documentation during the transfer and movement of Youths.

The Unified Code of Corrections (Code) (730 ILCS 5/3-10-4) requires when there is a transfer of committed persons between institutions or facilities of the Department of Juvenile Justice, the Chief Administrative Officer of an institution or facility desiring to transfer a committed person to another institution or facility to notify the Director of Juvenile Justice or his delegate of the reason for the transfer. The Director or his delegate shall approve or deny such request.

The Department utilizes the Youth 360 system to track Youth offender information, including location information. To test compliance with the Code, the accountants requested a listing of transfers made. The Youth transfer listing, including transfers from three Youth Centers (St. Charles, Harrisburg, and Pere Marquette), was not accurate. The transfer listings included instances where the Youths were temporarily moved (to court, medical visits, etc).

Due to these conditions, the accountants were unable to conclude whether the Department's population records were sufficiently precise and detailed under Attestation Standards promulgated by the American Institute of Certified Public Accountants (AT-C § 205.35) to test the Department's compliance with the above provisions of the Code.

Even given the population limitations noted above, which hindered the ability of the accountants to conclude whether the selected sample was representative of the population as a whole, the accountants selected a sample of 60 Youth transfers from the listing provided by the Department and performed testing. During testing, the accountants noted 15 of 60 (25%) transfer reports were not completed properly from three of three (100%) Youth Centers (St. Charles, Harrisburg, and Pere Marquette). The forms lacked proper approvals by the Director (or delegate) of the Department.

Department officials stated some transfers were approved via email and the system inaccuracies were due to staff error.

Without the Department providing complete and adequate documentation to enable testing, the accountants were unable to complete their procedures and provide useful and relevant feedback to the General Assembly regarding the Department's compliance with the Code regarding Youth transfers. Furthermore, the failure to maintain transfer requests and to obtain proper approvals for all transfers could result in improper or unnecessary transfers occurring between

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Youth facilities and represents noncompliance with the State laws and regulations. (Finding Code No. 2018-004)

RECOMMENDATION

We recommend the Superintendents of the various Youth Centers provide the Director of Juvenile Justice, or the Director's delegate, notice of a desire to transfer a Youth and a reason for the transfer so that the Director, or the Director's delegate, can review and approve or deny such request as required by the Code. We also recommend the Department implement procedures to ensure the accuracy of its Youth transfer listing.

DEPARTMENT RESPONSE

The Department of Juvenile Justice (DJJ) accepts the recommendation. DJJ will work to ensure an accurate and complete transfer listing is available and improve Y360 to obtain approvals.

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2018-005. **FINDING** (Weakness Regarding Security and Control of Confidential Information)

The Department of Juvenile Justice (Department) failed to secure and control personal and confidential information.

In order to carry out its mission, the Department maintains several computer systems which contain confidential or personal information, such as names, addresses, and Social Security numbers. In addition, the Department maintains protected health information that is considered confidential and required to be protected under the Health Insurance Portability and Accountability Act (HIPAA).

During testing, we noted the following weaknesses:

- Failure to document or install encryption software on laptop computers.
- Lack of business agreements with medical providers handling protected health information.
- Failure to perform a risk assessment of the Department's computer resources.
- Failure to protect personal, medical, and confidential information on all Information Technology (IT) equipment.

As part of the examination process, we requested the Department provide us the populations of all medical providers and IT equipment. Although the Department provided the populations, documentation demonstrating the completeness and accuracy of the populations could not be provided. Due to these conditions, we were unable to conclude that the populations' records were sufficiently precise and detailed under the Professional Standards promulgated by the American Institute of Certified Public Accountants (AT-C § 205.35).

Even given the IT populations' limitations noted above, we tested a sample of laptops to determine if encryption had been installed, noting the Department could not provide documentation of encryption for seven of 29 (24%) laptops. In addition, we noted one laptop did not have encryption installed.

Furthermore, we tested a sample of medical providers to determine if the Department had executed Business Associate Agreements, noting three of four (75%) medical providers did not have executed Business Associate Agreements.

We also noted the Department had not performed a risk assessment of its computing resources to identify confidential or personal information to ensure such information was protected from unauthorized disclosure. In addition, the Department did not maintain adequate controls over hardcopy documentation containing personal, medical and confidential information.

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The Department's Fiscal Years 2017 and 2018 Certification of Inventory, documented missing equipment, including 16 PCs/laptops totaling \$21,325 and 18 PCs/laptops, totaling \$28,206, respectively. We requested documentation demonstrating the Department's assessment of confidential information maintained on the PCs/laptops. However, the Department did not provide documentation of their assessment. As such, we were unable to determine if any notifications were required.

During our testing at the Department's Youth Centers, we noted a significant amount of IT equipment sitting in condemned/uninhabitable and working buildings, in which the data had not been removed. In addition, the Department had not conducted an assessment to determine confidentiality of the data or the appropriate removal of the data.

The Personal Information Protection Act (815 ILCS 530/12) requires any State agency that collects personal information to notify such persons at no charge if there has been a breach of security of the system data or written materials following discovery of the breach.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires all State agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use and misappropriation and maintain accountability over the State's resources.

HIPAA requires the safeguarding of Protected Health Information (PHI), as such one mechanism is the use of Business Associate Agreements documenting the responsibilities and associated safeguards for entities accessing the PHI. Furthermore, generally accepted information technology guidance endorses the development of well-designed and well-managed controls to protect computer systems and data.

During the current and prior examination, Department management indicated the lack of staffing and resources contributed to the weaknesses.

Failure to maintain adequate internal controls could result in the accidental or unauthorized disclosure of confidential data. (Finding Code No. 2018-005, 2016-007, 2014-004)

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RECOMMENDATION

We recommend the Department:

- Ensure all confidential information is protected with methods such as encryption or redaction.
- Ensure Business Associate Agreements are executed for all entities with access to medical records.
- Maintain complete, accurate, and detailed records of its IT equipment and medical providers.
- Perform risk assessments to ensure the IT equipment and data maintained have adequate security controls installed to safeguard its information.
- Ensure all confidential records are properly destroyed.
- Perform an assessment of the information contained on missing IT equipment to determine if notification is required under the Personal Information Protection Act.
- Ensure all data is properly removed from unused IT equipment.

DEPARTMENT RESPONSE

The Department of Juvenile Justice (DJJ) accepts the recommendation. DJJ has made significant strides that include adding an amendment to all applicable contracts that include the requirements listed in the Health Insurance Portability and Accountability Act (HIPAA), working with the Department of Innovation and Technology (DoIT) Group Chief Information Officer on maintaining encryption software on applicable IT equipment, establishing an IT Risk Assessment and performing risk assessments to ensure IT equipment and data have security controls to safeguard its data. Further, DJJ will work with Public Safety Shared Services Center (PSSSC) and DoIT to establish and maintain a list of IT Equipment. Also, DJJ will update Administrative Directives to ensure confidential information is properly destroyed and data is properly removed from unused IT equipment.

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2018-006. **FINDING** (Failure to Maintain Required Personnel Documentation)

The Department of Juvenile Justice (Department) failed to maintain adequate controls over its personnel and payroll records and documentation.

During testing, the auditors noted the following:

- For 12 of 60 (20%) employees tested, the Department was unable to provide the signed *Federal/Illinois W-4 Employee's Withholding Exemption Certificate* (Form C-25).
- For 17 of 60 (28%) employees tested, the documentation in the personnel files did not agree with withholding amounts:
 - For four employees tested, the amount of State tax to be withheld did not trace to the Form C-25. Differences ranged from \$5 to \$78 for the pay period tested.
 - For six employees tested, the amount of Federal tax to be withheld did not trace to the Form C-25. Differences ranged from \$10 to \$996 for the pay period tested.
 - For nine employees tested, the amount withheld for health insurance did not trace to the Department of Central Management Services' (CMS) system. Differences ranged from \$9 to \$57 for the pay period tested.
 - For seven employees tested, the amount withheld for dental insurance did not trace to CMS' system. Differences ranged from \$1 to \$6 for the pay period tested.
 - For five employees tested, the amount withheld for life insurance did not trace to CMS' system. Differences ranged from \$3 to \$24 for the pay period tested.
- For 33 of 60 (55%) employees tested, the Department could not provide leave authorization requests or other supporting documentation for the months tested.
- For 22 of 60 (37%) employees tested, the Department was unable to provide timesheets for the months tested.
- For 15 of 60 (25%) employees tested, there was no approval for 124 instances of overtime worked totaling 565 hours for the months tested.

The Statewide Accounting Management System (SAMS) (Procedure 23.10.10) requires all deductions from gross pay reflected on the payroll voucher to be supported

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by a deduction authorization form maintained by the Department. In addition, SAMS (Procedure 23.20.05) requires the Department to have a properly completed Form C-25 for all active employees. The Department's Administrative Directive (A.D.) (02.65.170) requires all absences to be recorded on the daily attendance record used and supported by a Notification of Absence Report, DOC 0126. Additionally, the Department's A.D. (02.65.182) requires the Chief Timekeeper to maintain timekeeping records for each employee. All daily timekeeping activity submitted on timekeeping forms, such as the Daily Attendance Records, Roll Call/Sign-in Sheets, Notifications of Absence, and Reports of Overtime, Compensatory Time or Other Adjustments to pay, shall be recorded on the Employee Time Sheet, DOC 0140, the Excel spreadsheet equivalent provided by Shared Services Central Timekeeping, or an automated timekeeping system. The Department's A.D. (02.65.131) requires the Report of Overtime, Compensatory Time or Other Adjustments to Pay (DJJ 0129), as applicable, to be completed by the employee to request any paid overtime or compensatory time. The employee's supervisor is required to approve or disapprove and sign and date the request.

The Fiscal Control and Internal Auditing Act (FCIAA) (30 ILCS 10/3001) requires the Department to establish and maintain a system, or systems, of internal fiscal and administrative controls which provide assurance that revenues, expenditures, and transfers of assets, resources, or funds applicable to operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial and statistical reports and to maintain accountability over the State's resources.

Department officials stated the payroll issues were due to errors in withholding amounts in addition to some documentation missing from files. Department officials further stated personnel documentation was not available due to employee turnover, relocation, and error.

Failure to maintain adequate employee payroll deduction records could result in inaccurate payroll expenditures or unauthorized deductions. In addition, the failure to maintain employee timesheets and employee leave records increases the risk of the Department paying for services not rendered by employees. Further, the failure to ensure overtime is properly approved could result in inappropriate payments. (Finding Code No. 2018-006)

RECOMMENDATION

We recommend the Department strengthen controls to ensure employees' payroll deductions, time records, leave requests, and overtime documentation are completed, approved, and maintained as required.

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DEPARTMENT RESPONSE

For the part of the finding concerning payroll, The Department of Juvenile Justice (DJJ) accepts the recommendation. The Public Safety Shared Services Center (PSSSC) and DJJ were responsible for this function but has been understaffed for the last several years. DJJ will work with the PSSSC and DJJ staff to ensure forms are maintained and deductions are supported. Furthermore, DJJ will update the PSSSC agreement and will work to secure adequate funding to hire DJJ personnel to perform this function. DJJ maintains that fiscal limitations have a direct impact on the Department's ability to fully segregate from PSSSC and establish itself as a standalone agency. For the part of the finding concerning the leave request, timekeeping and timesheets, DJJ accepts the recommendation. DJJ maintains the records are not centralized and take an inordinate amount of time for staff to gather which would have resulted in a lower error rate. Further, DJJ will work with employees to ensure the forms are completed, timely approved and maintained.

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2018-007. **FINDING** (Incorrect Calculation of Release Dates)

The Department of Juvenile Justice (Department) did not ensure Youth 360 calculated youth release dates correctly.

In June 2010, the Department embarked on the development of the Youth 360 system and over the last eight years has added additional functionality in the areas of location tracking, offense information, security levels, as well as maintaining youth personal, and medical information.

As reported in the 2016 examination, due to incorrect logic regarding custody date, length of the sentence, and the complexity of youth sentencing laws, Youth 360 did not correctly calculate the release dates. As a result, Department staff were manually calculating the release dates and overriding Youth 360 release dates. During the current examination, we continued to note Youth 360 was still unable to properly calculate release dates due to incorrect logic and staff continued to manually calculate release dates and override the incorrect information in the system.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the Department to establish and maintain a system of internal fiscal and administrative controls, which shall provide assurance that resources are utilized efficiently, effectively and in compliance with applicable laws.

During the prior examination, Department officials stated the project management documentation was not adequately monitored and controlled due to the constraints of staff turnover and loss of knowledge. During the current examination, Department officials indicated they were aware of the miscalculations in Youth 360 and were addressing them. They also indicated a lack of staffing has delayed implementation of corrections to Youth 360.

The inability of Youth 360 to properly calculate the youth release dates resulted in incorrect information in the Department's system. (Finding Code No. 2018-007, 2016-004)

RECOMMENDATION

We recommend the Department implement the required changes to Youth 360's logic in order to meet the needs of the Department.

DEPARTMENT RESPONSE

The Department of Juvenile Justice (DJJ) rejects the recommendation. The computer program calculation error has been fixed. DJJ continues to work with the

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vendor to improve the Y360 youth electronic record system. Additionally, DJJ notes that the Target Release Date is a guideline, rather than a determinate release date and the Director has sole authority to approve release for youth adjudicated delinquent and committed to the custody of the Department, regardless of identified Target Release Date.

ACCOUNTANT'S COMMENT

The Department did not provide documentation demonstrating the Y360 calculation error had been corrected. In fact, Department management stated, "miscalculation glitches in Y360 are being addressed on an on-going basis." In addition, the Target Release Date is a necessary component of determining when a juvenile is released, which is supported by Department staff's manual recalculation and system overriding. Further, given millions of taxpayer dollars have been spent over the last eight years on an application which is responsible for maintaining information related to the Youth Offender, the Department has the ultimate responsibility to ensure the Target Release Date is accurately calculated by Y360.

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2018-008. **FINDING** (Inadequate Controls over the Resident Trust Fund)

The Department of Juvenile Justice (Department) did not maintain adequate controls over the Resident Trust Fund (Trust Fund).

During testing, the auditors noted the following:

- For 2 of 60 (3%) Youth files tested at 1 of 5 (20%) Youth Centers (Chicago), the Department was unable to provide the Trust Fund Signature and Authorization Card. The Department's Administrative Directive (02.42.110) states the Chief Administrative Officer at each Reception and Classification Center shall: (1) ask each offender upon admission to sign a Trust Fund Signature and Authorization card (DOC 0006) and (2) forward the Trust Fund Signature and Authorization card to the Records Office for placement in the Youth's master file.
- For 8 of 60 (13%) disbursements tested at 1 of 5 (20%) Youth Centers (Chicago), the Department could not provide a completed Authorization for Payment (DOC 0296). The Department's Administrative Directive (02.42.105) requires all payments from the Trust Fund to be authorized by the offender on a DOC 0296.
- For 36 of 36 (100%) Youth Trust Fund accounts, tested at 5 of 5 (100%) Youth Centers, where the bank account balances exceeded \$200, the Centers did not deposit funds in an interest bearing savings account as required. The Department's Administrative Directive (02.42.106) states at least monthly, the Business Administrator shall review all Trust Fund accounts to identify accounts with balances in excess of \$200. Monies in excess of \$200 shall be deposited in an interest bearing savings account for the Youth.
- One of five (20%) Youth Centers (St. Charles) did not perform cash box reconciliations of the Trust Fund. In addition, there were no monthly bank reconciliations performed during Fiscal Year 2017 and Fiscal Year 2018. The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the Department establish and maintain a system of internal fiscal and administrative controls to provide assurance that funds are safeguarded against waste, loss, unauthorized use, and misappropriation. This includes the establishment of proper segregation of duties so that physical cash is reconciled by someone other than the individual who is assigned custody of that cash. The Department's Administrative Directive (02.40.104) dictates the methods in which the Trust Fund should be reconciled each month.
- For 2 of 60 (3%) receipts tested, totaling \$86, from 1 of 5 (20%) Youth Centers (Chicago), the Department was unable to provide supporting documentation. The State Records Act (5 ILCS 160/8) states the Department shall cause to be

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made and preserved records containing adequate and proper documentation of the essential transactions of the Department designed to furnish information to protect the legal and financial rights of the State.

- For 16 of 48 (33%) months tested at two of two (100%) Youth Centers (Pere Marquette and St. Charles), the Department did not timely transfer interest earned to the Residents' Benefit Fund as required. The Department's Administrative Directive (02.40.103) states interest earned on all Trust Fund accounts shall be recorded in accordance with Administrative Directive (02.43.103). Within 20 working days after the notification of interest earned is received, it shall be transferred to the Residents' Benefit Fund.
- Three of five (60%) Youth Centers (Pere Marquette, St. Charles, and Chicago) did not review outstanding checks from the Trust Fund to determine whether a stop payment should be issued after three months. The Department's Administrative Directive (02.40.104) states stop payments should be issued after three months if the bank does not charge a service charge that is equal to or greater than 50% of the value of the check and the monies added back to the account.
- One of five (20%) Youth Centers (Chicago) did not review outstanding checks that should have been voided after 14 months. The Department's Administrative Directive 02.40.104 states stop payments should be issued after three months if the bank does not charge a service charge that is equal to or greater than 50% of the value of the check and the monies added back to the account. If a stop payment is not issued, the check shall remain open for a period of 14 months, at which time the check shall be voided and the payable deleted.

During the prior examination, Department personnel stated the exceptions noted were due to conflicting priorities, human error, and oversight. During the current examination, Department personnel stated the exceptions noted were due to understaffing, high turnover, and having trouble with banking fees that causes adhering to the Administrative Directive unbeneficial.

Failure to set up a separate bank account for Youths' accounts over \$200, reconcile the cash box, and properly fill out the DOC 0296 represents noncompliance with State laws and regulations. (Finding Code No. 2018-008, 2016-006, 2016-009, 2014-004, 12-07, 10-09, 08-08)

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RECOMMENDATION

We recommend the Department ensure requirements related to the locally held fund administration, as set forth in the Administrative Directives, are followed by Youth Center staff, or the Department updates its Administrative Directives to reflect current procedures. Further, the Department should retain all necessary documentation in regards to receipts, disbursements, and expenditures from the locally held funds.

DEPARTMENT RESPONSE

The Department of Juvenile Justice (DJJ) accepts the recommendation. DJJ will work with the appropriate staff on the requirements of the operation and maintenance of locally held funds. Furthermore, DJJ will review and consider revising the Administrative Directives related to locally held funds.

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2018-009. **FINDING** (Inadequate Controls over Employee and Resident Benefit Funds)

The Department of Juvenile Justice (Department) did not maintain adequate controls over its Employee and Resident Benefit Funds.

During testing, the auditors noted the following:

- Two of five (40%) Center's Resident Benefit Fund Committees (St. Charles and Warrenville) did not contain the required number of members. The committees consisted of five or six employees. In addition, the Resident Benefit Fund Committees did not include an Assistant Chief Administrative Officer. The Department's Administrative Directive (02.43.102) requires the committee to consist of three members, including the Leisure Time Activities Supervisor, an Assistant Chief Administrative Officer, and a representative of the Business Office.
- There were no monthly bank reconciliations performed during Fiscal Year 2017 and Fiscal Year 2018 for the Employee and Resident Benefit Funds at one of five (20%) Youth Centers (St. Charles). The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the Department establish and maintain a system of internal fiscal and administrative controls provide assurance that funds are safeguarded against waste, loss, unauthorized use, and misappropriation. The Department's Administrative Directive (02.40.104) dictates the methods in which the Benefit Funds should be reconciled each month.
- Thirty-two of 60 (53%) disbursements tested, totaling \$12,916, from three of five (60%) Youth Centers (Chicago, St. Charles, and Warrenville) were not approved by all members of the Employee Benefit Fund Committee. The Department's Administrative Directive (02.43.102) requires the Chief Administrative Officer to appoint committees to review expenditures from the benefit funds. The requests for expenditures from the benefit funds must be submitted in writing to a member of the appropriate committee who shall present the requests at the next meeting. When possible, the request shall include the nature of the expenditure and the total approximate cost.
- For nine of 60 (15%) receipts tested, totaling \$1,214, from two of five (40%) Youth Centers (Chicago and Warrenville), the Department could not provide adequate supporting documentation, so the auditors were unable to substantiate the amount collected was correct or determine the timeliness of deposit. The State Records Act (5 ILCS 160/8) requires the Department to make and preserve records containing adequate and proper documentation of the functions and procedures of the Department to furnish information to protect the legal and financial rights of the State and persons directly affected by the Department's activities.

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- Six of 60 (10%) receipts tested, totaling \$3,694, from two of five (40%) Youth Centers (Chicago and Warrenville) were deposited between 1 and 26 days late. The Department's Administrative Directive (02.40.110) requires the Department to ensure receipts accumulating in the amount of \$1,000 or more on any Business Office working day to be deposited no later than 12:00 a.m. the next working day. Deposits shall be made at least once a week.

During the prior examination, Department officials stated the exceptions noted were due to conflicting priorities, human error, and oversight. During the current examination, Department officials stated the problems noted with the benefit funds were due to understaffing and high turnover of the Department's employees.

Failure to properly administer the Employee and Resident Benefit Funds could result in a breakdown of the authorization process and documentation of decisions and could lead to inappropriate expenditures not being prevented. Further, the failure to properly document and timely deposit receipts is noncompliance with the Department's Administrative Directives and reduces the amount of cash available to pay current costs. (Finding Code No. 2018-009, 2016-006, 2014-004, 12-07, 10-09, 08-08)

RECOMMENDATION

We recommend the Department ensure requirements related to the locally held fund administration, as set forth in the Administrative Directives, are followed by Youth Center staff. Further, the Department should retain all necessary documentation in regards to receipts, disbursements, and expenditures from the locally held funds.

DEPARTMENT RESPONSE

The Department of Juvenile Justice (DJJ) accepts the recommendation. DJJ will work with appropriate staff on the requirement of the operation of maintenance of locally held funds. Furthermore, DJJ will review and consider revising the Administrative Directives related to locally held funds.

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2018-010. **FINDING** (Inadequate Controls over the Travel and Allowance Fund)

The Department of Juvenile Justice (Department) did not maintain adequate controls over the Travel and Allowance Fund (Fund) at one of three (33%) Youth Centers (St. Charles).

During testing, the auditors noted the following:

- The same employee who had custody of the cash box also was assigned to perform the reconciliation of cash on hand. In addition, the auditors were unable to reconcile the cash box to the general ledger. Further, the auditors noted a check in the cash box that was dated 12 months prior to the testing date had not been deposited.
- One of four (25%) receipts tested, totaling \$60, was deposited one day late and one of four (25%) receipts tested, totaling \$125, was not date-stamped; therefore, we could not determine timeliness of deposit.
- There were no monthly bank reconciliations performed during Fiscal Year 2017 and Fiscal Year 2018.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the Department establish and maintain a system of internal fiscal and administrative controls to provide assurance that funds are safeguarded against waste, loss, unauthorized use, and misappropriation. This includes the establishment of proper segregation of duties so that physical cash is reconciled by someone other than the individual who is assigned custody of that cash. The Department's Administrative Directive (02.40.104) dictates the methods in which the Fund should be reconciled each month. The Department's Administrative Directive (02.40.110) requires cash accumulated in the amount of \$1,000 or more on any Business Office working day to be deposited no later than 12:00 a.m. the next working day and deposits shall be made at least once a week. Further, the State Records Act (5 ILCS 160/8) requires preservation of records to contain adequate and proper documentation of the Department's transactions to furnish information to protect the legal and financial rights of the State.

During the prior examination, Department personnel stated the exceptions noted were due to conflicting priorities, human error, and oversight. During the current examination, Department personnel stated the exceptions noted were due to understaffing and high turnover.

A lack of adequate segregation of duties increases the likelihood that a loss from errors or irregularities could occur and would not be found in the normal course of employees carrying out their assigned duties. Failure to follow the prescribed

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formal Administrative Directives could result in a breakdown of the authorization process and documentation of decisions and could lead to inappropriate expenditures not being prevented. Further, failure to retain appropriate documentation could lead to the improper use of State funds, property, or other assets, and resources. (Finding Code No. 2018-010, 2016-006, 2016-009, 2014-004, 2014-008, 12-07, 10-09, 08-08)

RECOMMENDATION

We recommend the Department ensure requirements related to the locally held fund administration, as set forth by the Administrative Directives, are followed by Youth Center staff. Further, the Department should retain all necessary documentation in regards to receipts, disbursements, and expenditures from the locally held funds.

DEPARTMENT RESPONSE

The Department of Juvenile Justice (DJJ) accepts the recommendation. DJJ will work with appropriate staff on the requirement of the operation of maintenance of locally held funds. Furthermore, DJJ will review and consider revising the Administrative Directives related to locally held funds.

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2018-011. **FINDING** (Lack of Disaster Contingency Planning)

The Department of Juvenile Justice (Department) had not developed a disaster recovery plan or conducted recovery testing to ensure recovery of its applications and data.

The Department utilizes a myriad of applications in order to carry out its mission. The Department's critical applications include Youth 360, Drug Screening, and Fund Accounting and Commissary Trading System.

As part of our examination, we requested the Department's disaster recovery plan, prioritized listing of applications and data, and documentation demonstrating recovery testing of their applications and data. As in the past two examinations, the Department was unable to provide their disaster recovery plan or associated documentation such as their prioritized listing of applications and data. In addition, the Department stated they had not conducted disaster recovery testing of its applications and data.

Furthermore, while the Department was able to provide evidence of the backup and off-site storage of their Youth 360 data, the Department could not provide documentation that all of their critical applications and data were backed up on a regular basis and stored off-site.

Information technology guidelines (including the National Institute of Standards and Technology and the Government Accountability Office) endorses the formal development and testing of disaster recovery plans. Additionally, the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the Department to establish and maintain a system, or systems, of internal fiscal and administrative controls, to provide assurance that funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use, and misappropriation.

During the current and prior examination, Department officials indicated the lack of staffing and time resulted in the lack of disaster contingency activities.

Without an adequately developed and tested disaster recovery plan, the Department cannot ensure their applications and data can be recovered within an acceptable time period. (Finding Code No. 2018-011, 2016-013, 2014-013)

RECOMMENDATION

We recommend the Department develop a disaster recovery plan, which details a current listing of prioritized applications and detailed recovery scripts for each application. In addition, the Department should perform a comprehensive test of the plan at least annually.

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The Department should also develop procedures to ensure their applications and data are backed-up and stored off-site.

DEPARTMENT RESPONSE

The Department of Juvenile Justice (DJJ) accepts the recommendation. DJJ is currently working with the Department of Innovation and Technology (DoIT) to establish, maintain and test a Disaster Recovery Plan. Furthermore, DJJ will work with the DoIT and the Public Safety Shared Services Center (PSSSC) to develop procedures to ensure the applications and data are backed up and stored offsite.

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2018-012. **FINDING** (Administrative Process Not Fully Segregated)

The Department of Juvenile Justice (Department) still has not fully implemented its split from the Department of Corrections (DOC), which occurred over 12 years before the end of this examination period.

Effective June 1, 2006, an amendment to the Unified Code of Corrections (Code) (730 ILCS 5/3-2.5-5) established the Department. The Department is authorized by the Code (730 ILCS 5/3-2.5-15(e)) to share certain administrative services with either the DOC or a shared services center, including budgeting, accounting-related functions, auditing, human resources, legal, procurement, training, data collection and analysis, information technology, internal investigations, legislative services, intelligence, emergency response capability, Statewide transportation services, and general office support. An interagency agreement between the Department and the DOC, effective July 1, 2006, enumerated these services in a written document.

During testing, the auditors noted the following instances where the Department’s activities had not been segregated from the activities of the DOC:

- Since it was separated from the DOC, the Department has been utilizing the Administrative Directives (ADs) originally established by DOC. The ADs establish the Department’s operating policies and procedures to help ensure uniformity throughout the Department. While the Department has made some progress towards updating the ADs to reflect the Department’s unique purpose and mission, several ADs require updating. We noted the following problems:
 - 208 of 396 (53%) of the Department’s ADs have an effective date prior to the establishment of the Department.
 - 34 of 396 (9%) of the Department’s ADs have been updated since the Department’s separation from the DOC; however, the ADs list the DOC and the DOC Director at the time as the entity authorizing the new or amended AD.
- The Department and the DOC have still not segregated real property and reflected actual ownership in both entity’s records (for more information, see Finding 2018-001).

The Code (730 ILCS 5/3-2.5-5) established the Department to “provide treatment and services through a comprehensive continuum of individualized educational, vocational, social, emotional, and basic life skills to enable youth to avoid delinquent futures and become productive, fulfilled citizens” by embracing policy established by the General Assembly of balanced and restorative justice as set forth in the Juvenile Court Act of 1987. Further, the Fiscal Control and Internal Auditing

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Act (30 ILCS 10/3001) requires the Department to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance (1) resources are utilized efficiently, effectively, and in compliance with applicable law and (2) revenues, expenditures, resources, and funds applicable to operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial and statistical reports and to maintain accountability over the State's resources.

During both the previous examination and this examination, Department officials indicated these problems persist due to other competing priorities and resource constraints.

Failure to fully implement the intent of the Code to segregate the Department from the DOC, segregate and account for real property between the Department and the DOC, and implement adequate monitoring controls for functions performed by the DOC or the Public Safety Shared Service Center (PSSSC) on the Department's behalf represents noncompliance with State law and hinders the operating effectiveness of the Department's internal control environment. (Finding Code No. 2018-012, 2016-001, 2014-001, 12-01, 10-01, 08-02)

RECOMMENDATION

We recommend the Department take action to segregate its real property from the DOC and establish its own ADs to reflect the General Assembly's policy to address the unique needs of the juvenile offender population. Further, the Department should improve its monitoring of administrative services provided by both the DOC and the PSSSC to ensure its administrative responsibilities are being fulfilled.

DEPARTMENT RESPONSE

The Department of Juvenile Justice (DJJ) accepts the recommendation. DJJ continues to update the Administrative Directives and will dedicate staff time to every extent possible to perform this function. DJJ maintains that fiscal limitations have a direct impact on the Department's ability to fully segregate from PSSSC and establish itself as a standalone agency.

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2018-013. **FINDING** (Inadequate Controls over Performance Evaluations)

The Department of Juvenile Justice (Department) did not conduct performance evaluations as required.

During testing, the auditors noted the following:

- Thirteen of 60 (22%) employees tested were missing an annual evaluation.
- Fifteen of 60 (25%) employees tested had evaluations administered from two to 748 days late.

The Illinois Administrative Code (80 Ill. Admin. Code 302.270) requires performance records to include an evaluation of employee performance prepared by the Department not less often than annually. In addition, according to the Department's Administrative Directive (03.03.110), each employee shall have a list of measurable objectives for a specific work period and shall receive a documented evaluation of his or her job performance at least annually. Supervisory staff shall conduct a formal job performance evaluation on each employee prior to completion of any probationary period and annually thereafter. For a bargaining unit employee, the evaluation (CMS-201) shall be submitted no later than seven days after the employee's annual date or the last day of the probationary period. For a merit compensation employee, the evaluation (CMS-201MC) shall be submitted at least 30 days prior to the employee's annual date.

During the prior examination, Department officials stated the problems noted with evaluations were due to human error and employee oversight. During the current examination, Department officials attributed the issues noted to employee turnover and staffing shortages.

Good internal controls dictate the annual evaluation be performed in a timely manner as it is an important component of the communication between the employee and employer on the performance and future expectations of the employee in the workplace. Employee evaluations support administrative personnel decisions by documenting regular performance measures. Late evaluations could cause delays in communicating positive and negative qualities of the employee's work performance. (Finding Code No. 2018-013, 2016-008, 2014-007, 12-11, 10-11, 08-12)

RECOMMENDATION

We recommend the Department follow the Illinois Administrative Code and the established Administrative Directive and hold management accountable for completing employee performance evaluations on a timely basis.

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DEPARTMENT RESPONSE

The Department of Juvenile Justice (DJJ) accepts the recommendation. DJJ maintains the records are not centralized and take an inordinate amount of time for staff to gather which would have resulted in a lower error rate. Additionally, DJJ will work with the appropriate staff on completing employee evaluations timely and consider implementing a software application to reduce the number of evaluations late or missed.

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2018-014. **FINDING** (Noncompliance with the Fiscal Control and Internal Auditing Act)

The Department of Juvenile Justice (Department) did not adhere to provisions of the Fiscal Control and Internal Auditing Act (Act).

During testing, the accountants noted the Department did not have a full-time program of internal auditing from January 1, 2017, to June 30, 2018. The Department of Corrections (DOC) Office of Internal Audit provided some related services to the Department such as preparation of the two year internal audit plan and submission of the annual report; however, no internal audits were completed for the Department during the examination period. In addition, the Department relied on its Administrative Directives and internal controls to minimize the risk of fraud occurring, but had not established a formal program to assess the specific risks associated with fraud.

The Act (30 ILCS 10/2001(a)) requires the Department “maintain a full-time program of internal auditing.” To accomplish this program, the Act (30 ILCS 10/2002) requires the Department to appoint a Chief Internal Auditor who does not perform operational functions to a five-year term. Further, the Act (30 ILCS 10/2003(a)) requires the full-time program of internal auditing include: 1) a two-year internal audit plan designed to audit major systems of internal accounting and administrative controls on a periodic basis, including tests of the Department’s obligation, expenditure, receipt, and use of public funds of the State and of funds held in trust to determine whether those activities are in accordance with applicable laws and regulations and the Department’s grants received or made to determine that the grants are monitored, administered, and accounted for in accordance with applicable laws and regulations; 2) reviews of major new electronic data processing systems and any major modifications of those systems before their installation to ensure the systems provide for adequate audit trails and accountability; and, 3) special audits of the Department as directed by the Director. Finally, after the conclusion of each fiscal year, the Act (30 ILCS 10/2003(a)(1)) requires the Chief Internal Auditor submit a written report by September 30 to the Director detailing how the audit plan for that year was carried out, the significant findings, and the extent to which recommended changes were implemented. Further, the Act (30 ILCS 10/3001) also requires the Department to establish and maintain a system, or systems, of internal fiscal and administrative controls, to provide assurance resources are utilized efficiently, effectively, and in compliance with applicable law; obligations and costs that are in compliance with applicable law; and, funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use, and misappropriation. Additionally, it is management’s responsibility to prevent and detect fraud. Therefore, the Department should implement a formal policy regarding the evaluation of fraud risk and a system of controls to help prevent and detect potential fraudulent activity within its organization.

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During the prior examination, Department officials acknowledged it currently did not have a formal system to identify fraud risks, as the Department was in the process of reaching out to other State agencies to take the first steps towards implementing its own fraud risk assessment program based on models used by those agencies. During the current examination, the Department stated the failure to appoint an internal auditor and the failure to implement a formal fraud risk program was due to a lack of available qualified staff.

Failure to establish an internal audit program in accordance with the requirements of the Act - where the internal audit function develops a deep understanding of the Department's functions and processes, performs audits of the Department's major systems of internal accounting and administrative controls on a periodic basis, and reviews major new changes and modifications to information systems prior to implementation represents noncompliance with State law and weakens the Department's ability to assess its overall internal control environment. Without a formal program to identify and address the specific risks associated with fraud, fraudulent activities may go undetected and could result in misstatements in its financial reporting to the State or misappropriation of Department assets. (Finding Code No. 2018-014, 2016-012, 2014-012, 12-18)

RECOMMENDATION

We recommend the Department appoint a chief internal auditor and ensure a full-time program of internal auditing is in place and functioning as required by the Fiscal Control and Internal Auditing Act. We further recommend Department management establish a continuous fraud prevention, deterrence, and detection program.

DEPARTMENT RESPONSE

The Department of Juvenile Justice (DJJ) accepts the recommendation. DJJ relied on an interagency agreement with the Public Safety Shared Services (PSSSC) that shared a Chief Internal Auditor and Internal Auditing Staff but the PSSSC was understaffed the last several years. In 4/2019, DJJ hired an Internal Auditor.

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2018-015. **FINDING** (Policies and Procedures Regarding Operation of State Vehicles Not Followed)

The Department of Juvenile Justice (Department) did not maintain adequate documentation and control over its State vehicles' records and maintenance during the examination period.

During testing, the auditors noted the following:

- The Department's vehicle listing understated the mileage for one of 14 (7%) vehicles tested.
- Nine of 14 (64%) vehicles tested did not receive routine oil changes performed on a timely basis.
- Nine of 14 (64%) vehicles tested did not receive tire rotations at the required interval.
- Eleven of 14 (79%) vehicles tested did not receive annual inspections completed by the Department of Central Management Services (CMS).

The Illinois Administrative Code (Code) (44 Ill. Admin. Code 5040.400) requires the Department to ensure all State-owned or leased vehicles undergo regular service and/or repair in order to maintain the vehicles in a road worthy, safe, operating condition. In addition, the Code (44 Ill. Admin. Code 5040.410) requires the Department to have its vehicles inspected by CMS or an authorized vendor at least once per year.

During the prior examination, Department officials stated the vehicles did not receive required maintenance due to the Department's vehicle coordinator not being aware of vehicle maintenance requirements. During the current examination, Department officials attributed the issues to employees in different locations being unaware of all the vehicle maintenance and documentation requirements.

In addition, during the prior examination, the Department noted one of four (25%) vehicle accidents was reported to the Department of Central Management Services 49 days late. During the current examination, our sample testing noted all vehicle accidents were timely reported.

Failure to record accurate mileage on the vehicle listing could lead to the misuse of State property. Failure to perform yearly inspections and regular maintenance on State vehicles could result in more significant expenditures related to the repair or replacement of the vehicles. (Finding Code No. 2018-015, 2016-011, 2014-011, 12-16, 10-15, 08-19)

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RECOMMENDATION

We recommend the Department maintain an accurate and complete vehicle listing and enforce vehicle maintenance schedules to reduce future year expenditures for repairs and to extend the useful lives of vehicles.

DEPARTMENT RESPONSE

The Department of Juvenile Justice (DJJ) accepts the recommendation. DJJ will work with employees to strengthen controls over enforcing vehicle maintenance schedules and to secure adequate funding to increase the staff to perform the function. DJJ maintains that fiscal limitations have a direct impact on the Department's ability to fully segregate from PSSSC and establish itself as a standalone agency.

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2018-016. **FINDING** (Inadequate Controls over Contractual Agreements)

The Department of Juvenile Justice (Department) did not properly complete and approve contractual agreements.

During testing, the auditors noted the following:

- The Department did not obtain the signature of its chief legal counsel for a contract for professional psychological services, with a maximum amount of \$371,416. The State Finance Act (30 ILCS 105/9.02) requires any new contract or a contract renewal in the amount of \$250,000 or more in a fiscal year to be signed or approved in writing by the Department’s chief executive officer, chief legal counsel, and chief fiscal officer.
- One of 11 (9%) contracts tested, totaling \$26,000 for safety glass repair and maintenance, was not properly signed by the authorized designee. The designee signed the name of the agency head, followed by the designee’s initials. The Statewide Accounting Management System (SAMS) (Procedure 15.20.95) requires the designee to sign the signature of the agency head, followed by his or her original signature.
- The Contract Obligation Document (COD) was not properly completed for one of 11 (9%) contracts. Specifically, the Type Code listed on the COD was incorrectly recorded as 21, which is the code for “professional or artistic” contracts. This contract was recorded on the SC14 as “other contractual services”. “Other contractual services” by an external vendor should be recorded as Type Code 28. SAMS (Procedure 15.20.10) provides guidance for selecting the proper transaction code for contracts.

Department officials indicated the issues noted were due to employee oversight.

Failure to obtain all required signatures, properly sign all contracts, and report proper transaction codes on a contract’s COD represent noncompliance with SAMS and could result in an unenforceable contractual agreement. (Finding Code No. 2018-016)

RECOMMENDATION

We recommend the Department ensure all required signatures are obtained and ensure each contract’s COD is properly coded.

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DEPARTMENT RESPONSE

The Department of Juvenile Justice (DJJ) accepts the recommendation. DJJ will remind staff of the signature requirements and use of type codes. Furthermore, DJJ is implementing a software application to process the contracts which will improve the internal control.

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2018-017. **FINDING** (Inadequate Controls over the Administration of Interagency Agreements)

The Department of Juvenile Justice (Department) did not exercise adequate controls over the administration of interagency agreements.

During testing, the auditors noted the following:

- The Department has not yet fulfilled all of the requirements of its interagency agreement with the Department of Healthcare and Family Services (HFS). The effective date of this agreement was April 20, 2014. Specifically, the interagency agreement requires the Department to designate staff at each Youth Center to serve as liaisons with HFS, to provide HFS with specific data of all juvenile residents and released juveniles aged 18-20, and to provide HFS with a list of addresses of all Youth Centers operated by the Department. As of the date of testing, the Department had not appointed HFS liaisons at each Youth Center and could not provide documentation the location of each Youth Center was provided to HFS. Further, the interagency agreement requires the Department to provide HFS with a data file with specific information. The data file the Department provided did not include the name suffix, social security number, aliases, institutional name, mittimus, county, or class as required. In addition, the Department did not provide the data files relating to released youth residents to HFS as required.
- The Department failed to meet the requirements of two of five (40%) interagency agreements tested related to shared personnel. Specifically, the Department failed to pay for six pay-periods of the shared Chief Fiscal Officer's (CFO) salary and social security expenses in Fiscal Year 2017, totaling \$25,488, and 25% of the CFO's salary and social security expenses in Fiscal Year 2018, totaling \$18,585. In addition, the Department also failed to pay for all salary and related expenses in relation to the interagency agreement regarding a shared employee with the Office of the Governor.
- The Department did not timely execute two of five (40%) interagency agreements tested. Specifically, the interagency agreement with the Department of Corrections (DOC) relating to a shared Chief Financial Officer (CFO) was signed on May 16, 2017; however, it took effect retroactively from July 16, 2016. In addition, the Department's interagency agreement with DOC related to an Investigations Unit employee indicated it will go into effect as of the date of the last signature; however, neither Director documented the date they approved the agreement.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the Department to establish and maintain a system, or systems, of internal fiscal and

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administrative controls to provide assurance that resources, obligations, and costs are in compliance with applicable laws, rules, and agreements. The State Records Act (5 ILCS 160/8) requires the preservation of records containing adequate and proper documentation of the functions, policies, decision, procedures, and essential transactions.

During the previous examination, Department officials stated they were unaware of whether data, address listing, or liaisons were ever provided to HFS because the key executive staff who would have been involved in the agreement were no longer with the Department. The Department also stated it was unaware of the cause for the delay in executing the agreement because the Chief Legal Counsel, the Chief Fiscal Officer, and the Director at the time of execution were no longer with the Department. During the current examination, Department officials indicated the above issues resulted from employee oversight and significant turnover of employees during the examination period.

The Department enters into multiple agreements with other State agencies and units of government. The purpose of these agreements is to assist the Department in fulfilling its mandated mission. In order to assess whether the agreement sufficiently documents the responsibilities of the appropriate parties, the agreement needs to be approved prior to the effective date. In addition, the Department should monitor and track the agreements to ensure all parties' responsibilities are satisfied and in accordance with the terms of the agreement. (Finding Code No. 2018-017, 2016-015)

RECOMMENDATION

We recommend the Department strengthen controls over its interagency agreements by ensuring agreements are timely initiated and terms are followed.

DEPARTMENT RESPONSE

The Department of Juvenile Justice (DJJ) accepts the recommendation. DJJ maintains former DJJ Staff and the Public Safety Services Center (PSSSC) executed the Interagency Agreements. Further, DJJ has already made significant strides by hiring its own executive fiscal staff and implementing a standardized legal review process for interagency agreements that ensures proper oversight and Director sign-off.

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2018-018. **FINDING** (Inadequate Controls over Receipts and Refunds)

The Department of Juvenile Justice (Department) did not maintain adequate controls over receipts and refunds.

During testing, the auditors noted the following:

- Four of 60 (7%) receipts tested, totaling \$23,730, did not have proper documentation of the date received. The State Officers and Employees Money Disposition Act (Act) (30 ILCS 230/2(a)) requires the Department to keep a detailed account of money received showing the date of receipt.
- Two of 60 (3%) receipts tested, totaling \$368, were deposited 1 and 5 days late. The Act (30 ILCS 230/2(a)) requires the Department to deposit receipts collected into the State Treasury within a specific number of business days, depending on the value of cash receipts on hand.
- Two of 60 (3%) receipts tested, totaling \$1,486, had Treasurer's Drafts that were submitted 32 and 34 days after being received. The Act (30 ILCS 230/2(a)) requires Treasurers' Drafts be provided to the Comptroller to allow deposit into the appropriate fund. Good business practices require deposits be reported within 30 days to increase the balance of funds available for expenditure.
- The Department improperly deposited refunds, totaling \$21,994, in Fiscal Year 2017 and subsequently submitted the funds to the Comptroller's Office on a Receipt Deposit Transmittal instead of an Expenditure Adjustment Transmittal (EAT). The Statewide Accounting Management System (SAMs) (Procedure 25.20.20) requires the Department to complete an EAT when submitting cash refunds to the Comptroller for order of monies into the State Treasury.
- For four of four (100%) refunds tested, totaling \$8,436, the Department did not maintain adequate supporting documentation. One refund had no support. In addition, the auditor could not test the timeliness for the other refunds, as there was not documentation of the date received or the date deposited. The State Records Act (5 ILCS 160/8) requires preservation of records to contain adequate and proper documentation of the Department's transactions to furnish information to protect the legal and financial rights of the State.
- Two of four (50%) refunds tested were prior year refunds and could not be traced to the Department's records. The Act (30 ILCS 230/2(a)) requires the Department to keep in proper books a detailed, itemized account of all monies received.

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Department officials stated the issues were due to human error and limited staff resources.

Failure to ensure the timely deposit of cash receipts and remittance into the State Treasury could result in lost interest revenue and reduces the amount of cash available to pay current costs and represents noncompliance with the Act. Further, failure to maintain all supporting documentation hinders compliance with the Act and represents noncompliance with the State Records Act. (Finding Code No. 2018-018)

RECOMMENDATION

We recommend the Department ensure receipts and refunds are deposited timely and all documentation is maintained related to cash receipts and refunds. Further, we recommend the Department strengthen its controls to ensure Treasurer's Drafts are submitted timely to the Comptroller.

DEPARTMENT RESPONSE

The Department of Juvenile Justice (DJJ) accepts the recommendation. DJJ will work with PSSSC and DJJ employees to strengthen its controls over maintaining documentation, timely depositing receipts and refunds and submitting timely forms to the Office of the Comptroller. Furthermore, DJJ will update the Public Safety Shared Services Center (PSSSC) agreement and will work to secure adequate funding to hire DJJ personnel to perform the function. DJJ maintains that fiscal limitations have a direct impact on the Department's ability to fully segregate from PSSSC and establish itself as a standalone agency.

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2018-019. **FINDING** (Inadequate Administration of Confinement and Discipline Policies)

The Department of Juvenile Justice (Department) failed to maintain adequate administration of confinement and discipline policies at the Youth Centers.

During testing of the Department’s administration of confinement and discipline policies, the auditors noted the following:

- For 16 of 60 (27%) disciplinary tickets selected for testing from three of three (100%) Youth Centers (St. Charles, Harrisburg, and Pere Marquette), the Department filed disciplinary reports with the Chief Administrator Officer from 1 to 18 days late.
- One of 60 (2%) confinement records tested and 1 of 60 (2%) disciplinary tickets tested could not be located at one of three (33%) Youth Centers (St. Charles).

The Unified Code of Corrections (Code) (730 ILCS 5/3-10-8(e)) requires a written report of any infraction for which discipline is imposed to be filed with the Chief Administrative Officer within 72 hours of the occurrence of the infraction or the discovery of it and such report shall be placed in the file of the Youth Center. The State Records Act (Act) (5 ILCS 160/8) requires the Department to make and preserve records containing adequate and proper documentation of the organization, functions, policies, decisions, procedures, and essential transactions of the Department designed to furnish information to protect the legal and financial rights of the State and of the persons directly affected by the Department’s activities.

During the current and prior examinations, Department officials stated the exceptions were due to employee error and oversight.

In addition, during the prior examination period, 11 of 60 (18%) grievances selected for testing were improperly completed or the record of the grievance was not maintained by the Department for one year as required. During the current examination period, our sample testing noted grievances were properly completed and maintained.

Failure to timely file discipline reports and the failure to maintain records for youth confinements and discipline reports represents noncompliance with the Code and Act and could lead to the imposition of improper discipline upon youths. (Finding Code No. 2018-019, 2016-010, 2014-009)

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RECOMMENDATION

We recommend the Department ensure the requirements related to confinements and discipline, as set forth by the Code, are known and followed by all Youth Center staff. Further, the Department should adopt controls to provide assurance proper documentation is maintained for all youth confinements and youth discipline reports and procedures.

DEPARTMENT RESPONSE

The Department of Juvenile Justice (DJJ) accepts the recommendation. DJJ continues to work with appropriate staff to ensure confinement documentation is maintained and to review the Administrative Directive on Discipline Policies. In addition, DJJ continues to be monitored on this issue by court-appointed experts.

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2018-020. **FINDING** (Required Reports Did Not Contain Required Elements)

The Department of Juvenile Justice (Department) did not properly complete and submit all of the required annual and quarterly reports to the Governor and General Assembly.

During testing, the auditors noted the following:

- Two of two (100%) annual reports the Department submitted to the Governor and General Assembly during the examination period did not include all of the required information. Specifically, the reports did not include information regarding all moneys received and the number of youth enrolled in school. Further, the Department could not provide documentation the reports were submitted by January 1 of each year. The Unified Code of Corrections (Code) (730 ILCS 5/3-2.5-61(a-b)) requires the Director to make an annual report to the Governor and General Assembly concerning persons committed to the Department, its institutions, facilities, and programs, of all moneys expended and received, and on what accounts expended. The Code further requires the reports to be received no later than January 1 of each year.

- The Department could not provide one of eight (13%) quarterly reports transmitted to the Governor and General Assembly. In addition, the Department could not provide documentation the remaining reports were filed timely. Further, the reports did not include the vocational programs provided at each facility. The Code (730 ILCS 5/3-2.5-61(b)) requires the Department to, by January 1, April 1, July 1, and October 1 of each year, transmit a report to the Governor and General Assembly that includes the following information: (1) the number of youth in each of the Department's facilities and the number of youth on aftercare; (2) the demographics of sex, age, and geographic location where the offense occurred; (3) the educational and vocational programs provided at each facility and the number of residents participating in each program; (4) the present capacity levels in each facility; and (5) the ratio of security staff to residents in each facility by federal Prison Rape Elimination Act (PREA) definitions.

Department officials stated the reports were not complete and documentation of the date filed were not maintained due to employee error.

Failure to timely submit and include all the required information is noncompliance with the Code and limits oversight from the Governor and the General Assembly. (Finding Code No. 2018-020)

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RECOMMENDATION

We recommend the Department strengthen procedures to ensure all required reports are timely submitted to the Governor and General Assembly and all required elements are included in the reports.

DEPARTMENT RESPONSE

The Department of Juvenile Justice (DJJ) accepts the recommendation. Although DJJ has consistently submitted the required reports timely, DJJ will work to ensure it maintains copies of correspondence confirming receipt of the reports and to include all required language within the reports.

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2018-021. **FINDING** (Noncompliance with the Unified Code of Corrections Regarding Inspections of Juvenile Detention Facilities)

The Department of Juvenile Justice (Department) failed to maintain documentation it gave notice of noncompliance findings that resulted from the Department's inspections of juvenile detention facilities to the county sheriffs.

During testing, the auditors noted the following:

- The Department failed to provide one of 16 (6%) inspection reports from Fiscal Year 2017. As a result, we were unable to determine if proper notification was made to the county sheriff.
- The Department provided inspection reports from Fiscal Year 2018; however, we were unable to determine if proper notification was made to the county sheriffs.

The Unified Code of Corrections (Code) (730 ILCS 5/3-15-3) requires the Department to inspect each juvenile detention facility at least yearly and give notice to the county board and sheriff of any noncompliance findings that result from the inspections.

During the prior examination, Department personnel stated they were sending the information to the counties; however, they were unaware of the requirement to inform the county sheriff of the outcome of annual inspections of juvenile detention facilities. During the current examination, Department officials stated the inspection reports and notification letters could not be located due to staff turnover.

Failure of the Department to notify the county sheriff of noncompliance findings resulting from inspections by the Department of juvenile detention facilities is noncompliance with the Code and could result in juvenile detention facilities not complying with the Department's procedures for the provision of mental health and developmental disability services. Further, failure to provide notice to the sheriff may limit the Department's ability to petition a court to order compliance if the noncompliance continues to occur six months after notice is provided to the sheriff as noted in the Code (730 ILCS 5/3-15-3(b)). (Finding Code No. 2018-021, 2016-014)

RECOMMENDATION

We recommend the Department ensure the county sheriffs are notified of noncompliance findings that result from the Department's inspections of juvenile detention facilities.

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2018

DEPARTMENT RESPONSE

The Department of Juvenile Justice (DJJ) accepts the recommendation. DJJ will work with staff to maintain copies of the inspection reports and notification of correspondence when applicable.

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
PRIOR FINDINGS NOT REPEATED
For the Two Years Ended June 30, 2018

A. **FINDING** (Lack of Due Diligence over Inventory Conversion)

During the prior examination, the Department of Juvenile Justice (Department) did not conduct due diligence over the inventory conversion project.

During the current examination, the Department did not introduce any new inventory systems and was still currently using the Central Inventory System (CIS). (Finding Code No. 2016-003)

B. **FINDING** (Inadequate Controls over Youth 360 System)

During the prior examination, the Department did not exercise adequate controls over payments related to the Youth 360 system.

During the current examination, the Department did not make any payments to the development vendor; therefore, this finding is not repeated. (Finding Code No. 2016-005)

C. **FINDING** (Noncompliance with the Custody Relinquishment Prevention Act)

During the prior examination, the Department did not enter into an interagency agreement with the Department of Children and Family Services, the Department of Human Services, the State Board of Education, and the Department of Public Health as of June 30, 2015, as required. The Department ultimately entered into the interagency agreement on April 19, 2016.

During the current examination, our sample testing did not disclose instances where statutorily required agreements were not timely executed. (Finding Code No. 2016-016)

D. **FINDING** (Failure to Maintain Required Levels of Bilingual Frontline Staff)

During the prior examination, the Department did not maintain the required number of bilingual on-board frontline staff members.

During the current examination, our sample testing showed the Department met the requirement by hiring additional bilingual staff. (Finding Code No. 2016-017)

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2018

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 – Fiscal Year 2018
 - Schedule of Appropriations, Expenditures, and Lapsed Balances – Fiscal Year 2017
 - Comparative Schedule of Net Appropriations, Expenditures, and Lapsed Balances
 - Comparative Schedule of Receipts, Disbursements, and Fund Balance (Cash Basis) - Locally Held Funds
 - Schedule of Changes in State Property (Not Examined)
 - Comparative Schedule of Cash Receipts and Reconciliation of Cash Receipts to Deposits Remitted to the State Comptroller

- Analysis of Operations (Not Examined):
 - Agency Functions and Planning Program (Not Examined)
 - Analysis of Significant Variations in Expenditures (Not Examined)
 - Analysis of Significant Variations in Receipts (Not Examined)
 - Analysis of Significant Lapse Period Spending (Not Examined)
 - Analysis of Accounts Receivable (Not Examined)
 - Budget Impasse Disclosures (Not Examined)
 - Alternative Financing in Lieu of Appropriations and Programs to Address Untimely Payments to Vendors (Not Examined)
 - Interest Costs on Fiscal Year 2017 Invoices (Not Examined)
 - Average Number of Employees (Not Examined)
 - Analysis of Employee Overtime (Not Examined)
 - Comparative Schedule of Expenditures by Youth Center - All Funds (Not Examined)
 - Annual Cost Statistics (Not Examined)
 - Participating Educational Institutions – School District #428 (Not Examined)
 - Emergency Purchases (Not Examined)
 - Youth Assaults on Staff at Youth Centers (Not Examined)
 - Memorandums of Understanding (Not Examined)
 - Service Efforts and Accomplishments (Not Examined)

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2018

The accountant's report that covers the Supplementary Information for State Compliance Purposes presented in the Compliance Report Section states the accountants have applied certain limited procedures as prescribed by the Audit Guide as adopted by the Auditor General to the June 30, 2018, and June 30, 2017, accompanying supplementary information in Schedules 1 through 6. However, the accountants do not express an opinion on the supplementary information. The accountant's report also states that they have not applied procedures to the Analysis of Operations Section, and accordingly, they do not express an opinion or provide any assurance on it.

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES

Expenditure Authority for Fiscal Year 2018
For the Sixteen Months Ended October 31, 2018

Public Act 100-0021 and Public Act 100-0586 FISCAL YEAR 2018	Expenditure Authority (Net of Transfers)	Expenditures Through June 30	Lapse Period Expenditures July 1 to October 31	Total Expenditures 16 Months Ended October 31	Balances Lapsed October 31
<u>GENERAL REVENUE FUND - 0001</u>					
Payment of Statewide Hospitalization	\$ 48,300	\$ 4,119	\$ 3,863	\$ 7,982	\$ 40,318
Back Wage Payments	3,385,182	-	3,184,456	3,184,456	200,726
Sheriffs' Fees	5,800	2,139	474	2,613	3,187
Youth Aftercare/Investigating Complaints	186,800	178,645	8,059	186,704	96
Lump Sum for Operational Expenses	111,026,200	92,029,878	10,115,192	102,145,070	8,881,130
Repairs, Maintenance, and Other Capital Improvements	483,000	43,232	165,226	208,458	274,542
Subtotal - Fund 0001	<u>\$ 115,135,282</u>	<u>\$ 92,258,013</u>	<u>\$ 13,477,270</u>	<u>\$ 105,735,283</u>	<u>\$ 9,399,999</u>
<u>DEPARTMENT OF CORRECTIONS REIMBURSEMENT AND EDUCATION FUND - 0523</u>					
Payment of Expenses Associated with School District Programs	\$ 5,000,000	\$ 1,371,899	\$ 215,668	\$ 1,587,567	\$ 3,412,433
Payment of Expenses Associated with Federal Programs	3,000,000	356,022	132,205	488,227	2,511,773
Payments of Expenses Associated with Miscellaneous Programs	5,000,000	1,435,335	43,326	1,478,661	3,521,339
Subtotal - Fund 0523	<u>\$ 13,000,000</u>	<u>\$ 3,163,256</u>	<u>\$ 391,199</u>	<u>\$ 3,554,455</u>	<u>\$ 9,445,545</u>
GRAND TOTAL - ALL FUNDS	<u>\$ 128,135,282</u>	<u>\$ 95,421,269</u>	<u>\$ 13,868,469</u>	<u>\$ 109,289,738</u>	<u>\$ 18,845,544</u>

Note 1: Expenditure authority, appropriations, expenditures, and lapsed balances were obtained from the State Comptroller's records as of October 31, 2018, and were reconciled to the Department's records.

Note 2: Expenditure amounts are vouchers approved for payment by the Department and submitted to the State Comptroller for payment to the vendor.

Note 3: During Fiscal Year 2018, the Department operated without enacted appropriations until Public Act 100-0021 and Public Act 100-0586 were signed into laws on July 6, 2017, and June 4, 2018, respectively. During the impasse, the Department incurred non-payroll obligations, which the Department was unable to pay until the passage of Public Act 100-0021 and Public Act 100-0586.

Note 4: Notwithstanding anything within Public Act 100-0021 to the contrary, Public Act 100-0021 authorized the Department to pay for all costs incurred prior to July 1, 2018, using either its Fiscal Year 2017 or Fiscal Year 2018 appropriations for non-payroll expenditures. The Analysis of Operations section of this report includes information from Department management about the number of invoices and the total dollar amount of invoices from Fiscal Year 2016 and Fiscal Year 2017 held by the Department which were submitted against either its Fiscal Year 2017 or Fiscal Year 2018 appropriation.

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
Expenditure Authority for Fiscal Year 2017
For the Fifteen Months Ended September 30, 2017

Public Act 99-0524, Public Act 100-0021 and Court-Ordered Expenditures FISCAL YEAR 2017	Expenditure Authority (Net of Transfers)	Expenditures Through June 30	Lapse Period Expenditures July 1 to September 30	Total Expenditures 15 Months Ended September 30	Balances Lapsed September 30
<u>GENERAL REVENUE FUND - 0001</u>					
Payment of Statewide Hospitalization	\$ 61,229	\$ 9,599	\$ 845	\$ 10,444	\$ 50,785
Repairs, Maintenance, and Other Capital Improvements	342,100	71,944	148,251	220,195	121,905
Operational Expenses	120,333,256	99,228,636	7,912,425	107,141,061	13,192,195
Youth Aftercare/Investigating Complaints	300,000	108,169	4,703	112,872	187,128
Subtotal - Fund 0001	<u>\$ 121,036,585</u>	<u>\$ 99,418,348</u>	<u>\$ 8,066,224</u>	<u>\$ 107,484,572</u>	<u>\$ 13,552,013</u>
<u>DEPARTMENT OF CORRECTIONS</u>					
<u>REIMBURSEMENT AND EDUCATION FUND - 0523</u>					
Payment of Expenses Associated with School District Programs	\$ 5,000,000	\$ 1,744,131	\$ 80,331	\$ 1,824,462	\$ 3,175,538
Payment of Expenses Associated with Federal Programs	3,000,000	350,061	122,617	472,678	2,527,322
Payments of Expenses Associated with Miscellaneous Programs	5,000,000	624,335	335,526	959,861	4,040,139
Subtotal - Fund 0523	<u>\$ 13,000,000</u>	<u>\$ 2,718,527</u>	<u>\$ 538,474</u>	<u>\$ 3,257,001</u>	<u>\$ 9,742,999</u>
GRAND TOTAL - ALL FUNDS	<u>\$ 134,036,585</u>	<u>\$ 102,136,875</u>	<u>\$ 8,604,698</u>	<u>\$ 110,741,573</u>	<u>\$ 23,295,012</u>

Note 1: Expenditure authority, appropriations, expenditures, and lapsed balances were obtained from the State Comptroller's records as of September 30, 2017, and have been reconciled to Department records.

Note 2: Expenditure amounts are vouchers approved for payment by the Department and submitted to the State Comptroller for payment to the vendor.

Note 3: During Fiscal Year 2017, the Department operated without enacted appropriations until Public Act 100-0021 was signed into law on July 6, 2017. During the impasse, the Department incurred non-payroll obligations, within Funds 0001 and 0523, which the Department was unable to pay until the passage of Public Act 100-0021.

Note 4: The Circuit Court of St. Clair County in *AFSCME Council 31 v. Minger* (15 CH 475) ordered the State Comptroller, in the absence of enacted annual appropriations, to "draw and issue warrants accomplishing payment of wages [for all State employees] at their normal rates of pay." As Public Act 100-0021 states appropriation authority granted by the General Assembly does not supersede any court order directing the expenditure of funds and states such payments are added to the appropriations granted by the General Assembly, the Department was able to submit vouchers to pay its employees in full from Funds 0001 and 0523 without a maximum expenditure limit for personal service costs during Fiscal Year 2017. Further, the Department incurred non-payroll obligations within Funds 0001 and 0523, which the Department was unable to pay until the passage of Public Act 100-0021.

Note 5: Public Act 99-0524 authorized the Department to pay Fiscal Year 2016 costs using its Fiscal Year 2017 appropriations for non-payroll expenditures. The Analysis of Operations section of this report includes information from Department management about the number of invoices and the total dollar amount of invoices held by the Department to be submitted against its Fiscal Year 2017 appropriation.

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
Expenditure Authority for Fiscal Year 2017
For the Fifteen Months Ended September 30, 2017

Note 6: The Circuit Court of Cook County in *People v. Munger* (15 CH 10243) ordered the State Comptroller, in the absence of enacted Fiscal Year 2017 appropriations, to process Fiscal Year 2017 certified payment vouchers for obligations and expenses required by consent decrees, no less than the level paid in Fiscal Year 2015, that are necessary to comply with the consent decrees.

Note 7: Notwithstanding anything within Public Act 100-0021 to the contrary, Public Act 100-0021 authorized the Department to pay for all costs incurred prior to July 1, 2018, using either its Fiscal Year 2017 or Fiscal Year 2018 appropriations for non-payroll expenditures. The Analysis of Operations section of this report includes information from Department management about the number of invoices and the total dollar amount of invoices from Fiscal Year 2016 and Fiscal Year 2017 held by the Department which were submitted against either its Fiscal Year 2017 or Fiscal Year 2018 appropriation.

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
For the Fiscal Years Ended June 30, 2018, 2017, and 2016

	2018	Fiscal Year 2017	2016
	P.A. 100-0021 and Public Act 100-0586	P.A. 99-0524, Public Act 100-0021 and Court-Ordered Expenditures	P.A. 99-0524 and Court-Ordered Expenditures
APPROPRIATED FUNDS			
GENERAL REVENUE FUND - 0001			
Expenditure Authority (Net of Transfers)	\$ 115,135,282	\$ 121,036,585	
Payment of Statewide Hospitalization	7,982	10,444	\$ 53,208
Repairs, Maintenance, and Other Capital Improvements	3,184,456	-	-
Back Wage Payments	2,613	-	-
Sheriffs' Fees	186,704	112,872	103,466
Lump Sum for Operational Expenses	102,145,070	107,141,061	117,443,191
Youth Aftercare/Investigating Complaints	208,458	220,195	334,354
Total Expenditures	<u>\$ 105,735,283</u>	<u>\$ 107,484,572</u>	<u>\$ 117,934,219</u>
Lapsed Balances	<u>\$ 9,399,999</u>	<u>\$ 13,552,013</u>	
DEPARTMENT OF CORRECTIONS			
REIMBURSEMENT AND EDUCATION FUND - 0523			
Expenditure Authority (Net of Transfers)	\$ 13,000,000	\$ 13,000,000	\$ 13,000,000
Payment of Expenses Associated with School District Programs	1,587,567	1,824,462	1,665,560
Payment of Expenses Associated with Federal Programs	488,227	472,678	663,749
Payment of Expenses Associated with Miscellaneous Programs	1,478,661	959,861	42,281
Total Expenditures	<u>\$ 3,554,455</u>	<u>\$ 3,257,001</u>	<u>\$ 2,371,590</u>
Lapsed Balances	<u>\$ 9,445,545</u>	<u>\$ 9,742,999</u>	<u>\$ 10,628,410</u>
GRAND TOTAL - ALL FUNDS			
Total Expenditure Authority	\$ 115,135,282	\$ 121,036,585	
Total Expenditures	109,289,738	110,741,573	\$ 120,305,809
Lapsed Balances	<u>\$ 5,845,544</u>	<u>\$ 10,295,012</u>	
STATE OFFICERS' SALARIES			
Appropriations	\$ 120,400	\$ 120,400	
Expenditures:			
Director	\$ 120,325	\$ 64,448	\$ 110,628
Total Expenditures	<u>\$ 120,325</u>	<u>\$ 64,448</u>	<u>\$ 110,628</u>
Lapsed Balances	<u>\$ 75</u>	<u>\$ 55,952</u>	

Note 1: Expenditure authority, appropriations, expenditures, and lapsed balances were obtained from the State Comptroller's records and reconciled to the Department's records.

Note 2: Expenditure amounts are vouchers approved for payment by the Department and submitted to the State Comptroller for payment to vendor.

Note 3: During Fiscal Years 2016 and 2017, the Department operated without enacted appropriations until Public Act 99-0524 was signed into law on June 30, 2016. During the impasse, the Circuit Court of St. Clair County in *AFSCME Council 31 v. Munger* (15 CH 475) ordered the State Comptroller, in the absence of enacted annual appropriations, to "draw and issue warrants accomplishing payment of wages [for all State employees] at their normal rates of pay." As such, the Department's court-ordered payroll payments were merged into the enacted appropriation within Fund 0001 and Fund 0523. Further, the Department incurred non-payroll obligations within Fund 0001 and Fund 0523, which the Department was unable to pay until the passage of Public Act 99-0524.

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES
For the Fiscal Years Ended June 30, 2018, 2017, and 2016

- Note 4: During Fiscal Year 2017, the Department operated without enacted appropriations until Public Act 100-0021 was signed into law on July 6, 2017. During the impasse, the Department incurred non-payroll obligations, within funds 0001 and 0523, which the Department was unable to pay until the passage of Public Act 100-0021.
- Note 5: Public Act 99-0524 authorized the Department to pay Fiscal Year 2016 costs using its Fiscal Year 2017 appropriations for non-payroll expenditures. The Analysis of Operations section of this report at page 79 includes information from the Department management about the number of invoices and the total dollar amount of invoices held by the Department to be submitted against its Fiscal Year 2017 appropriations.
- Note 6: The Circuit Court of Cook County in *People v. Munger* (15 CH 10243) ordered the State Comptroller, in the absence of enacted Fiscal Year 2017 appropriations, to process Fiscal Year 2017 certified payment vouchers for obligations and expenses required by consent decrees, no less than the level paid in Fiscal Year 2015, that are necessary to comply with the consent decrees.
- Note 7: Notwithstanding anything within Public Act 100-0021 to the contrary, Public Act 100-0021 authorized the Department to pay for all costs incurred prior to July 1, 2018, using either its Fiscal Year 2017 or Fiscal Year 2018 appropriations for non-payroll expenditures. The Analysis of Operations section of this report at page 79 includes information from Department management about the number of invoices and the total dollar amount of invoices from Fiscal Year 2016 and Fiscal Year 2017 held by the Department to be submitted against either its Fiscal Year 2017 or Fiscal Year 2018 appropriations.
- Note 8: During Fiscal Year 2018, the Department operated without enacted appropriations until Public Act 100-0021 and Public Act 100-0586 were signed into laws on July 6, 2017, and June 4, 2018, respectively. During the impasse, the Department incurred non-payroll obligations, which the Department was unable to pay until the passage of Public Act 100-0021 and Public Act 100-0586.

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
COMPARATIVE SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND FUND BALANCE
(CASH BASIS) - LOCALLY HELD FUNDS
For the Two Years Ended June 30, 2018

	<u>Fiscal Year</u>	
	2018	2017
Juvenile Justice Commissary Fund - 1394		
Beginning Cash Balance	\$ -	\$ 6,263
Cash Receipts:		
Fund Transfers - In	-	4,813
Investment Income	-	6
Auxiliary Enterprises	-	632
Cash Disbursements:		
Fund Transfers - Out	-	11,398
Cost of Sales	-	316
Ending Cash Balance	<u>\$ -</u>	<u>\$ -</u>
Juvenile Justice Benefit Fund - 1395		
Beginning Cash Balance	\$ 169,678	\$ 171,511
Cash Receipts:		
Fund Transfers - In	67	12,094
Investment Income	423	396
Private Organizations or Individuals	181,737	128,594
Rental Income	15,140	12,785
Cash Disbursements:		
Contractual Services	108,767	91,771
Commodities	26,467	23,875
Equipment	33	5,499
Awards or Grants	17,843	33,257
Fund Transfers - Out	690	1,300
Ending Cash Balance	<u>\$ 213,245</u>	<u>\$ 169,678</u>
Juvenile Justice Inmate Trust Fund - 1396		
Beginning Cash Balance	\$ 21,893	\$ 36,525
Cash Receipts:		
Fund Transfers - In	103,720	17,084
Investment Income	43	15
Private Organizations or Individuals	153,026	163,335
Cash Disbursements:		
Contractual Services	159,010	110,732
Fund Transfers - Out	12,014	29,407
Resident Disbursements	54,190	54,927
Ending Cash Balance	<u>\$ 53,468</u>	<u>\$ 21,893</u>

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
COMPARATIVE SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND FUND BALANCE
(CASH BASIS) - LOCALLY HELD FUNDS
For the Two Years Ended June 30, 2018

	<u>Fiscal Year</u>	
	2018	2017
Travel and Allowance Revolving Fund - 1406		
Beginning Cash Balance	\$ 2,874	\$ 4,752
Cash Receipts:		
Fund Transfers - In	3,065	3,011
Cash Disbursements:		
Travel	1,783	3,917
Fund Transfers - Out	-	807
Bank Fees to be Reimbursed by IBF	199	165
Ending Cash Balance	<u>\$ 3,957</u>	<u>\$ 2,874</u>

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
SCHEDULE OF CHANGES IN STATE PROPERTY
For the Two Years Ended June 30, 2018
(Not Examined)

	Equipment	Land and Land Improvements	Buildings and Improvements	Site Improvements	Capital Leases: Building Improvements and Equipment	Total
Balance at July 1, 2016	\$ 16,458,592	\$ 1,786,295	\$ 172,014,991	\$ 4,594,361	\$ 9,017,690	\$ 203,871,929
Additions	168,397	-	-	-	127,000	\$ 295,397
Deletions	(1,275,923)	-	-	-	(45,000)	\$ (1,320,923)
Net Transfers	(142,879)	-	9,201,847	-	-	\$ 9,058,968
Balance at June 30, 2017	<u>\$ 15,208,187</u>	<u>\$ 1,786,295</u>	<u>\$ 181,216,838</u>	<u>\$ 4,594,361</u>	<u>\$ 9,099,690</u>	<u>\$ 211,905,371</u>
Balance at July 1, 2017	\$ 15,208,187	\$ 1,786,295	\$ 181,216,838	\$ 4,594,361	\$ 9,099,690	\$ 211,905,371
Additions	9,845	-	-	-	60,000	69,845
Deletions	(190,156)	-	-	-	(69,000)	(259,156)
Net Transfers	(4,523,187)	(177,666)	(59,411,830)	(16,351)	-	(64,129,034)
Balance at June 30, 2018	<u>\$ 10,504,689</u>	<u>\$ 1,608,629</u>	<u>\$ 121,805,008</u>	<u>\$ 4,578,010</u>	<u>\$ 9,090,690</u>	<u>\$ 147,587,026</u>

Note: The above schedule has been derived from property reports submitted to the Office of the Comptroller. However, we were unable to reconcile to the Department's records. As a result, this schedule was not examined (see Finding 2018-001).

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
**COMPARATIVE SCHEDULE OF CASH RECEIPTS AND
RECONCILIATION OF CASH RECEIPTS TO
DEPOSITS REMITTED TO THE COMPTROLLER**
For the Fiscal Year Ended June 30,

	Fiscal Year		
	2018	2017	2016
<u>GENERAL REVENUE FUND - 0001</u>			
Jury Duty	\$ 1,142	\$ 1,201	\$ 1,191
Dormant Trust Accounts	4,937	16,414	8,658
Contraband Money	22	132	4
Involuntary Withholdings	2,996	287	-
Subpoena/Witness Fee	95	128	-
Office Materials Fee/Miscellaneous	2,246	2,772	-
Employee Records	-	25	-
Wage Garnishment	-	-	5,172
Assigned Clothing Replacement	-	-	-
Grease Recycling	-	102	-
Mileage and Tolls Reimbursements	-	-	436
Unclaimed Funds	-	-	60
Waterpipe Insurance Reimbursements	-	-	1,003
Phone Reimbursements	529	-	-
Prior Year Refunds	15	8,519	133
Current Year Refunds	-	27,669	-
Total Cash Receipts per Department Records	<u>11,982</u>	<u>57,249</u>	<u>16,657</u>
Less - In Transit at End of Year	-	-	-
Plus - In Transit at Beginning of Year	-	-	-
Total Cash Receipts per State Comptroller's Records	<u>\$ 11,982</u>	<u>\$ 57,249</u>	<u>\$ 16,657</u>

DEPARTMENT OF CORRECTIONS REIMBURSEMENT & EDUCATION FUND - 0523

Illinois Criminal Justice Information Authority	\$ 206,049	\$ 200,625	\$ 399,154
Illinois State Board of Education	2,145,723	2,749,166	2,302,032
General Revenue Fund	-	-	636,622
Illinois Department of Human Services	8,445	89,360	76,873
United States Department of Justice	325,621	28,046	101,138
Miscellaneous	3,635	-	7,043
Private Organizations or Individuals	-	-	-
Reimbursement - Other Youth Cost Recoveries	7,431	4,738	6,316
Reimbursement - Travel and Allowance Fund	4,356	2,720	28,037
Profit - Youth Commissary Sales	-	853	7,350
Prior Year Refunds	-	-	508
Total Cash Receipts per Department Records	<u>2,701,260</u>	<u>3,075,508</u>	<u>3,565,073</u>
Less - In Transit at End of Year	(4,031)	-	(726)
Plus - In Transit at Beginning of Year	-	726	-
Other Adjustments	-	267	13,090
Total Cash Receipts per State Comptroller's Records	<u>\$ 2,697,229</u>	<u>\$ 3,076,501</u>	<u>\$ 3,577,437</u>

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
**COMPARATIVE SCHEDULE OF CASH RECEIPTS AND
RECONCILIATION OF CASH RECEIPTS TO
DEPOSITS REMITTED TO THE COMPTROLLER**
For the Fiscal Year Ended June 30,

	Fiscal Year		
	<u>2018</u>	<u>2017</u>	<u>2016</u>
GRAND TOTAL - ALL FUNDS			
Total Cash Receipts per Department Records	\$ 2,713,242	\$ 3,132,757	\$ 3,581,730
Less - In Transit at End of Year	(4,031)	-	(726)
Plus - In Transit at Beginning of Year	-	726	-
Other Adjustments	-	267	13,090
Total Cash Receipts per State Comptroller's Records	<u>\$ 2,709,211</u>	<u>\$ 3,133,750</u>	<u>\$ 3,594,094</u>

STATE OF ILLINOIS
 DEPARTMENT OF JUVENILE JUSTICE
AGENCY FUNCTIONS AND PLANNING PROGRAM
 For the Two Years Ended June 30, 2018
 (Not Examined)

Mission Statement

The mission of the Department of Juvenile Justice (Department) is to enhance public safety and positive youth outcomes by providing strength-based individualized services to youth in a safe learning and treatment environment so that they may successfully reintegrate into their communities.

Organization

The Unified Code of Corrections (Code) (730 ILCS 5/3-2.5-5) created the Department by separating the former Juvenile Justice Division of the Department of Corrections from the Department of Corrections (DOC), effective June 1, 2006. The Code (730 ILCS 5/3-2.5-15(e)) permits the Department to share certain administrative services with the DOC or a shared services center, including budgeting, accounting-related functions, human resources, legal, procurement, training, data collection and analysis, information technology, internal investigations, intelligence, legislative services, emergency response capability, Statewide transportation services, and general office support. An interagency agreement between the Department and DOC, effective July 1, 2006, enumerated these services in a written agreement. The agreement is effective until the Department can perform these functions separately. In 2015, the Department began working with the Public Safety Shared Services Center to move many of these functions to the Department.

The Department operates the following Youth Centers, which are listed by security level:

Security Level	Center Name
Maximum	Warrenville (Male and Female)
Medium	Chicago (Male), St. Charles (Male), Harrisburg (Male)
Minimum	Pere Marquette (Male)

Internal Organization and Programs

The function of the Administrative Office is to provide strategic planning and support services to all of the Department’s facilities and divisions. The team is guiding the Department’s transformation efforts from an adult-focused, punitive model to a therapeutic and rehabilitative model of care. The Administrative Office also interacts with other governmental agencies such as the Department of Corrections, Department of Children and Family Services, Department of Human Services and city and county governments to utilize the administrative services detailed in interagency agreements.

Programming services and activities provided to youth at the Youth Centers include:

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Clinical Services

- **Case Management:** A written program case plan/treatment plan is initiated to set realistic attainable goals for academics, behavior, mental health, substance abuse, and other necessary programming. All facilities document the program services that youth receive throughout their stay in the facilities; case plans facilitate the effective coordination of program activities and are developed through individual and multi-disciplinary counseling sessions with all youth.
- **Field Services:** All facilities coordinate plans with Aftercare for youth needing housing placement in the community.
- **Community Reintegration:** Youth are educated on the importance of rule compliance and expectations while on Aftercare status. Aftercare Specialists are assigned to all youth upon entry to a facility and remain with that youth through discharge to Aftercare for the term of their supervision sentence.
- **Grant Initiatives and Special Programs:** Each facility establishes and develops programs that address the special needs of youth (i.e. behavioral health, co-occurring disorders, and trauma) by providing evidence base or evidence informed practices.

Mental Health Services

- **Reception Services:** The Department utilizes a variety of instruments to screen and assess all youth at intake. These diagnostic evaluations determine the basic service needs for youth. These instruments include the Youth Assessment and Screening Instrument (YASI) to screen for and assess criminogenic risks, needs, and strengths; Massachusetts Youth Screening Instrument (MAYSI-2) to screen for emergent mental health risks; Texas Christian University (TCU) Adolescent Screen to screen for substance abuse risks; Global Appraisal of Individual Needs (GAIN) to assess substance abuse needs; VISA Assessment to assess risk of self-harm; and a clinical and diagnostic evaluation to determine mental health treatment needs and potential diagnoses.
- All facilities provide mental health services for youth, which includes psychological and psychiatric services. Youth can be assigned to individual or group therapy. The Department has a Special Treatment Program at St. Charles. St. Charles treats youth with mental health issues that are chronic in nature. Additionally, Harrisburg houses the treatment unit for youth adjudicated of sexual offenses.
- Four of the facilities (Chicago, Harrisburg, Pere Marquette, and Warrenville) provide Structured Psychotherapy for Adolescent Responding to Chronic Stress Groups (SPARCS). This group helps youth address their traumatic experiences. The SPARCS program is a strength-based approach that helps youth support skills they already possess and foster new ways of coping. The program also provides group members with freedom to address problems that are important to them and create opportunities for change. This

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program provides youth with skills to help them to become productive citizens thereby reducing recidivism.

- Dialectical Behavior Therapy (DBT) is a pilot conducted at Warrenville, Chicago, and Harrisburg. DBT was developed as a treatment for Borderline Personality Disorder (BPD). However, the core behavior patterns of BPD can be found in many mental health disorders, and they are prevalent in incarcerated youth and adults. DBT is a treatment that has been found to be effective in working with a wide variety of mental health disorders and highly disruptive behaviors, including clients with both mental illness and substance use disorders.
- Family Therapy is conducted at Warrenville. The Department has retained an expert to train mental health staff to provide family therapy as a treatment modality at all of the Department facilities.

Substance Abuse

- The Substance Abuse Programs at all facilities provide Illinois Department of Human Services, Division of Alcohol and Substance Abuse, level I and II substance abuse treatment for youth.
- The Substance Abuse Program at all facilities are currently utilizing the Forward Thinking Program Curriculum. The Forward Thinking series is a cognitive-behavior program that uses evidence-based strategies to assist youth involved in the criminal justice system in making positive changes to their thoughts, feelings and behaviors.
- The Treatment Retention and Induction Program (TRIP) is a program occurring at Harrisburg and Pere Marquette. TRIP is aimed at improving motivation and engagement in the first few weeks of treatment, with juvenile offenders receiving substance abuse treatment. TRIP utilizes evidence-based induction and retention tools that have been developed and effectively implemented with adult treatment samples and evaluated within community-based adolescent treatment settings.

Leisure Time Activities

- Structured team sports (i.e. softball, basketball, flag football, volleyball, track and field) that encourage teamwork and sportsmanship are offered. Musical instruments are used for small solo and band sessions to encourage creativity and cooperation.
- Facility Events: Youth engage in holiday program events and also participate in pro-social events such as spelling bee competitions, talent shows, chess competitions, art contests, and theatrical performances.

Volunteer Services

- Volunteer programs are provided to all youth to offer life skills development activities (i.e. mentoring, culinary arts, engineering, and performing arts).

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Chaplaincy Services

- Religious programs, services, and counseling are provided on a regular basis at all facilities.

School District 428

- School District 428 provides all Department facilities with remedial, secondary, and high school education courses. The Department will be working with community colleges to provide college-level education courses as a pilot program at certain locations.
- School programs also include: GED preparation classes, library services, and vocational and work training programs. The Department is also working with community colleges to provide post-secondary education courses.

In addition, School District 428 offers a hands-on technology based curriculum and vocational skills to help Department youth attain their high school diploma or work towards a GED. This process, called *Online Educational Enhancement*, allows the student to work on high school curriculum which meets all State and national standards. This curriculum is individualized for each student. The key academic and vocational goals are:

- Successful education of our youth
 - Increasing graduation rate
 - Using a blended learning model that facilitates project-based learning
 - Thematic approach to education
 - Utilizing 21st century technology in the classroom
- Support and leadership of staff
 - Providing resources to staff
 - Quality professional development
 - Encouraging staff leadership
- Improve climate and culture of the school
 - Maintaining a clean, safe and respectful school environment
 - Continuing to develop a team approach, whereby all staff are working in partnership
 - Sustained sense of ownership in the progress of the district and individual schools
- Assist with transition from the Department to a youth's home school, by offering appropriate and transferable curriculum
- Increase self-esteem (efficacy) with individual success
- Offer vocational classes for youth experience and high school/college credit

Aftercare

The key goals of the Aftercare Program include:

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- Lower the risk of re-offending
- Improve the youth's educational level and vocational opportunities
- Connect youth with appropriate community-based services
- Achieve abstinence from use of controlled substances and alcohol
- Improve mental health and stability of youth
- Increase pro-social behavior
- Reduce criminal recidivism
- Improve and support successful family reintegration

The Aftercare Program is composed of three primary areas: Community Supervision, Placement Resource Unit, and Juvenile Interstate Compact.

- **Community Supervision:** The Aftercare Program is responsible for community supervision upon release of all youth in the Department's custody in April, 2015. Aftercare is geographically divided into Northern and Southern Regions, each supervised by a Regional Administrator. It entails the modification of the supervision duties of the parole agent working with juveniles to include case management services for the youth and their families. The Aftercare Program provides a seamless array of services for the youth from their commitment to the Department through intake and assignment to a youth host facility to reentry back into the community.
- **Placement Resource Unit:** The Placement Resource Unit works closely with the facilities to ensure the timely placement and community supervision for youth who are homeless, in need of additional residential services (medicinal or therapeutic), and the Department of Children and Family Services (DCFS) Wards. Specialists in this unit are assigned to youth in the facility and work to ensure successful reentry to the community. The Resource component of this unit seeks out community based services, write and monitor community based contracts, and approve all invoices for those services provided via contracts.
- **Juvenile Interstate Compact:** Via legislative mandate and compliance with the National Juvenile Justice Interstate Compact Office, the Juvenile Interstate Compact provides the means to safely and legally return children and youth who have left their home state without permission of their parent or guardian. In addition, the Juvenile Interstate Compact provides supervision of youth adjudicated for an offense when they and their families relocate to another state.

The compact serves youth experiencing the following:

- Any child under the age of 18 in Illinois, or the age of majority in their home state, who has run away from his/her parent, guardian, or another person or agency entitled to legal custody.
- Any juvenile subject to court jurisdiction under the Juvenile Court Act in the State of Illinois, or similar laws of another state, who has absconded from supervision and

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run to another state, or for whom transfer of supervision to another state may be in the best interests of the youth, family, and safety of the public.

- Any alleged juvenile offender who has escaped to another state to avoid court proceedings in their home state, or who has escaped from a facility or agency's custody to which he/she has been committed by the court.

Annual reports are published on the Department's website and sent to statutorily mandated authorities. Additionally, the Department publicly released an annual Operating Plan focusing on strategic goals and accountability. This document is also available on the website. The Department has Administrative Directives specific to its mission of rehabilitation and reintegration, which are systematically reviewed and revised as the Department's model of risk-based assessment and evidence based treatment evolves. The Department submits various reports to mandated parties and funding sources as required by statute and grant awards.

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ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2018
(Not Examined)

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN FISCAL YEARS 2018 AND 2017

General Revenue Fund – 0001

Back Wage Payments

There was a significant increase in back wage payments from Fiscal Year 2017 to Fiscal Year 2018. No monies were appropriated to this line item in Fiscal Year 2017 as this was a special one-time payment used to pay back wages owed to employees.

Youth Aftercare/Investigations Complaints

The increase was due to the hiring of a Deputy Ombudsperson.

Department of Corrections Reimbursement and Education Fund - 0523

Payments of Expenses Associated with Miscellaneous Programs

The increase was due to an increase in payments to a healthcare vendor for medical care and for fuel card payments for expenses incurred during the budget impasse.

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN FISCAL YEARS 2017 AND 2016

General Revenue Fund – 0001

Payment of Statewide Hospitalization

The decrease was due to a reduction in the number of instances youths needed to be seen at a hospital.

Repairs, Maintenance, and Other Capital Improvements

The decrease was due to the purchase of a condenser and the replacement of roof top units at youth centers and other maintenance expenses during Fiscal Year 2016.

Department of Corrections Reimbursement and Education Fund - 0523

Payments of Expenses Associated with Federal Programs

The decrease was due to the Residential Substance Abuse Treatment and the Juvenile Justice Re-entry Program Grants ending in Fiscal Year 2016.

Payments of Expenses Associated with Miscellaneous Programs

The increase was due to the Department utilizing this line item for payments related to a healthcare vendor (doctors, nurses, psychiatrists), as well as payments for fuel and vehicle related expenses.

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ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS
For the Two Years Ended June 30, 2018
(Not Examined)

ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS BETWEEN FISCAL YEARS 2018 AND 2017

General Revenue Fund – 0001

Dormant Trust Accounts

The decrease was due to inactivity on Youth Trust Fund Accounts maintained by the Department. The activity in these accounts varies widely from year to year and there were fewer accounts with inactivity in Fiscal Year 2018.

Prior Year Refunds

The decrease was due to two prior year salary refunds processed in Fiscal Year 2017.

Current Year Refunds

The decrease was due to processing errors made by the Department during Fiscal Year 2017 which did not occur in Fiscal Year 2018. See Finding 2018-018.

Department of Corrections Reimbursement and Education Fund – 0523

Illinois State Board of Education

The decrease was mainly due to a decrease in reimbursements for Title I grant expenditures.

Illinois Department of Human Services

The decrease was due to the Department receiving one grant in Fiscal Year 2018 and two grants in Fiscal Year 2017.

United States Department of Justice

The increase was due to the timing of receipts for reimbursements for grant expenditures related to the Department's Comprehensive Aftercare Re-entry Model Grant.

ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS BETWEEN FISCAL YEARS 2017 AND 2016

General Revenue Fund – 0001

Dormant Trust Accounts

The increase was due to inactivity on Youth Trust Fund Accounts maintained by the Department. The activity in these accounts varies widely from year to year. There were more accounts with inactivity in Fiscal Year 2017.

Wage Garnishment

The decrease was due to no Wage Garnishments in Fiscal Year 2017.

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DEPARTMENT OF JUVENILE JUSTICE
ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS
For the Two Years Ended June 30, 2018
(Not Examined)

ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS BETWEEN FISCAL YEARS 2017 AND 2016 (continued)

Prior Year Refunds

The increase was due to the processing of two prior year salary refunds during Fiscal Year 2017.

Current Year Refunds

The increase was due to processing errors made by the Department during Fiscal Year 2017 which did not occur in Fiscal Year 2016. See Finding 2018-018.

Department of Corrections Reimbursement and Education Fund – 0523

Illinois Criminal Justice Information Authority

The decrease was due to the Fiscal Year 2017 grant receiving reimbursements for expenditures for three quarters while the Fiscal Year 2016 grant received reimbursements for five quarters.

General Revenue Fund

The decrease was due to an intergovernmental agreement between the Department and the Prisoner Review Board (Board) in which the Department paid a total of \$307,802 of expenses for the Board related to both parties' compliance with a consent decree. The expenses were incurred and paid by the Department during Fiscal Year 2015, but not replenished until Fiscal Year 2016.

United States Department of Justice

The decrease was due to the timing of receipts for reimbursements for grant expenditures related to the Department's Comprehensive Aftercare Re-entry Model Grant.

Reimbursement – Travel and Allowance Fund

The decrease was due to the Department of Corrections Reimbursement and Education Fund (Fund 0523) paying the initial travel costs for offenders due to its ability to pay bills faster than the General Revenue Fund (Fund 0001). Fund 0001 then reimburses Fund 0523 at a later date. There were less reimbursement payments made out of Fund 0523 in Fiscal Year 2017 as activity varies from year to year.

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ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
For the Two Years Ended June 30, 2018
(Not Examined)

FISCAL YEAR 2018

General Revenue Fund – 0001

General Office

Repairs, Maintenance, and Other Capital Improvements

Due to the nature of repairs, maintenance, and capital improvement, projects are usually not finished until late in the fiscal year. Therefore, the related invoices were received and processed during the Lapse Period.

Back Wage Payments

The legislation to mandate back wage payments was signed late in the fiscal year, so the payments were made during the Lapse Period.

Department of Corrections Reimbursement and Education Fund - 0523

Payments of Expenses Associated with Federal Programs

Invoices for aftercare crisis and advocacy services as well as upgrades to the youth offender tracking and information software were received late in the fiscal year and paid during the Lapse Period.

FISCAL YEAR 2017

General Revenue Fund – 0001

General Office

Repairs, Maintenance, and Other Capital Improvements

Due to the nature of repairs, maintenance, and capital improvement, projects are usually not finished until late in the fiscal year. Therefore, the related invoices were received and processed during the Lapse Period.

Department of Corrections Reimbursement and Education Fund - 0523

Payment of Expenses Associated with Federal Programs

Invoices for aftercare crisis and advocacy services and payments were received late in the fiscal year and paid during the Lapse Period. In addition, contractual payroll for personal services incurred during the fiscal year were paid during the Lapse Period.

Payment of Expenses Associated with Miscellaneous Programs

Invoices for healthcare services for youth offenders incurred during the fiscal year were received and paid during the Lapse Period.

STATE OF ILLINOIS
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ANALYSIS OF ACCOUNTS RECEIVABLES
For the Two Years Ended June 30, 2018
(Not Examined)

Accounts receivable for the Department consist primarily of receivables from federal and State grant reimbursements and formula payments due from grantor agencies. The principal grantor agencies are other State agencies; therefore, the Department's receivables are all considered fully collectible.

STATE OF ILLINOIS
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BUDGET IMPASSE DISCLOSURES
For the Two Years Ended June 30, 2018
(Not Examined)

Payment of Prior Year Costs in Future Fiscal Years

Article 74 of Public Act 99-0524 authorized the Department of Juvenile Justice (Department) to pay Fiscal Year 2016 costs using the Department's Fiscal Year 2017 appropriations for non-payroll expenditures. The Department did not have any outstanding invoices from Fiscal Year 2016 unpaid after the closure of the Fiscal Year 2016 Lapse Period on August 31, 2016. Therefore, the Department did not use its Fiscal Year 2017 appropriations to pay its Fiscal Year 2016 costs.

In addition, Article 998 of Public Act 100-0021 authorized the Department to pay its unpaid Fiscal Year 2016 and Fiscal Year 2017 costs using either the Department's Fiscal Year 2017 or Fiscal Year 2018 appropriations for non-payroll expenditures. The Department did not have any outstanding invoices from Fiscal Year 2017 unpaid after the closure of the Fiscal Year 2017 Lapse Period on September 30, 2017. Therefore, the Department did not use its Fiscal Year 2017 appropriations to pay its Fiscal Year 2016 costs and does not intend to use either its Fiscal Year 2017 or Fiscal Year 2018 appropriations to pay its Fiscal Year 2016 or Fiscal Year 2017 costs.

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**ALTERNATIVE FINANCING IN LIEU OF APPROPRIATIONS AND
PROGRAMS TO ADDRESS UNTIMELY PAYMENTS TO VENDORS**
For the Two Years Ended June 30, 2018
(Not Examined)

Transactions Involving the Illinois Finance Authority

The Department and its vendors did not participate in alternative financing in lieu of enacted appropriations involving the Illinois Finance Authority during Fiscal Year 2017.

Transactions Involving the Vendor Payment Program and Vendor Support Initiative Program

Vendor Payment Program (VPP)

In 2011, the State of Illinois (State) created the voluntary VPP in response to delays in payments for goods and services provided by the State’s vendors arising from the State’s cash flow deficit. The Department of Central Management Services (CMS) approved third party financing entities to act as “qualified purchasers” of accounts receivable from “participating vendors” who had submitted invoices which had not been paid by the State.

A participating vendor’s accounts receivable is eligible for the VPP if it is from an invoice unpaid by the State that is (1) not for medical assistance payments (2) where 90 days have passed since the proper bill date, which is (3) entitled to interest under the State Prompt Payment Act (Act) (30 ILCS 540) and (4) free of any liens or encumbrances. Under the terms of an agreement between a qualified purchaser and the participating vendor, the participating vendor receives payment for 90% of the receivable balance. The participating vendor, in turn, assigns its rights to the interest due under the Act to the qualified purchaser. When the State Comptroller ultimately pays the invoice, the participating vendor receives the remaining 10% due (less any offsets).

Notably, while CMS approved the qualified purchasers and provided information to vendors about VPP, neither CMS nor the State are parties to the assignment agreements.

The following chart shows the Department’s VPP transactions for Fiscal Year 2017:

VPP TRANSACTIONS

	2017
Dollar Value \$	4,146,779
Vendors	30
Invoices	362

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**ALTERNATIVE FINANCING IN LIEU OF APPROPRIATIONS AND
PROGRAMS TO ADDRESS UNTIMELY PAYMENTS TO VENDORS**
For the Two Years Ended June 30, 2018
(Not Examined)

Vendor Support Initiative Program (VSI)

During Fiscal Year 2016, the State created the voluntary VSI as an alternative to the VPP for cases where the Department lacked an enacted appropriation or other legal expenditure authority to present invoices to the State Comptroller for payment. The VSI operated similarly to the VPP, although the Department was required to determine a participating vendor’s invoice (1) would have met the requirements of the VPP and (2) provided the proper bill date of invoice prior to the qualified purchaser and participating vendor entering into an agreement where the participating vendor received payment for 90% of the receivable balance. The participating vendor, in turn, assigned its rights to the interest due under the Act to the qualified purchaser. After the State Comptroller ultimately paid/pays the invoice after the Department receives/received appropriations or other legal expenditure authority to pay the invoice, the participating vendor receives/received the remaining 10% due (less any offsets).

During Fiscal Year 2017, the Department had one vendor participate in VSI for one invoice, totaling \$645. A summary of the amount of transactions by qualified purchaser follows:

**TRANSACTIONS BY
QUALIFIED PURCHASER**

Qualified Purchaser	Total
A	\$ 645
	<u>\$ 645</u>

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
INTEREST COSTS ON FISCAL YEAR 2017 INVOICES
For the Two Years Ended June 30, 2018
(Not Examined)

Prompt Payment Interest Costs

The Department plans to calculate prompt payment interest due to vendors under the State Prompt Payment Act (Act) (30 ILCS 540) using the vendor's proper bill date through the date the State Comptroller issues a warrant to the vendor, regardless of when and if an enacted appropriation existed during Fiscal Year 2017. The Act (30 ILCS 540/3-2) and the Illinois Administrative Code (74 Ill. Admin. Code 900.100) require interest to be paid under a daily simple interest rate of .033% (1% over a 30-day period) for every day elapsed following the 90th day after a vendor submits an eligible proper bill to the Department. The following chart shows the Department's prompt payment interest incurred related to Fiscal Year 2017 invoices, calculated on the accrual basis of accounting, through June 30, 2017, by fund:

PROMPT PAYMENT INTEREST INCURRED

Year Ended June 30, 2017

Fund #	Fund Name	Invoices	Vendors	Dollar Value
001	General Revenue Fund	1,515	282	\$ 424,681
523	Reimbursement & Education Fund	7	4	1,417
		1,522	286	\$ 426,098

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
AVERAGE NUMBER OF EMPLOYEES
For the Two Years Ended June 30, 2018
(Not Examined)

The following table, prepared from Department records, presents the average number of employees, by function, for the Fiscal Years ended June 30,

<u>Division</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
General Office	23	25	22
School District	70	75	95
Aftercare Services	62	61	68
<u>Youth Centers</u>			
Chicago	101	100	94
Harrisburg	208	213	215
Kewanee	0	65	182
Pere Marquette	69	67	57
St. Charles	240	247	253
Warrenville	99	101	106
Total Average Full-Time Employees	<u>872</u>	<u>954</u>	<u>1,092</u>

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
AVERAGE NUMBER OF EMPLOYEES
For the Two Years Ended June 30, 2018
(Not Examined)

The following table, prepared from Department records, presents the average number of Juvenile Justice Specialists for Fiscal Years ended June 30,

<u>Youth Centers</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Central Office	0	1	0
Chicago	59	59	63
Harrisburg	112	112	133
Kewanee	0	66	106
Pere Marquette	31	34	32
St. Charles	113	126	162
Warrenville	<u>52</u>	<u>51</u>	<u>64</u>
Total Average Juvenile Justice Specialists	<u>367</u>	<u>449</u>	<u>560</u>

These totals are included in the average full-time employees on the previous page.

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
ANALYSIS OF EMPLOYEE OVERTIME
For the Year Ended June 30, 2018
(Not Examined)

Division	Overtime Hours		\$ Value of		Compensatory Hours Used	\$ Value of		Total Overtime and Compensatory Hours	Total \$ Value of Overtime and Compensatory Hours
	Paid		Overtime Hours Paid			Compensatory Hours			
General Office	23		\$ 584		-	\$ -	-	23	\$ 584
School District	537		19,145		-	-	-	537	19,145
Aftercare Services	2,074		41,444		-	-	-	2,074	41,444
Chicago	25,210		1,060,340		-	-	-	25,210	1,060,340
Harrisburg	6,097		1,546,245		109	5,212		6,205	1,551,457
Pere Marquette	5,783		241,117		-	-	-	5,783	241,117
St. Charles	50,740		2,133,439		8	375		50,748	2,133,814
Warrenville	7,428		229,895		4,884	170,227		12,312	400,123
TOTAL	97,892		\$ 5,272,209		5,001	\$ 175,814		102,893	\$ 5,448,024

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
ANALYSIS OF EMPLOYEE OVERTIME
For the Year Ended June 30, 2017
(Not Examined)

Division	Overtime Hours		\$ Value of		Compensatory Hours Used	\$ Value of		Total Overtime and Compensatory Hours	Total \$ Value of Overtime and Compensatory Hours
	Paid		Overtime Hours Paid			Compensatory Hours			
General Office	91		\$ 2,251		-		\$ -	91	\$ 2,251
School District	137		6,469		-		-	137	6,469
Aftercare Services	923		44,662		-		-	923	44,662
Chicago	11,337		506,177		1	62		11,338	506,239
Harrisburg	18,836		823,151		1,712	60,413		20,548	883,564
Kewanee*	725		39,132		774	29,054		1,499	68,185
Pere Marquette	5,780		244,732		200	7,244		5,980	251,977
St. Charles	46,037		1,995,784		-	-		46,037	1,995,784
Warrenville	3,738		266,353		5,871	215,719		9,609	482,072
TOTAL	87,603		\$ 3,928,711		8,558	\$ 312,492		96,162	\$ 4,241,203

*Kewanee closed February 1, 2017.

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
ANALYSIS OF EMPLOYEE OVERTIME
For the Year Ended June 30, 2016
(Not Examined)

Division	Overtime Hours		\$ Value of		Compensatory Hours Used	\$ Value of		Total Overtime and Compensatory Hours	Total \$ Value of Overtime and Compensatory Hours
	Paid		Overtime Hours Paid			Compensatory Hours			
General Office	71		\$ 1,670		-		\$ -	71	\$ 1,670
School District	70		2,809		-		-	70	2,809
Aftercare Services	1,724		86,905		-		-	1,724	86,905
Chicago	14,034		718,946		2,485		98,000	16,519	816,946
Harrisburg	17,539		771,730		5,453		202,503	22,992	974,233
Kewanee	20,004		929,907		7,183		261,344	27,187	1,191,251
Pere Marquette	7,353		316,684		-		-	7,353	316,684
St. Charles*	38,400		1,775,952		1		46	38,401	1,775,998
Warrenville	5,932		273,169		4,495		167,013	10,427	440,182
TOTAL	105,127		\$ 4,877,772		19,617		\$ 728,906	124,744	\$ 5,606,678

* St. Charles end of year compensatory pay out was not charged as compensatory time. This amount was charged as overtime. Due to a new timekeeping system, the General Office, School District, Aftercare Services, Chicago, Harrisburg (although not part of the new system until June), and Pere Marquette's compensatory time is now calculated as overtime.

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
COMPARATIVE SCHEDULE OF EXPENDITURES BY YOUTH CENTER - ALL FUNDS
For the Fiscal Years Ended June 30, 2018, 2017, and 2016
(Not Examined)

	FISCAL YEAR		
	2018	2017	2016
	P.A. 100-0021 and Public Act 100-0586	P.A. 99-0524, Public Act 100-0021 and Court-Ordered Expenditures	P.A. 99-0524 and Court-Ordered Expenditures
YOUTH CENTER (1):			
Chicago	\$ 12,853,143	\$ 12,376,254	\$ 11,482,522
Harrisburg	22,093,645	21,713,746	20,943,393
Kewanee	433,052	6,876,667	18,728,392
Pere Marquette	6,853,758	6,370,414	5,704,897
St. Charles	26,887,675	26,452,688	26,109,897
Warrenville	10,663,637	10,499,471	10,310,354
	<u>\$ 79,784,910</u>	<u>\$ 84,289,240</u>	<u>\$ 93,279,455</u>

(1) Source: Facility data provided by Illinois Department of Juvenile Justice.

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
ANNUAL COSTS STATISTICS
For the Two Years Ended June 30, 2018
(Not Examined)

	2018			2017			2016		
	Rated Capacity June 30, 2018	Average Daily Population	Average Yearly Cost per Resident (1)	Rated Capacity June 30, 2017	Average Daily Population	Average Yearly Cost per Resident (1)	Rated Capacity June 30, 2016	Average Daily Population	Average Yearly Cost per Resident (1)
Youth Center (2)									
Chicago	130	71	\$ 181,030	130	71	\$ 174,313	130	65	\$ 176,654
Harrisburg	300	130	169,951	300	130	167,029	332	124	168,900
Kewanee	*	*	*	*	*	*	354	115	162,856
Pere Marquette	40	33	207,690	40	33	193,043	40	38	150,129
St. Charles	348	118	227,862	348	118	224,175	523	172	151,802
Warrenville	78	31	343,988	78	31	338,693	79	27	381,865
Total	896	383	\$ 226,104	896	383	\$ 219,451	1,458	541	\$ 198,701
(Under)/Over Capacity		<u>(513)</u>			<u>(513)</u>			<u>(917)</u>	

(1) Net expenditures/Average Daily Population. Net expenditures for Illinois Youth Centers equals expenditures for each center less equipment expenditures. Net expenditures do not include any allocations from the General Office, School District, and Aftercare Services.

(2) Source: Facility data provided by the Illinois Department of Juvenile Justice.

* Facility closed February 1, 2017.

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
PARTICIPATING EDUCATIONAL INSTITUTIONS
SCHOOL DISTRICT #428
For the Two Years Ended June 30, 2018
(Not Examined)

The Department provides post-secondary academic and vocational training programs to enrolled residents through a contractual agreement with the following college:

Educational Institution	Youth Center Served
Lake Land College	IYC - St. Charles
Lake Land College	IYC - Harrisburg

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
EMERGENCY PURCHASES
For the Two Years Ended June 30, 2018
(Not Examined)

The Department reported the following emergency purchases to the Office of the Auditor General during Fiscal Year 2017 and Fiscal Year 2018:

Description	Amount
Replace a compressor and perform maintenance work on the school chiller unit at IYC St. Charles due to the chiller unit being broken.	\$ 83,988
Replace a roof of one building at IYC Warrenville due to severe storms damaging the roof.	\$ 78,531
TOTAL COST	<u>\$ 162,519</u>

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
YOUTH ASSAULTS ON STAFF
AT ILLINOIS YOUTH CENTERS
For the Two Years Ended June 30, 2018
(Not Examined)

Youth Center	Fiscal Year 2018	Fiscal Year 2017	Fiscal Year 2016
Chicago	28	40	14
Harrisburg	90	63	37
Kewanee	0*	0*	31
Pere Marquette	7	17	4
St. Charles	103	201	94
Warrenville	48	66	36
Total	276	387	216

Source: Illinois Department of Juvenile Justice

* All Youth were transferred out in June and July of 2016.

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
MEMORANDUMS OF UNDERSTANDING
For the Two Years Ending June 30, 2018
(Not Examined)

AFSCME and Transfer of IDJJ Employees in the Event of a Closure

The Department entered into a memorandum of understanding (MOU) with the Illinois Department of Corrections. The MOU facilitated the transfer of a Juvenile Justice Specialist from IYC Harrisburg (DJJ) to Vienna Correction Center (DOC).

Aunt Martha's Health & Wellness

The Department entered into a MOU with Aunt Martha's Health & Wellness. The MOU is to form a collaborative partnership to implement community-based co-occurring disorders services for youth being released from Department facilities and to obtain funding for the program.

Cabrini Legal Aid

The Department entered into a MOU with Cabrini Green Legal Aid (CGLA). CGLA shall perform legal education presentations to small groups of youth and provide materials and technological equipment for youth in accordance with Facility's protocols at no cost and follow all security protocols.

Youth Outreach Services

The Department entered into a MOU with Youth Outreach Services, West Care Illinois, and Aunt Martha's Health & Wellness. The MOU is to form a collaborative partnership to implement community-based co-occurring disorders services for youth being released from Department facilities and to obtain funding for the program.

Community Crisis Center

The Department entered into a MOU with the Community Crisis Center. The Community Crisis Center will follow all security protocols including guidelines for safety and security, background screenings, provide names, and verifications of background screenings for all Community Crisis Center employees. The Community Crisis Center shall provide the IYC St. Charles written material, crisis intervention contacts, follow-up services, information, and referrals to be given to survivors of sexual assault where resources are allowed.

Safer Foundation

The Department entered into a MOU with the Safer Foundation (Foundation). The purpose of this MOU was to establish an understanding regarding an implementation of the Smarter Rehabilitation and Reintegration of Illinois youth program in the event that the Foundation grant application is selected for funding.

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
MEMORANDUMS OF UNDERSTANDING
For the Two Years Ending June 30, 2018
(Not Examined)

Environmental Consulting Group

The Department entered into a MOU with the Environmental Consulting Group, Inc. to test the IYC St. Charles's water supply, report on IYC St. Charles's water supply, and visit at least once per month.

Friends of the Department of Juvenile Justice

The Department entered into a MOU with the Friends of Juvenile Justice not-for-profit corporation (Friends). This MOU was designed to ensure that Friends undertakes programs that are independent of and complementary to those conducted by the Department.

Harvard College

The Department entered into a MOU with the President and Fellows of Harvard College. This MOU is based around the security of data that is extracted from the Youth 360 data system, Performance Based Standards system, Department incident reports, and any other data that may be provided by the Department in the future.

Harvard Performance A

The Department entered into a MOU with President and Fellows of Harvard College to dictate terms regarding the engagement and the role of a Government Innovation Fellow and any other Harvard Kennedy School Government Performance Lab researchers, students, scholars and staff who will assist the Department in the development and implementation of Innovation Initiatives.

Data Foundation, Inc.

The Department entered into a MOU with DATA Foundation, Inc. to start a barber shop and cosmetic program within IYC Chicago and IYC Warrenville.

Malcolm X

The Department entered into a MOU with Malcolm X College to outline mutual commitments and protocols to facilitate the safe participation in college courses at Malcolm X College by youth in Department custody.

Naperville Humane Society

The Department entered into a MOU with the Naperville Area Humane Society to bring dogs and youth together in the context of a regulated, controlled, and supervised training environment to help successfully transition youth back into the community.

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
MEMORANDUMS OF UNDERSTANDING
For the Two Years Ending June 30, 2018
(Not Examined)

Storycatchers A

The Department entered into a MOU with Storycatchers Theatre to engage recently released youth people in a supported post-release employment program designed to increase rates of successful reentry and to decrease rates of re-offending, re-arrest and re-incarceration.

Storycatchers B

The Department entered into a MOU with Storycatchers Theatre. The purpose of this MOU was to confirm the intention of Storycatchers Theatre to coordinate with the Department to engage recently released youth people in a supported post-release employment program designed to increase rate of successful reentry and to decrease rate of re-offending, re-arrest and re-incarceration. Storycatchers will also coordinate with the Department to expand its residential story-writing and performance program from the current locations at IYC Warrenville and IYC Chicago to all of the Centers in the State.

West Care Illinois, Inc.

The Department entered into a MOU with Youth Outreach Services, West Care Illinois, Inc., and Aunt Martha's Health & Wellness (providers). The providers shall provide community-based co-occurring disorders services to youth being released from the Department's co-occurring disorders program. Furthermore, the providers shall obtain or maintain a license to utilize the Seven Challenges curriculum in their community-based co-occurring disorders services.

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
SERVICE EFFORTS AND ACCOMPLISHMENTS
For the Two Years Ended June 30, 2018
(Not Examined)

Mission and Organization

The Department of Juvenile Justice (Department) works to provide treatment and services through a comprehensive continuum of individualized educational, vocational, social, emotional, and basic life skills that will enable youth to avoid delinquent futures and become productive, fulfilled citizens.

Improvements to Education – The Department will be focused on enhancing the quality of education for committed youth. School District 428 continues to work collaboratively with the State Board of Education to develop an enhanced educational curriculum and specialized programming and services for committed youth that ensures federal and State educational program compliance. The Department will continue to recruit educators and expand its vocational education opportunities for youth in custody.

Improvements to Rehabilitative Services – The Department will enhance interventions that are proven to reduce recidivism and produce positive youth outcomes. Using the Youth Assessment and Screening Instrument, the Department has identified areas of highest risk for the youth and has identified evidence-based programs designed to address those risks. The Department is expanding its rehabilitative programming including trauma-informed care and mental health services.

Expand and Enhance the Aftercare System – The Department will continue to staff an Aftercare System targeted at youth development and successful re-entry into society. The Aftercare System will include partnerships with other State agencies and community-based organizations that provide these services to youth. As part of this Aftercare System, more emphasis will be placed on providing community treatment through a network of specialized treatment beds, transition beds, and community based placement positions, as well as Day Reporting Centers.

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
SERVICE EFFORTS AND ACCOMPLISHMENTS
For the Two Years Ended June 30, 2018
(Not Examined)

Mission Statement: The mission of the Illinois Department of Juvenile Justice is to enhance public safety and positive youth outcomes by providing strength-based individualized services to youth in a safe learning and treatment environment so that they may successfully reintegrate into their communities.

Program Goals: 1. Develop a structural framework and foundation necessary to deliver services to youth.

- Objectives:**
- a. Develop and implement performance-based standards that are consistent with contemporary practices in the field of juvenile justice.
 - b. Enhance and further develop the Aftercare System that is designed to enhance the chances for success upon a youth's reentry into the community.
 - c. Increase the number of educators throughout the system to meet the Department's mandates to provide adequate educational services for all youth.
 - d. Hire and train new Juvenile Justice Specialists.

Source of Funds: General Revenue Fund
Department of Corrections Reimbursement
and Education Fund

Statutory Authority: 730 ILCS 5

	<u>Fiscal Year 2016 Actual</u>	<u>Fiscal Year 2017 Actual</u>	<u>Fiscal Year 2018 Target /Projected</u>	<u>Fiscal Year 2018 Actual</u>	<u>Fiscal Year 2019 Target /Projected</u>
<u>Input Indicators</u>					
• Total expenditures – all sources (in thousands)	\$ 120,305.8	\$ 110,741.6	\$ 121,686.9	\$ 109,290.2	\$ 109,052.7
• Total expenditures – state appropriated funds (in thousands)	\$ 120,305.8	\$ 110,741.6	\$ 121,686.9	\$ 109,290.2	\$ 109,052.7
• Average monthly full-time equivalents	1,066.0	966.0	939.0	879.0	945.0
<u>Output Indicators</u>					
• Percentage of juveniles returned to youth centers within three years of release	58.7%	57.8%	55.0%	52.1%	50.0%
• Education spending per capita (in thousands)	\$ 14.9	\$ 21.4	\$ 21.4	\$ 18.4	\$ 24.4
• Aftercare services spending per capita (in thousands)	\$ 14.2	\$ 23.8	\$ 29.2	\$ 28.9	\$ 23.7