

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS

DIXON CORRECTIONAL CENTER

LIMITED SCOPE COMPLIANCE EXAMINATION

For the Two Years Ended June 30, 2006

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

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
DIXON CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2006

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CENTER OFFICIALS

Warden (02/16/05 to present)	Ms. Nedra Chandler
Warden, Acting (07/16/04 to 02/15/05)	Ms. Nedra Chandler
Warden (01/01/00 to 7/15/04)	Mr. Jerry Sternes
Assistant Warden - Programs (02/16/05 to 10/01/06)	Ms. Mary Henry
Assistant Warden – Programs (08/01/04 to 02/15/05)	Vacant
Assistant Warden – Programs (07/01/04 to 07/31/04)	Ms. Nedra Chandler
Assistant Warden - Operations	Mr. Victor Trancoso
Business Office Administrator	Ms. Sonja Nicklaus

The Center is located at:

2600 North Brinton Avenue
Dixon, IL 61021



Illinois
Department of
Corrections

Rod R. Blagojevich
Governor

Roger E. Walker Jr.
Director

Dixon Correctional Center / 2600 N. Brinton Avenue / Dixon, IL 61021 / Telephone: (815) 288-5561 / TDD: (800) 528-0844

September 19, 2006

McGreal, Johnson & McGrane
Certified Public Accountants
5740 West 95th Street
Oak Lawn, IL 60453

Ladies and Gentlemen:

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

- A. The agency has obligated, expended, received and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The agency has obligated, expended, received and used public funds of the State in accordance with any limitations, restrictions, conditions or mandatory directions imposed by law upon such obligation, expenditure, receipt or use.
- C. The agency has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. The State revenues and receipts collected by agency are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate and in accordance with law.

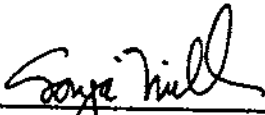
- E. The money or negotiable securities or similar assets handled by the agency on behalf of the State or held in trust by the agency have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate and in accordance with law.

Yours very truly,

Dixon Correctional Center



Nedra Chandler, Warden



Sonja Nicklaus, Business Administrator

STATE OF ILLINOIS
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COMPLIANCE REPORT

SUMMARY

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

ACCOUNTANTS' REPORT

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

SUMMARY OF FINDINGS

<u>Number of</u>	<u>This Report</u>	<u>Prior Report</u>
Findings	2	0
Repeated findings	0	0
Prior recommendations implemented or not repeated	0	1

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

SCHEDULE OF FINDINGS

CURRENT FINDINGS

<u>Item No.</u>	<u>Page</u>	<u>Description</u>
06-01	10	Improper Authorization on Locally-Held Fund Payments
06-02	11	Inmate Record File

PRIOR FINDINGS NOT REPEATED

There were no prior findings

EXIT CONFERENCE

Responses to the recommendations were provided by Mary Ann Bohlen, Supervisor of Central Accounting, in a fax dated January 3, 2007. Center management waived having an exit conference per an email dated November 20, 2006.



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

Honorable William G. Holland
Auditor General
State of Illinois

Compliance

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

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

Members of the American Institute of Certified Public Accountants and the Illinois CPA Society

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

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

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

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

In our opinion, the State of Illinois Department of Corrections – Dixon Correctional Center complied, in all material respects, with the aforementioned requirements during the two years ended June 30, 2006. However, the results of our procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with criteria established by the *Audit Guide*, issued by the Illinois Office of the Auditor General and which are described in the accompanying Schedule of Findings as Findings 06-01 and 06-02.

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

Internal Control

The management of the State of Illinois Department of Corrections - Dixon Correctional Center is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws and regulations. In planning and performing our limited scope compliance examination, we considered the State of Illinois Department of Corrections - Dixon Correctional Center's internal control over compliance with the aforementioned requirements in order to

determine our examination procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the *Audit Guide*, issued by the Illinois Office of the Auditor General. We have also performed certain procedures with respect to the accounting records of the Center to assist in the performance of the Auditor General's financial statement audit of the entire Department of Corrections for the year ended June 30, 2006. The results of these additional procedures have been communicated to the Department of Corrections – General Office auditors.

Our consideration of internal control over compliance with the aforementioned requirements would not necessarily disclose all matters in internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws and regulations that would be material in relation to one or more of the aforementioned requirements being examined may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving internal control over compliance that we consider to be material weaknesses. However, the results of our procedures disclosed other matters involving internal control which are required to be reported in accordance with criteria established by the *Audit Guide*, issued by the Illinois Office of the Auditor General and which are described in the accompanying Schedule of Findings as Findings 06-01 and 06-02.

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

Supplementary Information for State Compliance Purposes

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

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

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


(Firm Signature)

September 19, 2006

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

Current Findings

06-01 IMPROPER AUTHORIZATION ON LOCALLY-HELD FUND PAYMENTS

Finding: Locally held funds' checks were released without proper authorization.

In our review of checks written out of the locally-held fund bank accounts, we noted twenty-four checks totaling \$51,459 were disbursed with only one signature. These checks were for various payments for the Inmate Commissary Fund (\$47,276), the Employee Commissary Fund (\$2,573), and the Employee Benefit Fund (\$1,610). The checks were written on the same day and appeared to be sent out all together. The checks were signed only by the Business Administrator. The Warden's office did not sign these checks. When the checks were presented to the bank for payment, the bank notified the accountant supervisor that they would not cash them without the required dual signatures. The accountant supervisor gave verbal authorization to the bank. The accountant supervisor did not have signature authority but the bank honored the checks based on the verbal authorization.

Center management stated that human error caused the checks to be sent out without the proper signatures.

The Illinois Department of Corrections Administrative Directive 02.40.102 states that two signatures are required on all locally-held fund checks. Center policies require that the business office and the warden's office each sign and approve the checks.

Failure to ensure that all locally-held fund checks are properly authorized with the required two signatures may lead to improper payments. (Finding Code 06-01).

Recommendation: We recommend the Center review their internal control procedures to ensure that all locally-held fund checks are properly authorized and contain the required two signatures before being paid. We also recommend the Center ensure their bank comply with Center requirements for payment of checks.

Department Response: Recommendation implemented. The employee responsible to mail the checks will ensure two authorized signatures are made.

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

06-02 INMATE RECORD FILES

Finding: The Center did not maintain a record of outside personnel who accessed the Master Record File of inmates.

Our testing of twenty-five inmate records disclosed that the Center's Records Office Supervisor did not keep records of outside personnel who accessed inmate files, the files reviewed, file material copied or the purpose of the access.

The Unified Code of Corrections (ILCS 730 5/3-5-1(b)) states the Department shall maintain a master record file on each person committed and shall keep a record of all outside personnel who access the files, the files reviewed, any file material copied, and the purpose of the access.

Center management stated that they were not aware of the requirement to keep a record of outside personnel who access the Master Record File of an inmate.

Failure to maintain a record of all outside personnel who access inmate files is a violation of State statute. (Finding Code 06-02)

Recommendation: We recommend the Center comply with State statute and maintain a record of all outside personnel who access an inmate file, the files reviewed, file material copied, and the purpose of the file access.

Department Response: Recommendation implemented. The facility has purchased a bound log and will record all outside personnel accessing the records.

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LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2006

Prior Findings Not Repeated

There were no findings noted during the Limited Scope Compliance Examination for the two years ended June 30, 2004.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
DIXON CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES
For the Two Years Ended June 30, 2006

SUMMARY

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

Fiscal Schedules and Analysis:

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

Analysis of Operations

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

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

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

	APPROPRIATIONS NET OF TRANSFERS	EXPENDITURES THROUGH JUNE 30, 2006	LAPSE PERIOD EXPENDITURES JULY 1 TO AUGUST 31, 2006	TOTAL EXPENDITURES 14 MONTHS ENDED AUGUST 31, 2006	BALANCES LAPSED AUGUST 31, 2006
PUBLIC ACT 94-0015					
GENERAL REVENUE FUND - 001					
Personal services	\$ 28,203,200	\$ 26,705,884	\$ 1,475,837	\$ 28,181,721	\$ 21,479
Employee retirement contributions paid by employer	363,600	362,798	748	363,546	54
Student, member and inmate compensation	362,100	330,898	31,146	362,044	56
State contributions to State Employees' Retirement System	2,197,300	2,080,682	115,004	2,195,686	1,614
State contributions to Social Security	2,082,600	1,972,699	109,847	2,082,546	54
Contractual services	12,042,400	10,506,365	1,535,830	12,042,195	205
Travel	16,800	12,735	4,028	16,763	37
Travel and allowances for committed, paroled and discharged prisoners	15,100	14,514	506	15,020	80
Commodities	2,476,400	2,396,722	79,644	2,476,366	34
Printing	21,100	20,892	109	21,001	99
Equipment	12,500	3,689	8,766	12,455	45
Telecommunications services	86,200	83,586	926	84,512	1,688
Operation of automotive equipment	200,800	182,572	18,207	200,779	21
Total - Fiscal Year 2006	\$ 48,080,100	\$ 44,674,036	\$ 3,380,598	\$ 48,054,634	\$ 25,466

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

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

	APPROPRIATIONS NET OF TRANSFERS	EXPENDITURES THROUGH JUNE 30, 2005	LAPSE PERIOD EXPENDITURES JULY 1 TO AUGUST 31, 2005	TOTAL EXPENDITURES 14 MONTHS ENDED AUGUST 31, 2005	BALANCES LAPSED AUGUST 31, 2005
PUBLIC ACT 93-0842 & 93-0681					
<u>GENERAL REVENUE FUND - 001</u>					
Personal services	\$ 27,976,700	\$ 26,518,526	\$ 1,445,329	\$ 27,963,855	\$ 12,845
Employee retirement contributions paid by employer	56,773	56,773	-	56,773	-
Student, member and inmate compensation	410,000	363,709	32,300	396,009	13,991
State contributions to State Employees' Retirement System	4,344,400	4,112,906	226,645	4,339,551	4,849
State contributions to Social Security	1,996,600	1,886,978	104,689	1,991,667	4,933
Contractual services	9,864,200	8,816,606	897,776	9,714,382	149,818
Travel	18,300	11,810	2,311	14,121	4,179
Travel and allowances for committed, paroled and discharged prisoners	4,900	4,891	-	4,891	9
Commodities	2,581,900	2,426,755	124,673	2,551,428	30,472
Printing	26,400	15,482	-	15,482	10,918
Equipment	3,300	2,306	-	2,306	994
Telecommunications services	126,800	109,864	12,097	121,961	4,839
Operation of automotive equipment	179,700	149,798	29,759	179,557	143
Total - Fiscal Year 2005	\$ 47,589,973	\$ 44,476,404	\$ 2,875,579	\$ 47,351,983	\$ 237,990

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

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

	FISCAL YEAR		
	2006	2005	2004
	P.A. 94-0015	P.A. 93-0842 P.A. 93-0681	P.A. 93-0091
GENERAL REVENUE FUND - 001			
Appropriations (net of transfers)	<u>\$ 48,080,100</u>	<u>\$ 47,589,973</u>	<u>\$ 47,401,000</u>
EXPENDITURES			
Personal services	28,181,721	27,963,855	26,387,603
Employee retirement contributions paid by employer	363,546	56,773	1,338,374
Student, member and inmate compensation	362,044	396,009	454,378
State contributions to State Employees' Retirement System	2,195,686	4,339,551	2,331,858
State contributions to Social Security	2,082,546	1,991,667	1,950,800
Contractual services	12,042,195	9,714,382	9,285,069
Travel	16,763	14,121	23,943
Travel and allowances for committed, paroled and discharged prisoners	15,020	4,891	22,466
Commodities	2,476,366	2,551,428	3,007,355
Printing	21,001	15,482	25,693
Equipment	12,455	2,306	71,737
Telecommunications services	84,512	121,961	139,854
Operation of automotive equipment	200,779	179,557	206,065
Total Expenditures	<u>48,054,634</u>	<u>47,351,983</u>	<u>45,245,195</u>
LAPSED BALANCES	<u>\$ 25,466</u>	<u>\$ 237,990</u>	<u>\$ 2,155,805</u>

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

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

1. Governmental Funds

General Revenue Fund

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

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. Most Centers maintain four special revenue funds.

The Employees' Commissary Fund and Residents' Commissary Fund are used to maintain stores for selling food, candy, tobacco, health and beauty aids and other personal items. The residents' commissary sells solely to residents and the employees' commissary sells to employees. Profits derived from Commissary Funds' sales are allocated 60% to pay the wages and benefits of employees who work at the commissaries and 40% to either the Residents' Benefit Fund for sales from the Residents' Commissary or the Employees' Benefit Fund for sales from the Employees' Commissary.

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

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DESCRIPTION OF LOCALLY HELD FUNDS
For the Two Years Ended June 30, 2006

2. Fiduciary Fund

Agency Fund

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

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

	Employees' Commissary Fund	Residents' Commissary Fund	Employees' Benefit Fund	Residents' Benefit Fund
REVENUES				
Income from Sales	\$ 287,014	\$ 1,928,434	\$ -	\$ -
Interest / Investment Income	259	1,371	123	6,729
Miscellaneous	-	-	-	-
Entry Fees	-	-	-	-
Postage	-	-	-	-
Other	-	-	8,519	1,193
Donations	-	-	-	-
Total Revenues	<u>287,273</u>	<u>1,929,805</u>	<u>8,642</u>	<u>7,922</u>
EXPENDITURES				
Purchases	265,973	1,554,664	-	-
General and Administrative	-	-	-	75,260
Contractual	-	-	1,109	53,915
Equipment	-	-	178	22,699
Postage	-	-	-	-
Cable Television	-	-	-	-
Donations	-	-	-	-
Other	6,968	9,145	20,753	-
Total Expenditures	<u>272,941</u>	<u>1,563,809</u>	<u>22,040</u>	<u>151,874</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>14,332</u>	<u>365,996</u>	<u>(13,398)</u>	<u>(143,952)</u>
OTHER FINANCING SOURCES				
Transfers In	-	-	5,733	148,320
Transfers (Out)	(14,332)	(365,996)	-	-
Total Other Financing Sources	<u>(14,332)</u>	<u>(365,996)</u>	<u>5,733</u>	<u>148,320</u>
Net Change in Fund Balance	-	-	(7,665)	4,368
Fund Balance July 1, 2005	-	-	22,488	312,472
Fund Balance June 30, 2006	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,823</u>	<u>\$ 316,840</u>

Note: The schedule is presented on the accrual basis of accounting. The Residents' Benefit Fund information for 2006 was provided by the Illinois Department of Corrections Accounting Division and was not examined.

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

	Employees' Commissary Fund	Residents' Commissary Fund	Employees' Benefit Fund	Residents' Benefit Fund
REVENUES				
Income from Sales	\$ 295,459	\$ 1,875,206	\$ -	\$ -
Interest / Investment Income	329	1,303	284	1,630
Miscellaneous	-	-	-	-
Entry Fees	-	-	-	-
Postage	-	-	-	-
Other	-	-	18,822	81,301
Donations	-	-	-	-
Total Revenues	<u>295,788</u>	<u>1,876,509</u>	<u>19,106</u>	<u>82,931</u>
EXPENDITURES				
Purchases	270,750	1,498,069	-	-
General and Administrative	-	-	-	-
Contractual	-	-	839	59,401
Equipment	-	-	11,437	26,502
Postage	-	-	-	-
Cable Television	-	-	-	-
Donations	-	-	-	-
Other	3,990	13,314	25,650	114,100
Total Expenditures	<u>274,740</u>	<u>1,511,383</u>	<u>37,926</u>	<u>200,003</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>21,048</u>	<u>365,126</u>	<u>(18,820)</u>	<u>(117,072)</u>
OTHER FINANCING SOURCES				
Transfers In	-	-	8,383	146,430
Transfers (Out)	(21,048)	(365,126)	-	-
Total Other Financing Sources	<u>(21,048)</u>	<u>(365,126)</u>	<u>8,383</u>	<u>146,430</u>
Net Change in Fund Balance	-	-	(10,437)	29,358
Fund Balance July 1, 2004 (Note A)	-	-	32,925	283,114
Fund Balance June 30, 2005	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,488</u>	<u>\$ 312,472</u>

Note: The schedule is presented on the accrual basis of accounting.

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DIXON CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF LOCALLY HELD FUNDS - CASH BASIS
For The Years Ended June 30

	2005		2006	
	Travel and Allowance Rev. Fund	Residents' Trust Fund	Travel and Allowance Rev. Fund	Residents' Trust Fund
Balance - July 1	\$ 8,315	\$ 193,615	\$ 1,626	\$ 148,683
RECEIPTS				
Investment Income	-	380	-	1,922
Inmate Account Receipts	-	2,321,032	-	2,458,069
Appropriations from General Revenue Fund	6,822	-	15,187	-
TOTAL RECEIPTS	<u>6,822</u>	<u>2,321,412</u>	<u>15,187</u>	<u>2,459,991</u>
DISBURSEMENTS				
Inmate Account Disbursements	-	2,365,964	-	2,381,017
Disbursements for released inmates	13,511	-	15,407	-
TOTAL DISBURSEMENTS	<u>13,511</u>	<u>2,365,964</u>	<u>15,407</u>	<u>2,381,017</u>
Fund Transfers				
Fund Transfers In	-	-	-	-
Fund Transfers (Out)	-	(380)	-	(1,922)
TOTAL TRANSFERS	<u>-</u>	<u>(380)</u>	<u>-</u>	<u>(1,922)</u>
Balance - June 30	<u>\$ 1,626</u>	<u>\$ 148,683</u>	<u>\$ 1,406</u>	<u>\$ 225,735</u>

Note: The schedule is presented on the cash basis of accounting. The Residents' Trust Fund balance as of July 1, 2004 was adjusted to correct a prior year error.

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LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF CHANGES IN STATE PROPERTY
For The Years Ended June 30,

	2006					2005				
	Land	Buildings	Equipment	Improvements	Total	Land	Buildings	Equipment	Improvements	Total
Balance, beginning	\$ 3,979	\$ 83,372,486	\$ 3,594,000	\$ 16,765,278	\$ 103,735,743	\$ 3,979	\$ 81,294,466	\$ 3,624,802	\$ 16,584,209	\$ 101,507,456
Additions:										
Purchases	-	-	32,967	-	32,967	-	-	23,531	-	23,531
Transfers-in:										
Intra-agency	-	-	-	-	-	-	-	36,242	-	36,242
Inter-agency	-	-	43,642	-	43,642	-	-	37,660	-	37,660
Capital Development Board	-	637,697	-	-	637,697	-	2,078,020	-	181,069	2,259,089
Employees' Commissary Fund	-	-	-	-	-	-	-	-	-	-
Employees' Benefit Fund	-	-	178	-	178	-	-	10,635	-	10,635
Residents' Commissary Fund	-	-	19,581	-	19,581	-	-	22,768	-	22,768
Residents' Benefit Fund	-	-	7,800	-	7,800	-	-	1,000	-	1,000
Donations	-	-	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-	-	-
Adjustments	-	-	2,173	-	2,173	-	-	929	-	929
Total Additions	-	637,697	106,341	-	744,038	-	2,078,020	132,765	181,069	2,391,854
Deductions:										
Transfers-out:										
Intra-agency	-	-	23,092	-	23,092	-	-	-	-	-
Inter-agency	-	-	1,112	-	1,112	-	-	35,978	-	35,978
Scrap property	-	-	37,642	-	37,642	-	-	51,438	-	51,438
Surplus property	-	-	-	-	-	-	-	75,696	-	75,696
Condemned and lost property	-	-	-	-	-	-	-	455	-	455
Adjustment	-	-	126	-	126	-	-	-	-	-
Total Deductions	-	-	61,972	-	61,972	-	-	163,567	-	163,567
Balance, ending	\$ 3,979	\$ 84,010,183	\$ 3,638,369	\$ 16,765,278	\$ 104,417,809	\$ 3,979	\$ 83,372,486	\$ 3,594,000	\$ 16,765,278	\$ 103,735,743

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

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DIXON CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
COMPARATIVE SCHEDULE OF CASH RECEIPTS AND DEPOSITS
(NOT EXAMINED)
For The Years Ended June 30,

	FISCAL YEAR		
	2006	2005	2004
<u>RECEIPTS</u>			
Jury Duty	\$ 464	\$ 355	\$ 1,083
Inmate Restitution	28,311	45,179	1,235
Dormant Inmate Accounts	595	358	-
Postage	-	-	31,303
Funeral Furlough	-	-	4,483
Staff Witness Fees	-	-	-
Contraband Cash	-	-	-
Copying Fees	-	-	-
Medical Services	-	-	7,034
Miscellaneous	5,739	636	11,473
TOTAL RECEIPTS	<u>\$ 35,109</u>	<u>\$ 46,528</u>	<u>\$ 56,611</u>
<u>REMITTANCES</u>			
General Revenue Fund - 001	\$ 6,798	\$ 1,349	\$ 1,083
Department of Corrections Reimbursement Fund - 523	28,311	41,489	55,528
TOTAL RECEIPTS REMITTED DIRECTLY TO STATE TREASURER	<u>\$ 35,109</u>	<u>\$ 42,838</u>	<u>\$ 56,611</u>
<u>DEPOSITS</u>			
Receipts recorded by Center	\$ 6,798	\$ 1,349	\$ 1,083
Add: Deposits in transit - Beginning of year	-	-	-
Deduct: Deposits in transit - End of year	-	-	-
DEPOSITS RECORDED BY THE STATE COMPTROLLER	<u>\$ 6,798</u>	<u>\$ 1,349</u>	<u>\$ 1,083</u>

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

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DIXON CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2006

Fiscal Year 2006

A comparative schedule of significant variations in expenditures (20% or more) for the fiscal years ended June 30, 2006 and June 30, 2005 is shown below:

<u>EXPENDITURE ITEM</u>	<u>FISCAL YEAR ENDED</u>		<u>INCREASE</u>	
	<u>2006</u>	<u>2005</u>	<u>(DECREASE)</u>	<u>%</u>
Employee retirement contributions paid by employer	\$363,546	\$56,773	\$306,773	540%
State contributions to State Employees' Retirement System	\$2,195,686	\$4,339,551	\$(2,143,865)	(49%)
Contractual services	\$12,042,195	\$9,714,382	\$2,327,813	24%
Travel & allowance	\$15,020	\$4,891	\$10,129	207%
Printing	\$21,001	\$15,482	\$5,519	36%
Equipment	\$12,455	\$2,306	\$10,149	440%
Telecommunications	\$84,512	\$121,961	\$(37,449)	(31%)

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

Employee Retirement Contributions Paid by Employer

Employee retirement contributions paid by employer increased \$306,773 (540%). The retirement paid by the employer was funded from only one (1) pay cycle in fiscal year 2005 versus 12 months in fiscal year 2006.

State contributions to State Employees' Retirement System

The rate for retirement decreased to 7.792% in fiscal year 2006 from 16.107% in fiscal year 2005 which, accounts for the \$2,143,865 or 49% decrease in expenditures.

Contractual Services

Contractual service expenditures increased \$2,327,813 (24%). The Center expended approximately \$1.1 million more in natural gas and electricity and \$1.2 more in medical contracts.

Travel and Allowance

Travel and Allowance expenditures increased \$10,129 (207%). Due to the reallocation of the locally held fund, the Center replenished the cash box from funds out of the Travel and

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ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2006

Fiscal Year 2006 (continued):

Travel and Allowance:

Allowance checking account in fiscal year 2005. In fiscal year 2006, the cash box replenishment came from the general revenue fund.

Printing

Printing expenditures increased \$5,519 (36%). In fiscal year 2005, the Center had excess paper stock and did not need to purchase as much paper. Consequently, once the excess stock was depleted, paper was purchased in 2006, comparable to the stock held in 2004.

Equipment

Equipment expenditures increased \$10,149 (440%). Equipment purchases are controlled by an approved equipment list. Major purchases approved and purchased in fiscal year 2006 include an intercom system costing approximately \$7,100.

Telecommunications

The fiscal year 2006 expenditures do not include any Revolving Fund expenditures from March 1, 2006 though June 30, 2006, which accounts for the decrease in expenditures of \$37,449 or 31%.

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LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2006

Fiscal Year 2005

A comparative schedule of significant variations in expenditures (20% or more) for the fiscal years ended June 30, 2005 and June 30, 2004 is shown below:

<u>EXPENDITURE ITEM</u>	<u>FISCAL YEAR ENDED</u> <u>JUNE 30</u>		<u>INCREASE</u> <u>(DECREASE)</u>	<u>%</u>
	<u>2005</u>	<u>2004</u>	<u>AMOUNT</u>	
Employee retirement contributions paid by employer	\$56,773	\$1,338,374	\$(1,281,601)	(96%)
State contributions to State Employees' Retirement System	\$4,339,551	\$2,331,858	\$2,007,693	86%
Travel	\$14,121	\$23,943	\$(9,822)	(41%)
Travel and allowance	\$4,891	\$22,466	\$(17,575)	(78%)
Printing	\$15,482	\$25,693	\$(10,211)	(40%)
Equipment	\$2,306	\$71,737	\$(69,431)	(97%)

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

Employee Retirement Contributions Paid by Employer

Employee retirement contributions paid by employer decreased \$1,281,601 (96%) as a result of union contracts. The retirement paid by the State was only to be paid through the December 31, 2004 payroll.

State Contributions to State Employees' Retirement System

The rate for retirement increased to 16.107% in fiscal year 2005 from 13.439% in fiscal year 2004, which accounts for the \$2,007,693 or 86% increase in expenditures.

Travel

Travel expenditures decreased \$9,822 (41%). In the prior year, there were larger travel expenses for two employees; one employee traveled to screen for security officer candidates and the other employee was assigned to an Agency Special Operations Team, which required additional travel. During fiscal year 2005 that travel was eliminated.

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ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2006

Fiscal Year 2005 (continued):

Travel and Allowance

Travel and Allowance expenditures decreased \$17,575 or 78%. Due to the reallocation of the locally held fund, the Center replenished the cash box from funds out of the Travel and Allowance checking account in fiscal year 2005. In fiscal year 2004, the cash box replenishment came from the general revenue fund.

Printing

Printing expenditures decreased \$10,211 (40%). In fiscal year 2005, the Center had excess paper stock purchased in fiscal year 2004 and did not need to purchase as much paper.

Equipment

Equipment expenditures decreased \$69,431 (97%). Equipment purchases are controlled by an approved equipment list. There was only one (1) equipment purchase, an air compressor for \$2,306, in fiscal year 2005,

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ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
For the Two Years Ended June 30, 2006

Our testing of lapse period expenditures for fiscal year ended June 30, 2006 disclosed two (2) appropriation line items with significant (20% or more) lapse period expenditures, as shown below:

<u>EXPENDITURE ITEM</u>	Fiscal Year Ended June 30, 2006		
	<u>TOTAL EXPENDITURES</u>	<u>LAPSE PERIOD EXPENDITURES</u>	<u>PERCENTAGE</u>
Travel	\$16,763	\$4,028	24%
Equipment	\$12,455	\$8,766	70%

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

Travel

Expenditure payouts in the lapse period were to cover reimbursement to the travel cash box for employees who traveled while escorting inmates.

Equipment

After reviewing the revised equipment budget, equipment was ordered in June 2006. Equipment paid during the lapse period included an intercom system for \$7,100 and drills and a chain hoist for \$1,665.

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ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
For the Two Years Ended June 30, 2006

Our testing of lapse period expenditures for fiscal year ended June 30, 2005 disclosed no appropriation line items with significant (20% or more) lapse period expenditures.

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DIXON CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF CHANGES IN INVENTORIES
Two Years Ended June 30, 2006

	Balance July 1, 2005	Additions	Deletions	Balance June 30, 2006
GENERAL REVENUE FUND				
General Stores	\$ 312,869	\$ 2,180,657	\$ 2,285,008	\$ 208,518
Mechanical Stores	878	82,125	82,860	143
Resident Clothing	113,317	103,533	176,363	40,487
Officers' Clothing	5,164	7,185	8,767	3,582
Office Supplies	13,153	105,830	107,766	11,217
Tools under \$100	15,624	7,815	8,862	14,577
Surplus Inventory	181	61	-	242
Pharmacy	-	-	-	-
Kitchen	-	-	-	-
Workcamp	-	-	-	-
	<u>\$ 461,186</u>	<u>\$ 2,487,206</u>	<u>\$ 2,669,626</u>	<u>\$ 278,766</u>
LOCAL FUNDS				
Employees' Commissary Fund	6,209	275,168	275,574	5,803
Residents' Commissary Fund	153,891	1,470,853	1,509,185	115,559
	<u>\$ 160,100</u>	<u>\$ 1,746,021</u>	<u>\$ 1,784,759</u>	<u>\$ 121,362</u>
	Balance July 1, 2004	Additions	Deletions	Balance June 30, 2005
GENERAL REVENUE FUND				
General Stores	\$ 257,561	\$ 2,585,966	\$ 2,530,658	\$ 312,869
Mechanical Stores	2,583	76,114	77,819	878
Resident Clothing	30,106	324,852	241,641	113,317
Officers' Clothing	7,893	3,881	6,610	5,164
Office Supplies	20,263	70,294	77,404	13,153
Tools under \$100	14,729	8,181	7,286	15,624
Surplus Inventory	14,947	-	14,766	181
Pharmacy	-	-	-	-
Kitchen	-	-	-	-
Workcamp	-	-	-	-
	<u>\$ 348,082</u>	<u>\$ 3,069,288</u>	<u>\$ 2,956,184</u>	<u>\$ 461,186</u>
LOCAL FUNDS				
Employees' Commissary Fund	5,812	319,177	318,780	6,209
Residents' Commissary Fund	113,198	1,559,299	1,518,606	153,891
	<u>\$ 119,010</u>	<u>\$ 1,878,476</u>	<u>\$ 1,837,386</u>	<u>\$ 160,100</u>

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

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ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2006

CENTER FUNCTIONS AND PLANNING PROGRAM

FUNCTIONS

The Dixon Correctional Center (Center) is the largest medium-security facility in the State of Illinois. The Center is also the most diversified facility within the Illinois Department of Corrections. Housing and programming are provided for general population male inmates, developmentally disabled and mentally handicapped inmates, and inmates in the Dixon Psychiatric Unit (DPU). The Center also has a living unit for older male inmates. The Center also serves as a designated American Disability Act facility with a separate unit for wheelchair inmates.

The Center is located on the north edge of the City of Dixon and encompasses 462 acres of land with 125 acres inside the perimeter fence. The Center operates its own power plant, sewage treatment plant, three deep wells, and has approximately 3.5 miles of underground tunnel systems. The Center purchases natural gas and electricity. The Center prepares and serves approximately 6,800 meals per day and is responsible for monitoring special dietary needs as ordered by the Center's medical and Chaplaincy staff.

Program and operation functions of the Center are as follows:

- Bureau of Identification – obtains, verifies and maintains the positive identification of all inmates, employees, contractual workers, and volunteers.
- Business Office – responsible for the operation of the General Stores, Inmate and Employee Commissaries, Clothing Room, Payroll and Timekeeping, Personnel, and all accounting, fiscal and budgetary functions for the Center.
- Chaplaincy – provides varied and quality pastoral care, counseling and religious services to the inmate population.
- Clinical Services – provides a range of counseling and case management services to all inmates. Support and services are provided to offenders to assist them in their adjustment to incarceration, review offender's program needs and prepare them for reintegration to the community.
- Dietary – responsible for feeding the Center that includes the General Population, Special Treatment Center, and Psychiatric Unit for the inmates, and staff.
- Education – encompasses all phases of an academic environment. Student-inmates are educated for GED instruction, vocational classes, and academic courses leading toward an Associate's Degree. A comprehensive range of library services is also provided.
- Health Care Unit – provides out-patient services including a 16-bed infirmary service. Physician and dental services are provided on-site. Nursing services are provided, which include 24-hour per day coverage. The Center also houses an 84-bed housing unit for older inmates with special medical needs and a 24-bed unit for wheel chair bound inmates.

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ANALYSIS OF OPERATIONS
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CENTER FUNCTIONS AND PLANNING PROGRAM (continued):

FUNCTIONS:

- Industries – provides prescription eyewear to the Illinois Department of Health and Family Services, Department of Corrections, and various Lion’s Clubs throughout the State.
- Internal Audit Control – conducts audits utilizing the Internal Audit Control process as directed by the Monitoring and Analysis Unit.
- LAN Administrator – manages all aspects of technology at the Center.
- Leisure Time Services – offers a wide variety of structured and self-directed programs and activities.
- Maintenance – responsible for the repair and maintenance of 462 acres with 125 acres inside the perimeter fence and 89 buildings, totaling over 855,000 square feet. The Center also has its own Power Plant that generates steam for cooking, heating, cooling and domestic hot water. The Sewage Treatment Plant maintains all of the Center’s sewage and three deep wells for domestic water supply. The Center also maintains 3 ½ miles of an underground tunnel system that houses various utilities.
- Records – maintains comprehensive master file screening and processing of all inmates; coordinates inmate transfers; processes court writs and medical furloughs; provides Offender Tracking System (OTS) user support and report distribution; and maintains facility count.
- Safety and Sanitation – ensures a safe and sanitary environment at the Center which includes a fire plan; sufficient supply of self-contained breathing apparatuses; and monitoring the handling and security of toxic substances.
- Security – responsible for the secure and safe management of all inmates at the Center through control of inmate movement; security inspections of all areas of the Center; searches of persons, vehicles, and property brought onto Center ground; patrolling of all Center areas; response to disturbances; and the monitoring of all movement into and out of the facility.
- Special Treatment Center (STC) and Dixon Psychiatric Unit (DPU) - the STC and DPU are self-contained units within the Center. STC has housing for 560 inmates and DPU provides housing for 220 inmates. The STC and DPU serve the needs of mentally handicapped and developmentally disabled offenders by offering programs directed toward a special need population in a therapeutic environment. Programs include intensive substance abuse awareness groups, individual and group psychotherapy, and continuing psychiatric and psychological services.
- Training – responsible for the scheduling, instructing and tracking of Institutional Training.

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CENTER FUNCTIONS AND PLANNING PROGRAM (continued):

PLANNING PROGRAM

The Center has developed goals and objectives, coordinated by the Department of Corrections, as to its functions and programs. These goals and objectives include administrative, program and operation services for inmates, research and development, developing and monitoring policies and procedures, expanding programs, developing cost efficient strategies, and enhancing operations. The Center also implements policies and procedures designed to achieve the goals and objectives that have been established for the entire Department.

AUDITOR'S EVALUATION

The Center, along with the Department of Corrections, has established written goals and objectives, which appear to be well-organized and defined. The Warden, with the help of the Assistant Warden of Programs and Operations and department supervisors, continually monitors the progress of attaining the goals and objectives.

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ANALYSIS OF OPERATIONS
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AVERAGE NUMBER OF EMPLOYEES

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

	Fiscal Year		
	<u>2006</u>	<u>2005</u>	<u>2004</u>
Administrative	14	15	17
Business office and stores	15	16	16
Clinical services	35	37	40
Work Camp	0	0	0
Recreation	7	7	7
Maintenance	23	23	23
Utilities	0	0	0
Laundry	0	0	0
Correctional Officers	415	422	420
Dietary	17	17	14
Medical/Psychiatric	19	18	15
Religion	2	2	2
Records	0	0	0
Secretary/Clerical Misc.	0	0	0
Total	<u>547</u>	<u>557</u>	<u>554</u>

EMPLOYEE OVERTIME (not examined)

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

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

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ANALYSIS OF OPERATIONS
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EMPLOYEE OVERTIME (not examined) (continued):

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

	<u>2006</u>	<u>2005</u>
Paid overtime hours worked during fiscal year	<u>9,081</u>	<u>9,191</u>
Value of overtime hours worked during fiscal year	<u>\$346,627</u>	<u>\$354,555</u>
Compensatory hours earned during fiscal year	<u>16,873</u>	<u>17,071</u>
Value of compensatory hours earned during fiscal year	<u>\$398,603</u>	<u>\$430,645</u>
Total paid overtime hours and earned compensatory hours during fiscal year	<u>25,954</u>	<u>26,262</u>
Total value of paid overtime hours and earned compensatory hours during fiscal year	<u>\$745,230</u>	<u>\$785,200</u>

INMATE COMMISSARY OPERATION

The Center operates a commissary for the benefit of the inmates. The commissary purchases goods from outside vendors and then retails the items to the inmates. The commissary purchases goods at wholesale prices where possible. Effective January 1, 2004, the Unified Code of Corrections, 730 ILCS 5/3-7-2a, was amended to change the mark-up of cost on the goods purchased for resale in the commissary. Effective January 1, 2004, the selling price for all goods shall be sufficient to cover the cost of the goods and an additional charge of up to 35% for tobacco products and up to 25% for non-tobacco products.

The financial transactions of the Inmate commissary are recorded in the Residents' Commissary Fund. A summary of the financial activity of the Residents' Commissary Fund for the years ended June 30, 2006 and 2005 are presented on pages 19 and 20 of this report.

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ANALYSIS OF OPERATIONS
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INMATE COMMISSARY OPERATION (continued):

As part of our testing, 25 inmate commissary products were selected and their sale price recomputed to determine compliance with the Unified Code of Corrections regarding the statutorily required mark-up. As a result of our testing, we noted that the products were marked-up 35% for tobacco, 25% for non-tobacco and an additional 7% for operating costs.

COSTS PER YEAR PER INMATE (not examined)

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

	Fiscal Year		
	<u>2006</u>	<u>2005</u>	<u>2004</u>
Rated population	<u>1,430</u>	<u>1,430</u>	<u>1,430</u>
Inmate population (as of May 31)	<u>2,222</u>	<u>2,121</u>	<u>2,177</u>
Average number of inmates	<u>2,186</u>	<u>2,130</u>	<u>2,211</u>
Expenditures from appropriations	\$48,054,634	\$47,351,983	\$45,245,195
Less-equipment and capital improvements	<u>12,455</u>	<u>2,306</u>	<u>71,737</u>
Net expenditures	<u>\$48,042,179</u>	<u>\$47,349,677</u>	<u>\$45,173,458</u>
Net inmate cost per year	<u>\$21,977</u>	<u>\$22,230</u>	<u>\$20,431</u>

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

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

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RATIO OF EMPLOYEES TO INMATES (not examined)

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

	<u>2006</u>	<u>2005</u>	<u>2004</u>
Average number of employees	<u>547</u>	<u>557</u>	<u>554</u>
Average number of correctional officers	<u>415</u>	<u>422</u>	<u>420</u>
Average number of inmates	<u>2,186</u>	<u>2,130</u>	<u>2,211</u>
Ratio of employees to inmates	<u>1 to 4.0</u>	<u>1 to 3.8</u>	<u>1 to 4.0</u>
Ratio of correctional officers to inmates	<u>1 to 5.3</u>	<u>1 to 5.0</u>	<u>1 to 5.3</u>

CELL SQUARE FEET PER INMATE (not examined)

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

	<u>2006</u>	<u>2005</u>	<u>2004</u>
Approximate Square Foot Per Inmate	<u>23</u>	<u>24</u>	<u>23</u>

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FOOD SERVICES (not examined)

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

	Fiscal Year		
	<u>2006</u>	<u>2005</u>	<u>2004</u>
Breakfast	657,000	637,300	584,000
Lunch	803,000	778,900	730,000
Dinner	803,000	778,900	693,500
1:00 a.m. meal	21,900	21,900	21,900
Staff meals	182,500	182,500	127,750
Vocational School Meals	<u>0</u>	<u>0</u>	<u>0</u>
Total Meals Served	<u>2,467,400</u>	<u>2,399,500</u>	<u>2,157,150</u>
Food Cost	<u>\$1,964,528</u>	<u>\$2,027,500</u>	<u>\$2,271,600</u>
Cost Per Meal	<u>\$.80</u>	<u>\$.84</u>	<u>\$1.05</u>

MEDICAL AND CLERGY SERVICE CONTRACTS (not examined)

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

	Fiscal Year		
	<u>2006</u>	<u>2005</u>	<u>2004</u>
Medical Services:			
Health Professionals	\$3,342,725	\$0	\$3,979,063
Wexford Medical	\$4,363,656	\$6,535,715	\$2,124,556
Argosy Educational Group	\$307,648	\$283,371	\$0
Larry Blum, M.D.	\$0	\$700	\$2,811
A.K. Roy M.D.	\$0	\$0	\$320
Lee County	\$448	\$622	\$450
Mark Peters	\$1,450	\$2,800	\$0
Galesburg Clinic	<u>\$0</u>	<u>\$804</u>	<u>\$0</u>
	<u>\$8,015,927</u>	<u>\$6,824,012</u>	<u>\$6,107,200</u>
Clergy Services:			
Lubavitch Chabad	\$0	\$1,329	\$1,329
Mother of Mosque	<u>\$0</u>	<u>\$31,572</u>	<u>\$38,136</u>
	<u>\$0</u>	<u>\$32,901</u>	<u>\$39,465</u>

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SERVICE EFFORTS AND ACCOMPLISHMENTS (not examined)

Dixon Correctional Center's initial accreditation through the American Correctional Association was in 1986. The Center was then re-accredited in 1989, 1992, 1995, and 1998. The re-accreditation process for the facility will occur, as directed by the Director's office and as the budget will allow.

The following are significant accomplishments for the Center during fiscal years 2005 and 2006.

Fiscal Year 2005

In the Therapeutic Services (Mental Health Department), the facility's PEER Education Program received statewide recognition in 2005 with the receipt of the 2005 Outstanding Peer Education Program Award from the Illinois Department of Public Health and the Illinois Department of Corrections HIV/STD Prison Education Program. This recognition was for the facility's continuing efforts to properly educate offenders about HIV and STD through offender orientation programs, Pre-Start presentations and daily peer contacts. The Peer Educators are instrumental in helping change the mindset of the offender population regarding STD, HIV and AIDS. The Peer Education Program is comprised of inmates, who volunteer their time to educate the inmate population about HIV/AIDS and STD Prevention and Treatment.

Therapeutic Services, in an attempt to meet the comprehensive mental health needs of offenders, who have mental health conditions in all three populations, expanded its offerings of mental health groups to GP, STC and/or DPU offenders. The following groups were expanded to include the identified population:

- Post Traumatic Stress Disorder Group (GP and STC offenders)
- Anger Management Group (STC)
- Transition Group (GP)
- Stress Group (GP and DPU)
- Thinking Errors Group (DPU)

In July 2004, Lakeland Community College vocational program Construction Occupations began a partnership with LSSI and local Habitat of Humanity Affiliates to begin building wall sections for habitat homes in Dixon and surrounding local communities. This program has been very successful and has had positive impact on the offenders participating in this program, as it provides the offenders with a sense of accomplishment and with the belief that they are giving

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back to the community in a positive and constructive way. Two of the students who were involved in this program, upon release from IDOC, have been able to secure employment with Habitat for Humanity Affiliates in the Chicagoland area. LSSI continues its efforts to assist our offenders who participate in this worth while program with opportunities upon their release.

Fiscal Year 2006

In the Education Department, the facility increased its session of GED classes from two to three in February 2006. This is an effort to meet the initiative set forth by the Governor's office to increase the number of offenders who are better prepared for successful re-integration to their community, with the educational tools necessary to gain and maintain employment upon their release from IDOC.

Tele-psychiatry began on May 10, 2006 to address the psychiatric caseload needs of the General Population offenders. Tele-psychiatry is primarily used for those General Population offenders who are stable and are appropriate for medium level of care.

In partnership with Sauk Valley Community College, the Literacy program (VITAL- Volunteers in Teaching Adult Literacy) was restarted at the Dixon Correctional Center. It provides a training program for interested offenders in GP and STC, to become literacy tutors to offenders in the General Population and Special Treatment Center who exhibit difficulties in Adult Learning, specifically with math and reading skills. The program purpose is to improve reading and math skills, enhance the offender's self-esteem, and to encourage an interest in education for life-long learning.

In September 2005, the Maintenance Department completed the window replacement project for housing units 26, 27, 28, 29, 31, and the south wing of HU 38. This project's scope was the installation of 440 new windows in the denoted housing units. The window replacement resulted in the installation of more secure and energy efficient windows.

To improve the security of the inner perimeter fence line from Tower 1 to the Dixon Psychiatric Unit, approximately 1000 feet of razor wire was installed to the existing fence.

The facility Veteran's Program was revamped to include the involvement of the Illinois Department of Employment Services and the Office of Veteran's Affairs. The program is referred to as the Incarcerated Veteran's Training Program. Its mission is to provide incarcerated and formerly incarcerated veterans with the training, resources, and employment services to succeed in today's workforce, while maximizing their employment opportunities and meeting labor-market demands. The offenders who participate in this program are encouraged to acquire

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the pre-employment tools and knowledge necessary to obtain post incarcerated-employment and successful reentry into society. There are currently 36 offenders receiving services through the IVTP program at the Dixon Correctional Center.

The Center assisted in community/public works programs and provided supervision of inmate work crews.

The Center continues their efforts to combat possible drug interdiction with continued vehicle, visitor and employee shakedowns. The Center is diligent in their efforts to provide an environment free of contraband of any kind.

The Psychiatric Unit is a level 1 maximum-security unit, providing housing for 220 General Population and segregation offenders, who have been diagnosed with a mental illness and who are in need of placement in a more secure and restrictive environment. This unit houses inmates who generally exhibit more aggressive, bizarre and/or unstable behaviors. This unit provides programs geared specifically towards this population as well as a therapeutic environment.

The employees and volunteers at the Dixon Correctional Center strive to meet their job and volunteer objectives to the very best of their abilities to aid in the maintenance of an environment that promotes safety, security and programs that enhance the offender's growth as a human being and influences positive lifestyle changes. The center selects one employee and one volunteer each year to receive the IDOC Employee/Volunteer of the Year.