

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
ILLINOIS YOUTH CENTER - KEWANEE

LIMITED SCOPE COMPLIANCE EXAMINATION

For the Two Years Ended June 30, 2008

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

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
ILLINOIS YOUTH CENTER - KEWANEE
LIMITED SCOPE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2008

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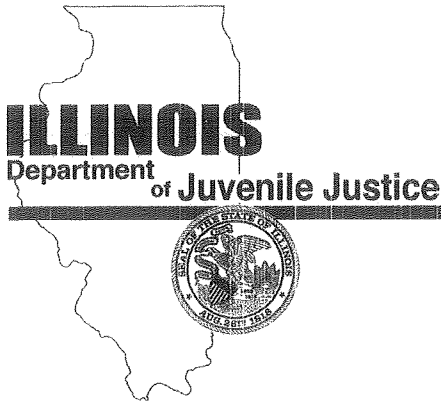
STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
ILLINOIS YOUTH CENTER - KEWANEE
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CENTER OFFICIALS

Superintendent (9/12/06 to Present)	Ms. Lisa A. Nordstrom
Acting Superintendent (12/16/05 to 9/11/06)	Ms. Lisa A. Nordstrom
Assistant Superintendent - Programs	Mr. Joe Terronez
Assistant Superintendent – Operations	Ms. Lisa A. Nordstrom
Business Office Administrator	Ms. Cheri Schloemer

The Center is located at:

2021 Kentville Rd.
P.O. Box 518
Kewanee, IL 61443



Pat Quinn
Governor

Kurt C. Friedenauer
Director

IYC Kewanee, 2021 Kentville Rd, Kewanee IL 61443
Phone: (309) 852-4601 / TDD: (800) 526-0844

February 3, 2009

McGreal & Company, PC
5740 West 95th Street
Oak Lawn, IL 60453


Ladies and Gentlemen:

We are responsible for the identification of, and compliance 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, 2007 and June 30, 2008, and 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,

Illinois Youth Center Kewanee



Lisa Nordstrom, Superintendent



Cheri Schloemer, Business Administrator

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
ILLINOIS YOUTH CENTER - KEWANEE
LIMITED SCOPE COMPLIANCE EXAMINATION
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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 (Report) 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 testing performed and does not contain scope limitations, disclaimers, or other significant non-standard language.

SUMMARY OF FINDINGS

<u>Number of</u>	<u>This Report</u>	<u>Prior Report</u>
Findings	1	2
Repeated findings	0	0
Prior recommendations implemented or not repeated	2	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>	<u>Finding Type</u>
08-01	9	Youth Record Files	Noncompliance Significant Deficiency

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
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PRIOR FINDINGS NOT REPEATED

<u>Item No.</u>	<u>Page</u>	<u>Description</u>
A	10	Expenditures Lack Adequate Supporting Documentation
B	10	Inadequate Contract Monitoring of Medical Service Providers

EXIT CONFERENCE

Center management waived having an exit conference per correspondence dated February 3, 2009.

Responses to the recommendations were provided by Mary Ann Bohlen, Illinois Department of Juvenile Justice Supervisor of Central Accounting, per correspondence dated February 3, 2009.

**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 Juvenile Justice - Illinois Youth Center - Kewanee'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, 2008. The management of the State of Illinois Department of Juvenile Justice - Illinois Youth Center - Kewanee is responsible for compliance with these requirements. Our responsibility is to express an opinion on the State of Illinois Department of Juvenile Justice - Illinois Youth Center - Kewanee's compliance based on our examination.

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

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

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

The areas of the *Audit Guide* not examined at the Center have had procedures performed on a Department-wide basis through the compliance examination of the State of Illinois Department of Juvenile Justice’s - General Office, and accordingly, any findings from the results of those procedures have been included in the State of Illinois Department of Juvenile Justice – General Office compliance report.

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

In our opinion, the State of Illinois Department of Juvenile Justice - Illinois Youth Center – Kewanee complied, in all material respects, with the requirements listed in the first paragraph of this report during the two years ended June 30, 2008. However, the results of our procedures disclosed 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 Finding Code Number 08-1.

Internal Control

The management of the State of Illinois Department of Juvenile Justice - Illinois Youth Center - Kewanee 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 limited scope compliance examination, we considered the State of Illinois Department of Juvenile Justice - Illinois Youth Center - Kewanee’s internal control over compliance with the requirements listed in the first paragraph of this report in order to determine our examination procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the *Audit Guide*, issued by the Illinois Office of the Auditor

General, but not for the purpose of expressing an opinion on the effectiveness of the State of Illinois Department of Juvenile Justice - Illinois Youth Center - Kewanee's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the State of Illinois Department of Juvenile Justice - Illinois Youth Center - Kewanee's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses as defined below.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with the requirements listed in the first paragraph of this report on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to comply with the requirements listed in the first paragraph of this report such that there is more than a remote likelihood that noncompliance with a requirement that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings as Finding No. 08-1 to be significant deficiency.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a requirement listed in the first paragraph of this report will not be prevented or detected by the entity's internal control. We did not consider any of the deficiencies described in the accompanying Schedule of Findings to be material weaknesses.

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

The State of Illinois Department of Juvenile Justice - Illinois Youth Center - Kewanee's responses to the findings identified in our examination are described in the accompanying Schedule of Findings. We did not examine the State of Illinois Department of Juvenile Justice - Illinois Youth Center - Kewanee's responses and, accordingly, we express no opinion on it.

Supplementary Information for State Compliance Purposes

Our examination was conducted for the purpose of forming an opinion on compliance with the requirements listed in the first paragraph of this report. The accompanying supplementary information as listed in the table of contents as Supplementary Information for State Compliance Purposes is presented for purposes of additional analysis. We have applied certain limited procedures as prescribed by the *Audit Guide*, as adopted by the Auditor General to the 2008 and 2007 Supplementary Information for State Compliance Purposes, except for information on the Schedule of Locally Held Funds – Special Revenue Funds – Employees' Benefit Fund, Schedule of Locally Held Funds – Cash Basis – Travel & Allowance Revolving Fund/Residents' Trust Fund, Schedule of Changes in State Property, Comparative Schedule of Cash Receipts and Deposits, Schedule of Changes in Inventories, Employee Overtime, Annual Cost Statistics and Service Efforts and Accomplishments 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 2006 Supplementary Information for State Compliance Purposes, and accordingly, we do not express an opinion thereon.

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

McGreal & Company, P.C.

McGreal & Company, P.C.

February 3, 2009

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
ILLINOIS YOUTH CENTER - KEWANEE
LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2008

Current Findings

08-01 LACK OF DOCUMENTATION OF ALL OUTSIDE PERSONNEL WHO HAVE ACCESSED FILES, THE FILES REVIEWED, AND ANY FILE MATERIAL COPIED OF THE YOUTHS' MASTER RECORD FILE.

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

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

The Unified Code of Corrections (730 ILCS 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 of a youth.

Failure to maintain a record of all outside personnel who access youth files is a violation of State Statute. (Finding Code No. 08-01).

Recommendation: We recommend the Center comply with State Statute and maintain a record of all outside personnel who access a youth's file, the files reviewed, the file material copied and the purpose of the file access.

Department Response: Recommendation implemented. The facility has established a formal logging process.

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
ILLINOIS YOUTH CENTER - KEWANEE
LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2008

Prior Findings Not Repeated

A. Expenditures lack adequate supporting documentation

Finding: Center expenditures for the Inmate Commissary Fund lacked supporting documentation.

Eleven of 25 (44%) vouchers tested for Inmate Commissary Fund expenditures totaling \$6,971 did not have purchase orders/order for delivery forms to support expenditures. (Finding Code No. 06-1)

Not Repeated:

Sample testing during the current period did not disclose any Inmate Commissary Fund expenditures that lacked supporting documentation.

B. Inadequate contract monitoring of medical service providers

Finding: The Center did not adequately monitor its medical service providers. Five of 10 (50%) quarterly monitoring reports were not prepared. Quarterly contract monitoring reports for fiscal year 2006 were not prepared for two of its major medical contractors. (Finding Code No. 06-2)

Not Repeated:

Testing of medical service contract monitoring reports did not disclose any untimely or incomplete reports.

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
ILLINOIS YOUTH CENTER - KEWANEE
LIMITED SCOPE COMPLIANCE EXAMINATION
SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES
For the Two Years Ended June 30, 2008

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 (not examined)
- 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 (not examined)

Analysis of Operations

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

The accountants' report that covers the Supplementary Information for State Compliance Purposes presented in the Compliance Report Section states the auditors have applied certain limited procedures as prescribed by the *Audit Guide*, as adopted by the Auditor General, except for information on the Schedule of Locally Held Funds – Special Revenue Funds – Employees' Benefit Fund, Schedule of Locally Held Funds – Cash Basis – Travel & Allowance Revolving Fund/Residents' Trust Fund, Schedule of Changes in State Property, Comparative Schedule of Cash Receipts and Deposits, Schedule of Changes in Inventories, Employee Overtime, Annual Cost Statistics and Service Efforts and Accomplishments on which they did not perform any procedures. However, the accountants do not express an opinion on the supplementary information.

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
ILLINOIS YOUTH CENTER - KEWANEE
LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
For The Year Ended June 30, 2008

	APPROPRIATIONS NET OF TRANSFERS	EXPENDITURES THROUGH JUNE 30, 2008	LAPSE PERIOD EXPENDITURES JULY 1 TO AUGUST 31, 2008	TOTAL EXPENDITURES 14 MONTHS ENDED AUGUST 31, 2008	BALANCES LAPSED AUGUST 31, 2008
PUBLIC ACT 95-0348					
GENERAL REVENUE FUND - 001					
Personal services	\$ 10,598,100	\$ 10,029,446	\$ 568,633	\$ 10,598,079	\$ 21
Student, member and inmate compensation	15,800	13,101	1,091	14,192	1,608
State contributions to State Employees' Retirement System	1,755,500	1,661,191	94,182	1,755,373	127
State contributions to Social Security	798,800	741,816	42,428	784,244	14,556
Contractual services	4,174,200	3,922,071	234,749	4,156,820	17,380
Travel	16,200	14,042	1,916	15,958	242
Travel and allowances for committed, paroled and discharged prisoners	-	-	-	-	-
Commodities	561,100	488,335	50,142	538,477	22,623
Printing	8,500	8,269	-	8,269	231
Equipment	5,000	-	-	-	5,000
Telecommunications services	93,000	72,063	20,789	92,852	148
Operation of automotive equipment	56,500	41,299	8,318	49,617	6,883
Total - Fiscal Year 2008	\$ 18,082,700	\$ 16,991,633	\$ 1,022,248	\$ 18,013,881	\$ 68,819

Note: The information reflected in this schedule was taken from the records of the State Comptroller.

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
ILLINOIS YOUTH CENTER -KEWANEE
LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
For The Year Ended June 30, 2007

	APPROPRIATIONS NET OF TRANSFERS	EXPENDITURES THROUGH JUNE 30, 2007	LAPSE PERIOD		TOTAL EXPENDITURES 14 MONTHS ENDED AUGUST 31, 2007	BALANCES LAPSED AUGUST 31, 2007				
			EXPENDITURES JULY 1 TO AUGUST 31, 2007	EXPENDITURES JULY 1 TO AUGUST 31, 2007						
	\$	9,887,200	\$	9,414,074	\$	463,706	\$	9,877,780	\$	9,420
Personal services										20
Student, member and inmate compensation	14,300		9,321		4,959			14,280		
State contributions to State Employees' Retirement System	1,139,800		1,085,038		53,446			1,138,484		1,316
State contributions to Social Security	730,800		695,595		34,403			729,998		802
Contractual services	3,731,350		3,530,996		200,207			3,731,203		147
Travel	9,600		6,981		2,565			9,546		54
Travel and allowances for committed, paroled and discharged prisoners	-		-		-			-		-
Commodities	429,700		363,882		65,627			429,509		191
Printing	8,500		8,295		79			8,374		126
Equipment	12,500		-		3,523			3,523		8,977
Telecommunications services	88,600		68,520		20,076			88,596		4
Operation of automotive equipment	47,800		32,698		10,710			43,408		4,392
Total - Fiscal Year 2007	\$ 16,100,150	\$ 15,215,400	\$ 859,301	\$ 16,074,701	\$ 25,449					

PUBLIC ACT 94-798

GENERAL REVENUE FUND - 001

Note: The information reflected in this schedule was taken from the records of the State Comptroller.

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

	FISCAL YEAR		
	2008	2007	2006
	P.A.95-0348	P.A.94-798	P.A.94-0015
GENERAL REVENUE FUND - 001			
Appropriations (net of transfers)	\$ 18,082,700	\$ 16,100,150	\$ 15,418,700
EXPENDITURES			
Personal services	10,598,079	9,877,780	9,340,961
Employee retirement contributions paid by employer	-	-	118,622
Student, member and inmate compensation	14,192	14,280	12,623
State contributions to State Employees' Retirement System	1,755,373	1,138,484	728,250
State contributions to Social Security	784,244	729,998	690,936
Contractual services	4,156,820	3,731,203	4,034,172
Travel	15,958	9,546	6,582
Travel and allowances for committed, paroled and discharged prisoners	-	-	-
Commodities	538,477	429,509	354,846
Printing	8,269	8,374	6,530
Equipment	-	3,523	12,116
Telecommunications services	92,852	88,596	74,552
Operation of automotive equipment	49,617	43,408	26,460
Total Expenditures	<u>\$ 18,013,881</u>	<u>\$ 16,074,701</u>	<u>\$ 15,406,650</u>
LAPSED BALANCES	<u>\$ 68,819</u>	<u>\$ 25,449</u>	<u>\$ 12,050</u>

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
ILLINOIS YOUTH CENTER - KEWANEE
LIMITED SCOPE COMPLIANCE EXAMINATION
DESCRIPTION OF LOCALLY HELD FUNDS
For the Two Years Ended June 30, 2008

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 cash for travel and allowances for discharged youth and to pay out youth Trust Fund balances under \$50 upon youth being paroled or discharged. The Travel and Allowance Revolving Fund is replenished from the Center's Youth Benefit Fund account and the Trust Fund. The Center's Youth Benefit Fund account is reimbursed from the General Revenue Fund appropriation on a monthly basis upon submission of a duly authorized voucher.

Special Revenue Funds

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

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

Residents' Benefit Fund and Employees' Benefit Fund are used to provide entertainment and recreational activities and equipment for youth and employees. The Employees' Benefit Fund can also be used to provide travel expense reimbursement for correctional officers while travel vouchers are being processed. Beginning in fiscal year 2006 the locally held Residents' Benefit Fund account at each Center was closed and the balance transferred to a single locally held Residents' Benefit Fund bank account administered by the General Office. The Center has a sub-account within the Residents' Benefit Fund account at the General Office that records their specific transactions.

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
ILLINOIS YOUTH CENTER - KEWANEE
LIMITED SCOPE COMPLIANCE EXAMINATION
DESCRIPTION OF LOCALLY HELD FUNDS
For the Two Years Ended June 30, 2008

Expenditures from the Residents' Benefit Fund are initiated at the Center but all the transactions are processed through the General Office. All of the financial accounting for the Center's Residents' Benefit Fund transactions are also performed and maintained at the General Office. Because the Center does not maintain the financial records, a summary of the Center's Residents' Benefit Fund activity for the fiscal years 2008 and 2007 will be presented in the General Office Compliance Report for the two years ending June 30, 2008.

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. The Residents' Trust Fund is maintained as a depository for funds of youth while incarcerated at the Center. Receipts and disbursements of the youth are recorded in each youth's individual account within the Residents' Trust Fund.

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
ILLINOIS YOUTH CENTER - KEWANEE
LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF LOCALLY HELD FUNDS - SPECIAL REVENUE FUNDS
For the the Year ended June 30, 2008

	Residents' Commissary Fund	Employees' Benefit Fund (not examined)
	<u> </u>	<u> </u>
<u>REVENUES</u>		
Income from Sales	\$ 93,414	\$ 7,248
Interest / Investment Income	73	29
Miscellaneous:		
Other	-	27
Donations	-	955
Total Revenues	<u>93,487</u>	<u>8,259</u>
<u>EXPENDITURES</u>		
Purchases	76,047	-
General and Administrative	-	-
Contractual	-	818
Commodities	-	7,135
Awards	-	1,611
Other	100	-
Total Expenditures	<u>76,147</u>	<u>9,564</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>17,340</u>	<u>(1,305)</u>
<u>OTHER FINANCING SOURCES</u>		
Transfers In	-	-
Transfers (Out)	(17,340)	-
Total Other Financing Sources	<u>(17,340)</u>	<u>-</u>
Net Change in Fund Balance	-	(1,305)
Fund Balance July 1, 2007	-	2,965
Fund Balance June 30, 2008	<u>\$ -</u>	<u>\$ 1,660</u>

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

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
ILLINOIS YOUTH CENTER - KEWANEE
LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF LOCALLY HELD FUNDS - SPECIAL REVENUE FUNDS
For the the Year ended June 30, 2007

	Residents' Commissary Fund	Employees' Benefit Fund (not examined)
<u>REVENUES</u>		
Income from Sales	\$ 78,937	\$ 12,957
Interest / Investment Income	41	43
Miscellaneous:		
Other	-	556
Donations	-	833
Total Revenues	78,978	14,389
 <u>EXPENDITURES</u>		
Purchases	64,245	-
General and Administrative	-	-
Contractual	-	2,437
Commodities	-	9,017
Awards	-	2,600
Other	-	-
Total Expenditures	64,245	14,054
 Excess (Deficiency) of Revenues		
Over (Under) Expenditures	14,733	335
 <u>OTHER FINANCING SOURCES</u>		
Transfers In	-	-
Transfers (Out)	(14,733)	-
Total Other Financing Sources	(14,733)	-
 Net Change in Fund Balance		
	-	335
 Fund Balance July 1, 2006		
	-	2,630
 Fund Balance June 30, 2007		
	\$ -	\$ 2,965

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

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
ILLINOIS YOUTH CENTER - KEWANEE
LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF LOCALLY HELD FUNDS - CASH BASIS
(NOT EXAMINED)
For The Years Ended June 30

	2008		2007	
	Travel and Allowance Rev. Fund	Residents' Trust Fund	Travel and Allowance Rev. Fund	Residents' Trust Fund
Balance - July 1	\$ 2,152	\$ 5,425	\$ 1,667	\$ 7,259
Adjust balance July, 1	-	-	500	208
Balance - July 1 Adjusted	<u>2,152</u>	<u>5,425</u>	<u>2,167</u>	<u>7,467</u>
Receipts				
Investment Income	-	95	-	103
Youth Account Receipts	-	113,050	-	97,747
TOTAL RECEIPTS	<u>-</u>	<u>113,145</u>	<u>-</u>	<u>97,850</u>
Disbursements				
Youth Account Disbursements	-	111,658	-	99,789
Disbursements for released youth	620	-	15	-
TOTAL DISBURSEMENTS	<u>620</u>	<u>111,658</u>	<u>15</u>	<u>99,789</u>
Fund Transfers				
Fund Transfers In	-	-	-	-
Fund Transfers (Out)	-	(95)	-	(103)
TOTAL TRANSFERS	<u>-</u>	<u>(95)</u>	<u>-</u>	<u>(103)</u>
Balance - June 30	<u>\$ 1,532</u>	<u>\$ 6,817</u>	<u>\$ 2,152</u>	<u>\$ 5,425</u>

Note A: Travel and Allowance Revolving Fund, July 1, 2006 beginning balance, was adjusted to include cash on hand. Residents' Trust Fund, July 1, 2006 beginning balance, was adjusted to include cash on hand of \$500 and an adjustment of \$292 for a checking account adjustment.

Note B: Schedule is presented on the cash basis of accounting.

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
ILLINOIS YOUTH CENTER - KEWANEE
LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF CHANGES IN STATE PROPERTY
(NOT EXAMINED)
For The Years Ended June 30,

	2008			2007				
	Land	Buildings	Equipment	Total	Land	Buildings	Equipment	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Balance, beginning (Note A)	177,666	47,226,210	1,808,821	49,212,697	177,666	47,184,913	1,806,419	49,168,998
Additions:								
Purchases	-	-	4,076	4,076	-	-	23,304	23,304
Transfers-in	-	-	936,820	936,820	-	41,297	986	42,283
Capital Development Board	-	-	-	-	-	-	-	-
Employees' Commissary Fund	-	-	-	-	-	-	-	-
Employees' Benefit Fund	-	-	-	-	-	-	-	-
Residents' Commissary Fund	-	-	-	-	-	-	-	-
Residents' Benefit Fund	-	-	-	-	-	-	-	-
Donations	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-
Total Additions	0	0	940,896	940,896	0	41,297	24,290	65,587
Deductions:								
Transfers-out	-	-	12,212	12,212	-	-	16,603	16,603
Scrap property	-	-	539	539	-	-	5,285	5,285
Surplus property	-	-	-	-	-	-	-	-
Condemned and lost property	-	-	-	-	-	-	-	-
Adjustment	-	-	-	-	-	-	-	-
Total Deductions	-	-	12,751	12,751	-	-	21,888	21,888
Balance, ending	\$ 177,666	\$ 47,226,210	\$ 2,736,966	\$ 50,140,842	\$ 177,666	\$ 47,226,210	\$ 1,808,821	\$ 49,212,697

Note A: Fiscal Year 2007 Equipment beginning balance decreased by \$14,421 for leased mail machine that should not have been included in equipment.

Note B: Center management indicated the balances at June 30, 2008 and 2007 have been reconciled to the property reports submitted to the Office of the Comptroller.

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

	FISCAL YEAR		
	2008	2007	2006
<u>RECEIPTS</u>			
Jury Duty	\$ 145	\$ 205	\$ 60
Youth Restitution	-	-	3,380
Dormant Youth Accounts	50	36	-
Funeral Furlough	-	-	-
Staff Witness Fees	-	-	-
Contraband Cash	5	1	-
Copying Fees	-	-	-
Miscellaneous	20	31	195
TOTAL RECEIPTS	<u><u>\$ 220</u></u>	<u><u>\$ 273</u></u>	<u><u>\$ 3,635</u></u>
<u>REMITTANCES</u>			
General Revenue Fund - 001	\$ 220	\$ 273	\$ 255
Department of Corrections Reimbursement Fund - 523	-	-	3,380
TOTAL RECEIPTS REMITTED DIRECTLY TO STATE TREASURER	<u><u>\$ 220</u></u>	<u><u>\$ 273</u></u>	<u><u>\$ 3,635</u></u>
<u>DEPOSITS</u>			
Receipts recorded by Center	\$ 220	\$ 273	\$ 255
Add: Deposits in transit - Beginning of year	-	-	-
Deduct: Deposits in transit - End of year	-	-	-
DEPOSITS RECORDED BY THE STATE COMPTROLLER	<u><u>\$ 220</u></u>	<u><u>\$ 273</u></u>	<u><u>\$ 255</u></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. The Department of Corrections reconciles the Center's General Revenue Fund receipts to the Comptroller's General Revenue Fund deposits.

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
ILLINOIS YOUTH CENTER - KEWANEE
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2008

Fiscal Year 2008

A comparative schedule of significant variations in expenditures (20% or more) for the fiscal years ended June 30, 2008 and June 30, 2007 are shown below:

<u>EXPENDITURE ITEM</u>	<u>FISCAL YEAR ENDED</u>		<u>INCREASE</u>	
	<u>JUNE 30</u>		<u>(DECREASE)</u>	
	<u>2008</u>	<u>2007</u>	<u>AMOUNT</u>	<u>%</u>
State contributions to State Employees' Retirement System	\$ 1,755,373	\$ 1,138,484	\$ 616,889	54.19%
Travel	15,958	9,546	6,412	67.17%
Commodities	538,477	429,509	108,968	25.37%
Equipment	-	3,523	(3,523)	(100.00%)

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

State Contributions to State Employees' Retirement System

The rate for retirement increased to 16.561% in fiscal year 2008 from 11.530% in fiscal year 2007, which accounts for the \$616,889 or 54.19% increase in expenditures.

Travel

Travel expenditures increased \$6,412 (67.17%). The facility was responsible for the travel of the Acting Deputy of Operations for the year.

Commodities

Commodities expenditures increased \$108,968 (25.37%) due to the increase in youth population. There were an additional 22 youths who needed to be fed and clothed.

Equipment

Equipment expenditures decreased \$3,523 (100%) because the budget did not allow for any equipment purchases in FY08.

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
ILLINOIS YOUTH CENTER - KEWANEE
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2008

Fiscal Year 2007

A comparative schedule of significant variations in expenditures (20% or more) for the fiscal years ended June 30, 2007 and June 30, 2006 are shown below:

<u>EXPENDITURE ITEM</u>	<u>FISCAL YEAR ENDED</u>		<u>INCREASE</u>	
	<u>JUNE 30</u>		<u>(DECREASE)</u>	
	<u>2007</u>	<u>2006</u>	<u>AMOUNT</u>	<u>%</u>
Employee retirement contributions paid by employer	\$ -	\$ 118,622	\$ (118,622)	(100.00%)
State contributions to State Employees' Retirement System	1,138,484	728,250	410,234	56.33%
Travel	9,546	6,582	2,964	45.03%
Commodities	429,509	354,846	74,663	21.04%
Printing	8,374	6,530	1,844	28.24%
Equipment	3,523	12,116	(8,593)	(70.92%)
Operation of automotive equipment	43,408	26,460	16,948	64.05%

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 \$118,622 (100%) because per the union contract, the contributions were discontinued for all employees at December 31, 2005

State Contributions to State Employees' Retirement System

The rate for retirement increased to 11.530% in fiscal year 2007 from 7.792% in fiscal year 2006, which accounts for the \$410,234 (56.33%) increase in expenditures.

Travel

Travel expenditures increased \$2,964 (45.03%) because the facility was responsible for the travel expenses of the Acting Deputy of Operations.

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
ILLINOIS YOUTH CENTER - KEWANEE
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2008

Fiscal Year 2007 (continued):

Commodities

Commodities expenditures increased \$74,663 (21.04%) due to an increase in youth population of 31 more youths who need to be fed and clothed.

Printing

Printing expenditures increased \$1,844 (28.24%) because printing needs were raised with the increase in youth population.

Equipment

Equipment expenditures decreased \$8,593 (70.92%). Central Budget Office, who controls equipment purchase requests, limited the facility's expenditures.

Operation of Automotive Equipment

Automotive expenditures increased \$16,948 (64.05%) because CMS operation of automotive equipment billings were rolled over from fiscal year 2006 due to budget restraints and paid in fiscal year 2007.

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
ILLINOIS YOUTH CENTER - KEWANEE
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
For the Two Years Ended June 30, 2008

Fiscal Year 2008

Our testing of lapse period expenditures for fiscal year ended June 30, 2008 disclosed one appropriation line item with significant (20% or more) lapse period expenditures, as scheduled below:

<u>EXPENDITURE ITEM</u>	<u>Fiscal Year Ended June 30, 2008</u>		
	<u>TOTAL EXPENDITURES</u>	<u>LAPSE PERIOD EXPENDITURES</u>	<u>PERCENTAGE</u>
Telecommunication services	\$ 92,852	\$ 20,789	22.39%

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

Telecommunication Services

Expenditure payouts in the lapse period were held until budgeted funds were released by Central Office.

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
ILLINOIS YOUTH CENTER - KEWANEE
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
For the Two Years Ended June 30, 2008

Fiscal Year 2007

Our testing of lapse period expenditures for fiscal year ended June 30, 2007 disclosed five appropriation line items with significant (20% or more) lapse period expenditures, as scheduled below:

<u>EXPENDITURE ITEM</u>	<u>Fiscal Year Ended June 30, 2007</u>		
	<u>TOTAL EXPENDITURES</u>	<u>LAPSE PERIOD EXPENDITURES</u>	<u>PERCENTAGE</u>
Student, member and inmate compensation	\$ 14,280	\$ 4,959	34.73%
Travel	9,546	2,565	26.87%
Equipment	3,523	3,523	100.00%
Telecommunication services	88,596	20,076	22.66%
Operation of automotive equipment	43,408	10,710	24.67%

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

Student, Member and Inmate Compensation

Student, Member and Inmate compensation saw an increase in youth population that was able to work due to many youth achieving GED status. This had not been planned for in the original appropriation. A 2% transfer was needed to cover the expenditures and was not received until the lapse period.

Travel

Expenditure payouts in the lapse period were to cover travel expenses incurred by the Acting Deputy Chief of Operations. This expenditure had not been planned for in the original appropriation. A 2% transfer was needed to cover the expenditures and was not received until the lapse period.

Equipment

Equipment expenditures in the lapsed period were significant because funds were released late by Central Office.

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
ILLINOIS YOUTH CENTER - KEWANEE
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
For the Two Years Ended June 30, 2008

Fiscal Year 2007 (continued)

Telecommunications Services

CMS billings from fiscal year 2006 were rolled over and the facility held the payment until budgeted funds were released by Central Office for payment.

Operation of Automotive Equipment

Fiscal year 2007 CMS billings were held until budgeted funds were released by Central Office for payment.

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
ILLINOIS YOUTH CENTER - KEWANEE
LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF CHANGES IN INVENTORIES
(NOT EXAMINED)
Two Years Ended June 30, 2008

	Balance July 1, 2007	Additions	Deletions	Balance June 30, 2008
GENERAL REVENUE FUND				
General Stores	\$ 29,689	\$ 441,297	\$ 429,330	\$ 41,656
Mechanical Stores	-	28,539	28,539	-
Resident/Inmate Clothing	-	46,498	41,862	4,636
Office Supplies	4,133	18,516	18,146	4,503
Postage	678	17,000	14,795	2,883
	<u>\$ 34,500</u>	<u>\$ 551,850</u>	<u>\$ 532,672</u>	<u>\$ 53,678</u>
LOCAL FUNDS				
Residents' Commissary Fund	5,227	75,911	70,141	10,997
	<u>\$ 5,227</u>	<u>\$ 75,911</u>	<u>\$ 70,141</u>	<u>\$ 10,997</u>
	Balance July 1, 2006	Additions	Deletions	Balance June 30, 2007
GENERAL REVENUE FUND				
General Stores	\$ 30,633	\$ 347,430	\$ 348,374	\$ 29,689
Mechanical Stores	72	24,824	24,896	-
Resident Clothing	3,671	41,973	45,644	-
Office Supplies	4,329	15,316	15,512	4,133
Postage (Note B)	6,317 *	9,000	14,639	678
	<u>\$ 45,022</u>	<u>\$ 438,543</u>	<u>\$ 449,065</u>	<u>\$ 34,500</u>
LOCAL FUNDS				
Residents' Commissary Fund	3,733	60,634	59,140	5,227
	<u>\$ 3,733</u>	<u>\$ 60,634</u>	<u>\$ 59,140</u>	<u>\$ 5,227</u>

Note A: Center management stated that the inventory balances at June 30 were reconciled to the records of the Center.

Note B: The beginning of the year postage balance was increased by \$6,057 to reflect the purchase of postage in Fiscal Year 2006 that was not entered into the system until Fiscal Year 2007.

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
ILLINOIS YOUTH CENTER - KEWANEE
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2008

CENTER FUNCTIONS AND PLANNING PROGRAM

Illinois Youth Center – Kewanee (Center) officially opened and received its first residents on November 6, 2001. The Center is a 306-bed, Level II Juvenile facility and was designed to provide a continuum of service for youth ages 13 through 21. Services provides for the delivery of consistent and effective programs that meet the needs of the committed offender that will enhance their ability to become productive members of society upon release. Youth population at Illinois Youth Center Kewanee averaged 253 for Fiscal Year 2008 and 231 for Fiscal Year 2007.

Illinois Youth Center – Kewanee is a high-medium security facility that houses male offenders, ages 13 through 21. The facility sits on 95 acres in Kewanee, Illinois just off of Route 34. The Center has five, 54-bed housing units, one 36-bed housing unit, an administration building, warehouse and maintenance building, and staff/security building. The medical unit has six infirmary beds and eight crisis cells. The confinement unit has 24 beds designated for youth on confinement status and 12 beds designated for juvenile male parole violators and youth enroute from other facilities for court writs. The education department has 18 general education classrooms and three vocational classrooms. The facility is surrounded by 12-foot-high perimeter fencing.

There are 162 beds designed for the provision of sex offender assessment and treatment. Treatment focuses on helping youth develop cognitive behavior and competencies in the following areas: offense disclosure, offense specific cognitive restructuring, assault cycle and intervention, victim empathy, self control, core issue resolution, social skills and interpersonal restructuring, lifestyle restructuring, and relapse prevention.

There are 144 beds designated for those youth in need of mental health special treatment. Mental health staff will provide a provisional diagnosis and multi-disciplinary treatment plan for those youth designated as special treatment. Some of these youth have emerging or established psychotic disorders, severe mood disorders, or severe personality disorders that require stabilization.

Effective July 1, 2006, all eight (8) youth correctional centers in the State of Illinois now operate under the Department of Juvenile Justice.

The Unified Code of Corrections directs the Department of Juvenile Justice 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 (730 ILCS 5/3-2.5-5). General programs and services offered to youth include: Education, Dietary, Medical, Psychiatric, Optometric, Dental, Mental Health, Chaplaincy (including Religious Services & Bible Study), Recreation, Library, Case Management, Counseling, and Educational Tutoring.

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
ILLINOIS YOUTH CENTER - KEWANEE
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2008

CENTER FUNCTIONS AND PLANNING PROGRAM (Continued)

The Center, along with the Department of Juvenile Justice, has established written goals and objectives. The Superintendent, with the help of the Assistant Superintendent of Programs and department supervisors, continually monitors the progress of attaining the goals and objectives.

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
ILLINOIS YOUTH CENTER - KEWANEE
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2008

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 Ending June 30,		
	<u>2008</u>	<u>2007</u>	<u>2006</u>
Administrative	3	4	7
Business office and stores	9	9	8
Clinical services	19	20	21
Work Camp	-	-	-
Recreation	1	-	2
Maintenance	10	10	9
Utilities	-	-	-
Laundry	-	-	-
Correctional Officers	127	135	138
Dietary	11	11	13
Medical/Psychiatric	1	1	2
Religion	-	-	-
Secretary/Records/Clerical	-	-	-
Total	<u>181</u>	<u>190</u>	<u>200</u>

An analysis of the activity regarding the changes in staffing of correctional officers, prepared from Center records, is presented in the table below for the fiscal years ending June 30.

	Fiscal Year	
	<u>2008</u>	<u>2007</u>
Correctional Officers, beginning of the year	135	138
New Correctional Officers hired	-	-
Correctional Officers transferred-in	-	-
Correctional Officers transferred-out	1	-
Correctional Officers separated from Department	7	3
Correctional Officers, end of the year	<u>127</u>	<u>135</u>

Correctional Officers for the above schedule is defined as all employees with security related responsibilities.

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LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2008

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.

The following table, prepared from Department records presents the paid overtime and earned compensatory time incurred for the last three fiscal years, ended June 30:

	<u>2008</u>	<u>2007</u>	<u>2006</u>
Paid overtime hours worked during fiscal year	<u>9,271</u>	<u>1,379</u>	<u>471</u>
Value of overtime hours worked during fiscal year	<u>\$341,172</u>	<u>\$49,040</u>	<u>\$17,870</u>
Compensatory hours earned during fiscal year	<u>6,893</u>	<u>4,728</u>	<u>3,646</u>
Value of compensatory hours earned during fiscal year	<u>\$175,456</u>	<u>\$111,646</u>	<u>\$80,623</u>
Total paid overtime hours and earned compensatory hours during fiscal year	<u>16,164</u>	<u>6,107</u>	<u>4,117</u>
Total value of paid overtime hours and earned compensatory hours during fiscal year	<u>\$516,628</u>	<u>\$160,686</u>	<u>\$98,493</u>

STATE OF ILLINOIS
DEPARTMENT OF JUVENILE JUSTICE
ILLINOIS YOUTH CENTER - KEWANEE
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2008

YOUTH COMMISSARY OPERATION

The Center operates a commissary for the benefit of the youths. The commissary purchases goods from outside vendors and then retails the items to the youths. 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. Effective January 1, 2008 the youth commissaries at all Centers discontinued selling tobacco products. IYC – Kewanee has never sold tobacco products.

The financial transactions of the Youth 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, 2008 and 2007 are presented on pages 18 and 19 of this report.

As part of our testing, 20 youth 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 25%, for non-tobacco products and an additional 7% for operating costs.

SHARED RESOURCES (not examined)

The Center Chief of Security has been detailed to Central Office as Acting Chief of Operations for the Department of Juvenile Justice. He travels around to the different facilities to address problems that may arise. His salary was \$83,475 and \$74,760 for Fiscal Years 2008 and 2007, respectively. His travel expenses totaled \$8,740 and \$6,684 for Fiscal Years 2008 and 2007, respectively.

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ILLINOIS YOUTH CENTER - KEWANEE
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2008

CENTER YOUTH STATISTICS (not examined)

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

	Fiscal Year		
	<u>2008</u>	<u>2007</u>	<u>2006</u>
Rated population	354	354	354
Youth population (as of May 31)	238	253	211
Average number of youth	253	231	200
Expenditures from appropriations	\$18,013,881	\$16,074,701	\$15,406,650
Less-equipment and capital improvements	<u>0</u>	<u>3,523</u>	<u>12,116</u>
Net expenditures	<u>\$18,013,881</u>	<u>\$16,071,178</u>	<u>\$15,394,534</u>
Net youth cost per year	<u>\$ 71,201</u>	<u>\$ 69,572</u>	<u>\$ 76,973</u>

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

The rated population and youth population noted above was taken from the Department of Juvenile Justice quarterly reports to the State legislature.

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DEPARTMENT OF JUVENILE JUSTICE
ILLINOIS YOUTH CENTER - KEWANEE
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2008

CENTER EMPLOYEE STATISTICS (not examined)

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

	<u>2008</u>	<u>2007</u>	<u>2006</u>
Average number of employees	181	190	200
Average number of correctional officers	127	135	138
Average number of youth	253	231	200
Ratio of employees to youth	1 to 1.40	1 to 1.22	1 to 1.00
Ratio of correctional officers to youth	1 to 1.99	1 to 1.71	1 to 1.45

The following comparison of reported youth assaults on staff is prepared from Department of Juvenile Justice records for the fiscal years ending June 30:

	<u>Fiscal Year</u>	
	<u>2008</u>	<u>2007</u>
Number of assaults on staff	7	25

CELL SQUARE FEET PER YOUTH (not examined)

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

	<u>2008</u>	<u>2007</u>	<u>2006</u>
Approximate Square Foot Per Youth	113	106	128

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DEPARTMENT OF JUVENILE JUSTICE
ILLINOIS YOUTH CENTER - KEWANEE
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2008

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		
	2008	2007	2006
Breakfast	92,345	84,315	73,000
Lunch	92,345	84,315	73,000
Dinner	92,345	84,315	73,000
1:00 a.m. meal	92,345	84,315	73,000
Staff meals	65,700	68,620	92,964
Total Meals Served	<u>435,080</u>	<u>405,880</u>	<u>384,964</u>
Food Cost	<u>\$ 387,409</u>	<u>\$ 291,563</u>	<u>\$ 250,179</u>
Cost Per Meal	<u>\$ 0.89</u>	<u>\$ 0.72</u>	<u>\$ 0.65</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 2008, 2007 and 2006.

	Fiscal Year		
	2008	2007	2006
Medical Services:			
Prison Health Services, Inc.	\$ 0	\$ 0	\$ 1,020,301
Alternative Behavior Treatment Centers	\$ 1,342,800	\$ 923,707	\$ 1,519,025
Wexford Health Sources, Inc.	\$ 1,924,206	\$ 1,726,911	\$ 732,412
Total Medical Services	<u>\$ 3,267,006</u>	<u>\$ 2,650,618</u>	<u>\$ 3,271,738</u>
Clergy Services:	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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SERVICE EFFORTS AND ACCOMPLISHMENTS (not examined)

MANAGEMENT ACCOMPLISHMENTS

The facility has developed and implemented a level system for the youth, which has three levels. The level system is based, in part, on behavior: the more discipline the youth receives, the fewer privileges the youth is allowed. Some of the privileges earned include game nights, movies, use of the weight equipment room, as well as the amount of money the youth is able to spend at the Commissary.

Illinois Youth Center (IYC) – Kewanee (Center) has a strong Volunteer Program. Currently, there are approximately 50 volunteers. The majority of the volunteers are religious volunteers who help lead chapel services and conduct bible study groups. Some of them provide special programs such as concerts for the youth. A few of the volunteers are from Alcoholics Anonymous who assist with these groups. There are several volunteer educational tutors who provide assistance to youth in need of individual assistance with subjects, such as reading and writing.

COMMUNITY SERVICES PERFORMED

Each year the Department supports a drive for the Illinois State Employees Combined Appeal (SECA). Many of the employees at the Center donate money to support a charity with the SECA foundation. Employees also participate in the annual drive to support Special Olympics. During the holiday season, employees donate money and non-perishable food to local food pantries and participate in an annual “Angel Tree” project, where Christmas gifts are purchased for children of low income families in the local community. Employees also participate in the annual “Keep Our Kids Safe & Warm” clothing donation project. On a quarterly basis, employees are invited to participate in the American Red Cross blood drives held at the Center.

TREATMENT PROGRAM DESCRIPTION

IYC - Kewanee is a juvenile facility that provides treatment for youth with sex offending behaviors, severe mental health issues, and both mental health and substance abuse issues. Treatment is adolescent specific with a residential-like treatment environment and treatment modalities are empirically supported and consistent with best practices. Phases of treatment are not time driven, but instead are measured by the achievement of change in youth behavior and thought pattern. Treatment is completed when the youth completes all four phases of treatment, which normally takes one year to complete the program. Two treatment vendors are currently providing services to the youth in this facility. The Juvenile Sex Offender and Special Treatment programs are provided by Alternative Behavior Treatment Centers (ABTC) while the Mentally Ill Substance Abuse program is provided by the Wells Center.

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SERVICE EFFORTS AND ACCOMPLISHMENTS (Continued) (not examined)

Juvenile Sex Offender Program

The Juvenile Sex Offender Program (JSO) consists of youth with a longstanding history of externalizing behaviors coupled with sexual acting-out behaviors. The JSO program expects the youth undergoing this program to focus on and process their inappropriate and appropriate behaviors in a group setting and individually with their therapist. Youth in the JSO program are required to undergo at least nine hours of group and individual therapy per week.

Special Treatment Program

The Kewanee Special Treatment program (KST) has been programmatically designed to meet the needs of youth with significant psychopathology or severe mental health issues. The KST program has two tracks. The first track focuses on youth with acute mental health issues, while the second track centers on youth with co-morbid psychiatric disorders and sex-offending behaviors. Youth in the KST program are required to undergo at least nine hours of group and individual therapy per week.

There are four phases to the KST program. The first phase introduces the youth to the program and builds a rapport with the youth. The youth is then assessed, which allows for accurate diagnosis and provides specific treatment goals tailored to each youth. In the third phase, the youth undergoes rigorous psycho-educational and process groups. The final phase prepares the youth for reintegration into the community or for transfer to a general population. Recommendations are made by management and supervisor's of each youth who may need additional treatment upon his release from the facility.

Mentally Ill Substance Abuse Program (MISA)

The Mentally Ill Substance Abuse (MISA) program provides intensive, therapeutic treatment for youth who are housed in a special 18-bed wing of one of the housing units. The MISA program was implemented in Fiscal Year 2005 and is contracted through Wells Center. This program also provides four-phase substance abuse prevention, psycho-education, and treatment services for youth with dual-diagnosis. This program provides intensive, therapeutic treatment to youth who are specifically selected to complete this rigorous, six-month program. Youth in this program are expected to undergo no less than 15 treatment hours per week.

In the first phase of the MISA program the youth is introduced to the program, their needs are assessed, and their individualized treatment plan is formulated. The second phase focuses on educating the youth about chemical dependency awareness and theories of addiction. The third phase of the program focuses on relapse prevention. In the final phase, plans are made for the youth upon release. Plans focus upon the potential of the youth's relapse.

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SERVICE EFFORTS AND ACCOMPLISHMENTS (Continued) (not examined)

Mentally Ill Substance Abuse Program (MISA) (Continued)

The treatment modalities are used to engage the youth into therapeutic relationships, and to afford the youth the opportunity to create a healthy and balanced lifestyle. Through the entire treatment process, each youth is expected to complete all other treatment and/or mental health treatment programming.

The treatment team consists of staff with several years of clinical experience. Most of treatment staff are either licensed by the State of Illinois (i.e., LCPC, LCP, LCSW, and LSW) or license-eligible in their respective fields. A multi-disciplinary team consists of a psychiatrist, psychologists, clinical therapists, correctional counselors, substance abuse counselors, activity therapists, and behavioral health counselors. All team members play a key role in the youth's treatment plan and ensure that each youth is given the best possible treatment while serving their time in the facility. The treatment team focuses on the holistic approach to treating a youth's problems and addresses all dimensions of a youth's mental health and problematic behaviors.

EDUCATIONAL PROGRAMS

School District #428 was made a part of the Illinois Department of Juvenile Justice on July 1, 2006 via legislative transfer from the Illinois Department of Corrections. At IYC Kewanee, current School District #428 staff includes one Educational Facility Administrator (school principal), five high school educators, one General Education Development (GED) educator, two elementary/middle school educators, two special education educators, and one vocational instructor for the computer vocational program. IYC Kewanee offers courses for students in all cognitive ranges, including GED and special education. Special education programs include learning disabled (LD), educable mentally handicapped (EMH) and behavior disordered (BD). In addition, there is an on-site librarian, and school psychologist. Youth hearing and vision screening are also provided by School District #428.

The School District continues a computer program for the youth called Destinations. Destinations is a computer-based curriculum that is designed to meet the unique needs of the youth. The program addresses skill development, ensures success with sequential learning increments, provides feedback during learning activities and is self-paced so the youth can keep up. All youth have access to this program at least once per week. The Center management considers the program an unqualified success for the Center's youth.