

**STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS**

**SHAWNEE CORRECTIONAL CENTER  
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 CORRECTIONS  
SHAWNEE CORRECTIONAL CENTER  
LIMITED SCOPE COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2008

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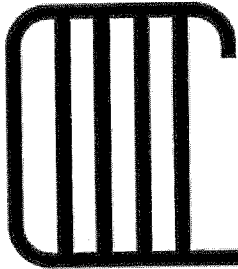
STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS  
SHAWNEE CORRECTIONAL CENTER  
LIMITED SCOPE COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2008

**CENTER OFFICIALS**

Warden (Current)	Mr. Jody Hathaway
Acting Warden (8/14/06 – 10/16/07)	Mr. Dan Austin
Warden (4/1/06 – 8/14/06)	Mr. Jay Merchant
Assistant Warden – Programs (Current)	Mr. Allan Martin
Acting Assistant Warden- Operations (Current)	Mr. Mark Dillman
Assistant Warden – Operations (6/10/06 – 11/1/07)	Mr. Shelton Frey
Business Administrator (Current)	Mrs. Gloria Shupe
Business Administrator (4/12/07 – 5/1/08)	Vacant
Business Administrator (9/1/05 – 4/12/07)	Mr. Sean Goins

The Center is located at:

6665 State Road 146E  
Vienna, IL 62995



**Illinois**  
Department of  
**Corrections**

**PAT QUINN**  
Governor

**Roger E. Walker, Jr.**  
Director

Shawnee Correctional Center / 6665 State Route 146 East / Vienna, IL 62995 / Telephone: (618) 658-8331 / TDD: (800) 526-0844

April 14, 2009

Schorb & Schmersahl, LLC  
518 North Main Street  
Columbia, Illinois 62236


Ladies and Gentleman:


We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the Center. 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 Center's compliance with the following assertions during the two years ended June 30, 2008. Based on this evaluation, we assert that during the years ended June 30, 2008 and June 30, 2007, the Center has materially complied with the assertions below.

- A. The 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 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 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. State revenues and receipts collected by the 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 Center on behalf of the State or held in trust by the Center have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

Yours very truly,

Shawnee Correctional Center

  
Jody Hathaway, Warden

  
Gloria Shupe, Business Administrator

INSERT COMPLIANCE REPORT TAB HERE

STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS  
SHAWNEE CORRECTIONAL CENTER  
LIMITED SCOPE COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2008

**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	6
Repeated findings	1	1
Prior recommendations implemented or not repeated	5	4

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>
08-1	10	Inadequate Controls Over Inventory	Material Weakness and Material Noncompliance

STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS  
SHAWNEE CORRECTIONAL CENTER  
LIMITED SCOPE COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2008

**COMPLIANCE REPORT**

**SUMMARY**  
*(Continued)*

**SCHEDULE OF FINDINGS** *(Continued)*

PRIOR FINDINGS NOT REPEATED

<u>Item No.</u>	<u>Page</u>	<u>Description</u>
A	12	Inaccurate Reporting of Accounts Payable
B	12	Lack of Independent Review of Payroll Documentation
C	12	Inadequate Segregation of Duties Over Property Control
D	12	Inadequate Controls Over Locally Held Fund Cash Disbursements
E	13	Inadequate Controls Over Vending Machine

**EXIT CONFERENCE**

Center management waived having an exit conference per a correspondence dated April 9, 2009.

Responses to the recommendations were provided by Mary Ann Bohlen, Illinois Department of Corrections Accounting manager communicated in an email dated April 9, 2009.

INSERT AUDITORS' REPORT TAB HERE





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

- A. The State of Illinois Department of Corrections - Shawnee 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 - Shawnee 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 - Shawnee 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. For the locally held funds examined the State revenues and receipts collected by the State of Illinois Department of Corrections - Shawnee 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 - Shawnee Correctional Center on behalf of the State or held in trust by the State of Illinois Department of Corrections - Shawnee Correctional Center 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 Correction's - General Office, and accordingly, any findings from the results of those procedures have been included in the State of Illinois Department of Corrections – 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 Corrections – Shawnee Correctional Center'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 Corrections – Shawnee Correctional Center's compliance with specified requirements.

As described in Finding Code No. 08-1 in the accompanying Schedule of Findings, the State of Illinois Department of Corrections – Shawnee Correctional Center did not materially comply with requirements regarding:

- C. The State of Illinois Department of Corrections – Shawnee 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.

Compliance with such requirement is necessary, in our opinion, for the State of Illinois Department of Corrections – Shawnee Correctional Center to comply with the requirements listed in the first paragraph of this report.

In our opinion, except for the noncompliance described in the preceding paragraph, the State of Illinois Department of Corrections – Shawnee Correctional Center complied, in all material respects, with the requirements listed in the first paragraph of this report during the two years ended June 30, 2008.

## Internal Control

The management of the State of Illinois Department of Corrections – Shawnee Correctional Center 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 Corrections – Shawnee Correctional Center 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 Corrections – Shawnee Correctional Center internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the State of Illinois Department of Corrections – Shawnee Correctional Center internal control over compliance.

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

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 deficiency in internal control over compliance described in the accompanying Schedule of Findings as Finding Code No. 08-1 to be a 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. Of the significant deficiencies in internal control over compliance described in the accompanying Schedule of Findings, we consider Finding Code No. 08-1 to be a material weakness.

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 Corrections – Shawnee Correctional Center response 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 Corrections – Shawnee Correctional Center 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 Comparative Schedule of Cash Receipts and Deposits, Employee Overtime, Shared Resources, 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.



Columbia, Illinois

April 14, 2009

INSERT FINDINGS AND RECOMMENDATIONS TAB HERE

STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS  
SHAWNEE CORRECTIONAL CENTER  
LIMITED SCOPE COMPLIANCE EXAMINATION  
SCHEDULE OF FINDINGS  
For the Two Years Ended June 30, 2008

Current Findings

**Finding 08-1: Inadequate Controls Over Inventory**

The review of Shawnee Correctional Center's (Center) inventory procedures disclosed numerous control weaknesses.

We noted the following issues during our examination of inventory:

- The inventory count process at June 30, 2008 was not planned properly. The inventory had not been counted prior to the start of test counts and, in addition, even though the warehouse was neat, the inventory items were not stored together in an orderly manner. Because of this storage condition, two different inventory items were test counted as one item. This error in counts was later corrected. The total effect of the error was \$1,934.
- The Center did not use any type of tagging system during inventory counts to prevent double counting.
- Five out of 16 differences were noted during the Center's June 30, 2008 inmate commissary inventory test count. However, these differences were not corrected before the inventory was finalized on the general ledger. The total effect of the errors was \$45.
- The Center's inventory software, The Inventory Management System (TIMS) did not allocate the cost of freight to the unit cost of inventory items. The effect was undeterminable.
- There was no review of the monthly Receiving Report Reconciliation which reconciles the Accounting Information System (AIS) report of all vouchers paid during the month to the TIMS system report.

Administrative Directive 02.85.110 states "Inventory not already stored by type shall be segregated, by type and description, and arranged in a manner before count begins." The SAMS Procedures 30.60.20 states "The cost of inventory items is the price paid or the consideration given to acquire the inventory items. Included in the cost are all direct and indirect costs incurred during transportation." Additionally, the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) states that all state agencies shall establish and maintain a system or systems, of internal fiscal and administrative controls which shall provide assurance that funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use, and misappropriation.

Center personnel stated low staffing levels have impeded the establishment of appropriate inventory procedures and controls.

A lack of internal controls increases the likelihood that an improper expenditure error, irregularity, or misappropriation of funds could occur and would not be found in the normal course of business. (Finding Code No. 08-1, 06-6)

STATE OF ILLINOIS  
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LIMITED SCOPE COMPLIANCE EXAMINATION  
SCHEDULE OF FINDINGS  
For the Two Years Ended June 30, 2008

Current Findings (Continued)

**Finding 08-1: Inadequate Controls Over Inventory** (Continued)

**Recommendation**

We recommend the Center institute procedures to strengthen controls over inventory and counting procedures.

**Centers Response**

Recommendation accepted. The facility will make every effort to ensure compliance with Departmental policies and statutes on inventory.

STATE OF ILLINOIS  
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LIMITED SCOPE COMPLIANCE EXAMINATION  
SCHEDULE OF FINDINGS  
For the Two Years Ended June 30, 2008

Prior Findings Not Repeated

**A Inaccurate Reporting of Accounts Payable**

Shawnee Correctional Center (Center) did not accurately report Accounts Payable for fiscal years 2005 and 2006. (Finding Code No. 06-1)

Disposition

Recommendation not repeated. The Center appropriately recorded accounts payable at June 30, 2007 and 2008 based on test results.

**B Lack of Independent Review of Payroll Documentation**

Shawnee Correctional Center (Center) payroll vouchers were not independently verified to agree to the approved timesheets. (Finding Code No. 06-2)

Disposition

Recommendation not repeated. The Business Administrator now performs a review of the payroll voucher/reports prior to signing to ensure their accuracy.

**C Inadequate Segregation of Duties Over Property Control**

The Shawnee Correctional Center (Center) did not maintain adequate segregation of duties over property control. (Finding Code No. 06-3)

Disposition

Recommendation not repeated. A Center employee who does not have access to the Property Control System now performs the physical inventory counts of equipment.

**D Inadequate Controls over Locally Held Fund Cash Disbursements**

The Shawnee Correctional Center (Center) did not maintain adequate controls over locally held fund cash disbursements. (Finding Code No. 06-4)

Disposition

Recommendation not repeated. The Center revised the institutional directive to more closely align with the Department of Corrections' Administrative Directive. The Center now requires signatures in compliance with the Administrative Directive.



STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS  
SHAWNEE CORRECTIONAL CENTER  
LIMITED SCOPE COMPLIANCE EXAMINATION  
SCHEDULE OF FINDINGS  
For the Two Years Ended June 30, 2008

Prior Findings Not Repeated *(Continued)*

**E Inadequate Controls over Vending Machine**

Documentation was not available to provide evidence that Shawnee Correctional Center (Center) was collecting Employee Commissary fund vending machine cash under dual control. (Finding Code No. 06-5, 04-3)

Disposition

Recommendation not repeated. The facility now assigns two employees to collect the cash from the vending machines.

INSERT SUPPLEMENTARY INFORMATION TAB HERE

STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS  
SHAWNEE CORRECTIONAL CENTER  
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
- 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
- Shared Resources (not examined)
- Annual Cost Statistics
  - Center Inmate Statistics (not examined)
  - Center Employee Statistics (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 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 Comparative Schedule of Cash Receipts and Deposits, Employee Overtime, Shared Resources, 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.

INSERT SUPPLEMENTARY INFORMATION TAB HERE

STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS  
SHAWNEE CORRECTIONAL CENTER  
LIMITED SCOPE COMPLIANCE EXAMINATION  
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES  
For the Year Ended June 30, 2008

	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 95-348				
<u>GENERAL REVENUE FUND - 001</u>				
Personal services	\$21,861,600	\$1,114,531	\$20,996,510	\$ 865,090
Student, member and inmate compensation	310,800	18,912	310,734	66
State contributions to State Employees' Retirement System	3,629,000	184,744	3,480,906	148,094
State contributions to Social Security	1,554,000	83,281	1,553,984	16
Contractual services	5,235,400	63,735	5,235,400	-
Travel	14,400	13,805	14,347	53
Travel and allowances for committed, paroled and discharged prisoners	75,300	72,416	75,262	38
Commodities	2,555,900	204,701	2,555,800	100
Printing	18,100	15,632	18,046	54
Equipment	3,000	2,903	2,903	97
Telecommunications services	65,000	64,659	64,987	13
Operation of automotive equipment	86,200	82,123	86,174	26
	<u>\$35,408,700</u>	<u>\$1,680,085</u>	<u>\$34,395,053</u>	<u>\$1,013,647</u>
Total - Fiscal Year 2008				

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  
SHAWNEE CORRECTIONAL CENTER  
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 Expenditures July 1, to August 31, 2007	Total Expenditures 14-Months Ended August 31, 2007	Balances Lapsed August 31, 2007
<u>GENERAL REVENUE FUND - 001</u>					
Personal services	\$19,669,600	\$18,690,165	\$ 979,358	\$19,669,523	\$ 77
Student, member and inmate compensation	368,418	338,247	30,121	368,368	50
State contributions to State Employees' Retirement System	2,271,200	2,156,957	112,981	2,269,938	1,262
State contributions to Social Security	1,457,000	1,383,062	72,890	1,455,952	1,048
Contractual services	5,370,877	4,782,787	588,073	5,370,860	17
Travel	14,100	8,801	5,201	14,002	98
Travel and allowances for committed, paroled and discharged prisoners	74,000	71,103	2,773	73,876	124
Commodities	2,367,100	2,293,145	73,727	2,366,872	228
Printing	16,600	16,568	-	16,568	32
Equipment	2,200	2,188	-	2,188	12
Telecommunications services	80,300	64,590	15,710	80,300	-
Operation of automotive equipment	92,809	76,955	13,533	90,488	2,321
	<u>\$31,784,204</u>	<u>\$29,884,568</u>	<u>\$1,894,367</u>	<u>\$31,778,935</u>	<u>\$5,269</u>
Total - Fiscal Year 2007					

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  
SHAWNEE CORRECTIONAL CENTER  
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. 95-348	P.A. 94-798	P.A. 94-0015
GENERAL REVENUE FUND - 001			
Appropriations (net of transfers)	<u>\$35,408,700</u>	<u>\$31,784,204</u>	<u>\$30,358,400</u>
EXPENDITURES			
Personal services	20,996,510	19,669,523	18,750,334
Employee retirement contributions paid by employer	-	-	240,698
Student, member and inmate compensation	310,734	368,368	361,592
State contributions to State Employees' Retirement System	3,480,906	2,269,938	1,461,202
State contributions to Social Security	1,553,984	1,455,952	1,385,566
Contractual services	5,235,400	5,370,860	5,420,371
Travel	14,347	14,002	15,733
Travel and allowances for committed, paroled and discharged prisoners	75,262	73,876	93,851
Commodities	2,555,800	2,366,872	2,355,026
Printing	18,046	16,568	18,352
Equipment	2,903	2,188	13,402
Telecommunications services	64,987	80,300	48,264
Operation of automotive equipment	<u>86,174</u>	<u>90,488</u>	<u>90,719</u>
Total Expenditures	<u>34,395,053</u>	<u>31,778,935</u>	<u>30,255,110</u>
LAPSED BALANCES	<u>\$ 1,013,647</u>	<u>\$ 5,269</u>	<u>\$ 103,290</u>

STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS  
SHAWNEE CORRECTIONAL CENTER  
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 inmates and to pay out inmate Trust Fund balances under \$50 upon inmates being paroled or discharged. The Travel and Allowance Revolving Fund is replenished from the Center's Inmate Benefit Fund account and the Trust Fund. The Center's Inmate 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 Employees' Commissary Fund and Residents' Commissary Fund are used to maintain stores for selling food, candy, health and beauty aids and other personal items. The inmate commissary sells solely to inmates and the employees' commissary sells to employees. Profits derived from commissary 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 Inmate 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 and equipment for inmates 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 with the Residents' Benefit Fund account at the General Office that records their specific transactions.

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 fiscal years 2008 and 2007 will be presented in the General Office Compliance Report for the two years ending June 30, 2008.



STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS  
SHAWNEE CORRECTIONAL CENTER  
LIMITED SCOPE COMPLIANCE EXAMINATION  
DESCRIPTION OF LOCALLY HELD FUNDS  
For the Two Years Ended 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 inmates while incarcerated at the Center. Receipts and disbursements of the inmates are recorded in each inmate's individual account within the Residents' Trust Fund.

STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS  
SHAWNEE CORRECTIONAL CENTER  
LIMITED SCOPE COMPLIANCE EXAMINATION  
SCHEDULE OF LOCALLY HELD FUNDS - SPECIAL REVENUE FUNDS  
For the Year Ended June 30, 2008

	<u>Employees'</u> <u>Commissary</u> <u>Fund</u>	<u>Residents'</u> <u>Commissary</u> <u>Fund</u>	<u>Employees'</u> <u>Benefit</u> <u>Fund</u>
<u>REVENUES</u>			
Income from sales	\$ 150,325	\$ 1,419,506	\$ 3,071
Interest / investment income	53	1,175	7
Miscellaneous:			
Other	-	-	91
Donations	-	-	5,227
 Total Revenues	 <u>150,378</u>	 <u>1,420,681</u>	 <u>8,396</u>
<u>EXPENDITURES</u>			
Purchases	144,726	1,168,188	325
General and administrative	2,964	1,030	9,027
Donations	-	-	1,569
 Total Expenditures	 <u>147,690</u>	 <u>1,169,218</u>	 <u>10,921</u>
 Excess (Deficiency) of Revenues Over (Under) Expenditures	 <u>2,688</u>	 <u>251,463</u>	 <u>( 2,525)</u>
<u>OTHER FINANCING SOURCES</u>			
Transfers in	-	-	1,001
Transfers (out)	( 2,688)	( 251,463)	-
 Total Other Financing Sources	 <u>( 2,688)</u>	 <u>( 251,463)</u>	 <u>1,001</u>
 Net Change in Fund Balance	 -	 -	 ( 1,524)
 FUND BALANCE, July 1, 2007	 <u>-</u>	 <u>-</u>	 <u>16,887</u>
 FUND BALANCE, June 30, 2008	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ 15,363</u>

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

STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS  
SHAWNEE CORRECTIONAL CENTER  
LIMITED SCOPE COMPLIANCE EXAMINATION  
SCHEDULE OF LOCALLY HELD FUNDS - SPECIAL REVENUE FUNDS  
For the Year Ended June 30, 2007

	Employees' Commissary Fund	Residents' Commissary Fund	Employees' Benefit Fund
	<u>          </u>	<u>          </u>	<u>          </u>
<u>REVENUES</u>			
Income from sales	\$ 162,538	\$ 1,584,301	\$ 6,034
Interest / investment income	49	2,065	9
Miscellaneous:			
Other	-	-	364
Donations	-	-	3,984
	<u>          </u>	<u>          </u>	<u>          </u>
Total Revenues	<u>162,587</u>	<u>1,586,366</u>	<u>10,391</u>
<u>EXPENDITURES</u>			
Purchases	148,917	1,291,885	1,288
General and administrative	3,120	345	3,517
Donations	-	-	3,916
	<u>          </u>	<u>          </u>	<u>          </u>
Total Expenditures	<u>152,037</u>	<u>1,292,230</u>	<u>8,721</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>10,550</u>	<u>294,136</u>	<u>1,670</u>
<u>OTHER FINANCING SOURCES</u>			
Transfers in	-	-	4,295
Transfers (out)	( 10,550)	( 294,136)	-
	<u>          </u>	<u>          </u>	<u>          </u>
Total Other Financing Sources	<u>( 10,550)</u>	<u>( 294,136)</u>	<u>4,295</u>
Net Change in Fund Balance	-	-	5,965
FUND BALANCE, July 1, 2006	<u>-</u>	<u>-</u>	<u>10,922</u>
FUND BALANCE, June 30, 2007	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,887</u>

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

STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS  
SHAWNEE CORRECTIONAL CENTER  
LIMITED SCOPE COMPLIANCE EXAMINATION  
SCHEDULE OF LOCALLY HELD FUNDS - CASH BASIS  
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	\$ -	\$ 41,681	\$ -	\$ 62,232
RECEIPTS				
Investment income	-	506	-	462
Inmate account receipts	-	1,299,657	-	1,833,704
Appropriations from general revenue fund	<u>75,262</u>	<u>-</u>	<u>73,876</u>	<u>-</u>
Total Receipts	<u>75,262</u>	<u>1,300,163</u>	<u>73,876</u>	<u>1,834,166</u>
DISBURSEMENTS				
Inmate account disbursements	-	1,187,554	-	1,854,255
Disbursements for released inmates	<u>75,262</u>	<u>-</u>	<u>73,876</u>	<u>-</u>
Total Disbursements	<u>75,262</u>	<u>1,187,554</u>	<u>73,876</u>	<u>1,854,255</u>
FUND TRANSFERS				
Fund transfers (out)	<u>-</u>	<u>( 506)</u>	<u>-</u>	<u>( 462)</u>
Total Transfers	<u>-</u>	<u>( 506)</u>	<u>-</u>	<u>( 462)</u>
BALANCE - June 30	<u>\$ -</u>	<u>\$ 153,784</u>	<u>\$ -</u>	<u>\$ 41,681</u>

Note: Schedule is presented on the cash basis of accounting

STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS  
SHAWNEE CORRECTIONAL CENTER  
LIMITED SCOPE COMPLIANCE EXAMINATION  
SCHEDULE OF CHANGES IN STATE PROPERTY  
For the Years Ended June 30,

	2008				2007					
	Land	Buildings	Equipment	Land Improvements	Total	Land	Buildings	Equipment	Land Improvements	Total
BALANCE, Beginning	\$ 158,396	\$ 43,151,481	\$ 3,380,247	\$ 247,443	\$ 46,937,567	\$ 158,396	\$ 42,824,294	\$ 3,441,023	\$ 247,443	\$ 46,671,156
ADDITIONS:										
Purchases	-	-	30,594	-	30,594	-	-	7,647	-	7,647
Transfers-in	-	-	292,566	-	292,566	-	-	42,594	-	42,594
Capital development board	-	788,285	-	-	788,285	-	327,187	-	-	327,187
Employees' commissary fund	-	-	-	-	-	-	-	-	-	-
Employees' benefit fund	-	-	-	-	-	-	-	-	-	-
Residents' commissary fund	-	-	-	-	-	-	-	-	-	-
Residents' benefit fund	-	-	4,480	-	4,480	-	-	2,906	-	2,906
Donations	-	-	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-	-
Total Additions	-	788,285	327,640	-	1,115,925	-	327,187	53,147	-	380,334
DEDUCTIONS:										
Transfers-out	-	18,885	-	-	18,885	-	-	5,583	-	5,583
Scrap property	-	48,833	-	-	48,833	-	-	108,162	-	108,162
Surplus property	-	-	-	-	-	-	-	-	-	-
Condemned and lost property	-	-	-	-	-	-	-	-	-	-
Adjustment	-	-	-	-	-	-	-	178	-	178
Total Deductions	-	67,718	-	-	67,718	-	-	113,923	-	113,923
BALANCE, Ending	\$ 158,396	\$ 43,872,048	\$ 3,707,887	\$ 247,443	\$ 47,985,774	\$ 158,396	\$ 43,151,481	\$ 3,380,247	\$ 247,443	\$ 46,937,567

Note: 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  
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SHAWNEE CORRECTIONAL CENTER  
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	\$ 205	\$ 413	\$ 203
Inmate restitution	-	-	13,900
Dormant inmate accounts	6,902	11,514	-
Contraband cash	105	-	-
Miscellaneous	31	-	1,449
TOTAL RECEIPTS	<u>\$ 7,243</u>	<u>\$ 11,927</u>	<u>\$ 15,552</u>
<u>REMITTANCES</u>			
General Revenue Fund - 001	\$ 7,243	\$ 11,927	\$ 1,652
Department of Corrections			
Reimbursement Fund - 523	-	-	13,900
TOTAL RECEIPTS REMITTED DIRECTLY TO STATE TREASURER	<u>\$ 7,243</u>	<u>\$ 11,927</u>	<u>\$ 15,552</u>
<u>DEPOSITS</u>			
Receipts recorded by Center	\$ 7,243	\$ 11,927	\$ 1,652
Add: Deposits in transit - Beginning of year	-	30	100
Deduct: Deposits in transit - End of year	-	-	( 30)
DEPOSITS RECORDED BY THE STATE COMPTROLLER	<u>\$ 7,243</u>	<u>\$ 11,957</u>	<u>\$ 1,722</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.

STATE OF ILLINOIS  
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SHAWNEE CORRECTIONAL CENTER  
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 JUNE 30</u>		<u>INCREASE (DECREASE)</u>	
	<u>2008</u>	<u>2007</u>	<u>AMOUNT</u>	<u>%</u>
State contributions to State Employees' Retirement System	\$3,480,906	\$2,269,938	\$1,210,968	53.3%
Equipment	\$ 2,903	\$ 2,188	\$ 715	32.7%

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

State Contributions to State Employees' Retirement System

The increase in state contributions to state employees' retirement system was due to the overall increase of the state employee retirement rate.

Equipment

Equipment expenditures for each fiscal year are based on equipment items and funding approved by the central office.

STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS  
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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 JUNE 30</u>		<u>INCREASE (DECREASE)</u>	
	<u>2007</u>	<u>2006</u>	<u>AMOUNT</u>	<u>%</u>
Employee retirement contributions paid by employer	\$ -	\$ 240,698	(\$240,698)	(100.0%)
State contributions to State Employees' Retirement System	\$2,269,938	\$1,461,202	\$808,736	55.3%
Travel and allowances for committed, paroled and discharged prisoners	\$ 73,876	\$ 93,851	(\$ 19,975)	(21.3%)
Equipment	\$ 2,188	\$ 13,402	(\$ 11,214)	(83.7%)
Telecommunications services	\$ 80,300	\$ 48,264	\$ 32,036	66.4%

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

Employee retirement contributions paid by employer

After fiscal year 2006, the employer suspended paying employee retirement contributions.

State contributions to State Employees' Retirement System

The increase in state contributions to state employees' retirement system was due to the overall increase of the state employee retirement rate.

Travel and allowances for committed, paroled and discharged prisoners

There were 317 more inmates released in 2006 than in 2007.

Equipment

Equipment expenditures for each fiscal year are based on equipment items and funding approved by the central office.

Telecommunications service

Expenditures were abnormally low in 2006 because \$28,643.65 of expenditures charged to 2007 were "catch up" billing due to lack of funds.



STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS  
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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 no appropriation line items with significant (20% or more) lapse period expenditures for the Fiscal Year Ended June 30, 2008.

<u>EXPENDITURE ITEM</u>	<u>Fiscal Year Ended June 30, 2008</u>		
	<u>TOTAL EXPENDITURES</u>	<u>LAPSE PERIOD EXPENDITURES</u>	<u>PERCENTAGE</u>
None			

STATE OF ILLINOIS  
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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 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, 2007</u>		
	<u>TOTAL EXPENDITURES</u>	<u>LAPSE PERIOD EXPENDITURES</u>	<u>PERCENTAGE</u>
Travel	\$ 14,002	\$ 5,201	37.1%

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

Travel

The difference in travel lapse period expenditures is due to one voucher in the amount of \$3,929.40 which was approved in July 2008 for lodging expenses for a temporary appointment employee.

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LIMITED SCOPE COMPLIANCE EXAMINATION  
SCHEDULE OF CHANGES IN INVENTORIES  
Two Years Ended June 30, 2008

	Balance July 1, 2007	Additions	Deletions	Balance June 30, 2008
<b>GENERAL REVENUE FUND</b>				
General stores	\$ 188,422	\$ 1,024,897	\$ 1,059,027	\$ 154,292
Mechanical stores	23,799	69,434	74,336	18,897
Resident/inmate clothing	31,806	190,155	181,293	40,668
Officers' clothing	-	19,678	19,678	-
Office supplies	11,241	46,841	41,918	16,164
Surplus inventory	-	-	-	-
	<u>\$ 255,268</u>	<u>\$ 1,351,005</u>	<u>\$ 1,376,252</u>	<u>\$ 230,021</u>

<b>LOCAL FUNDS</b>				
Employees' commissary fund	\$ 7,878	\$ 144,726	\$ 144,563	\$ 8,041
Residents' commissary fund	112,711	1,168,188	1,171,230	109,669
	<u>\$ 120,589</u>	<u>\$ 1,312,914</u>	<u>\$ 1,315,793</u>	<u>\$ 117,710</u>

	Balance July 1, 2006	Additions	Deletions	Balance June 30, 2007
<b>GENERAL REVENUE FUND</b>				
General stores	\$ 192,482	\$ 2,061,427	\$ 2,065,487	\$ 188,422
Mechanical stores	34,391	82,557	93,149	23,799
Resident clothing	39,089	237,440	244,723	31,806
Officers' clothing	-	23,434	23,434	-
Office supplies	9,306	47,143	45,208	11,241
Postage	16,723	-	16,723	-
Surplus inventory	1,777	-	1,777	-
	<u>\$ 293,768</u>	<u>\$ 2,452,001</u>	<u>\$ 2,490,501</u>	<u>\$ 255,268</u>

<b>LOCAL FUNDS</b>				
Employees' commissary fund	\$ 6,436	\$ 148,917	\$ 147,475	\$ 7,878
Residents' commissary fund	103,860	1,291,885	1,283,034	112,711
	<u>\$ 110,296</u>	<u>\$ 1,440,802</u>	<u>\$ 1,430,509</u>	<u>\$ 120,589</u>

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

INSERT ANALYSIS OF OPERATIONS TAB HERE

STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS  
SHAWNEE CORRECTIONAL CENTER  
LIMITED SCOPE COMPLIANCE EXAMINATION  
ANALYSIS OF OPERATIONS  
For the Two Years Ended June 30, 2008

CENTER FUNCTIONS AND PLANNING PROGRAM

**Introduction**

The Shawnee Correctional Center (Center) receives General Revenue Fund appropriations for the ordinary and necessary expenditures of both the Center and Hardin Country Work Camp (Work Camp).

**Center Function**

The Center is a Level 3 (high medium) security institution located in Johnson County, seven miles east of Vienna, Illinois and is adjacent to the Vienna Correctional Center. The Center, which opened July 1, 1984, assumed fiscal responsibility for the Hardin County Work Camp on March 1, 1991. The official rated capacity of the Center and Work Camp is 1,046 adult male residents.

The mission of the Center is to provide for the protection of society through the humane and secure incarceration of adult male offenders, based upon the foundation of legislative and judicial decisions. The Center's administration is committed toward instilling responsibility and mature decision-making in its inmates. By providing extensive and high quality educational programs, work assignment opportunities, public service, leisure time activities and religious avenues, the Center is expected to go far beyond the provision of the minimum necessities of food, sanitation, clothing, housing and medical services to the inmates of the facility.

The Center is accredited by the American Correctional Association.

The Warden from April 1, 2006 to August 14, 2006 was Jay Merchant. The Acting Warden from August 14, 2006 to October 16, 2007 was Dan Austin. The current Warden is Jody Hathaway. The Center's address is Shawnee Correctional Center, 6665 State Road 146 East, Vienna, Illinois 62995.

**Center Planning Program**

Goals and objectives for the Center are developed at the Central Office of the Illinois Department of Corrections.

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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 Ending June 30,		
	<u>2008</u>	<u>2007</u>	<u>2006</u>
Administrative	6	7	11
Business office and stores	12	13	18
Clinical services	19	24	13
Work Camp	47	51	54
Recreation	1	1	1
Maintenance	11	9	9
Laundry	1	1	1
Correctional Officers	229	236	218
Dietary	17	16	13
Medical/Psychiatric	1	1	1
Religion	1	1	0
Secretary/Records/Clerical	<u>8</u>	<u>8</u>	<u>18</u>
Total	<u>353</u>	<u>368</u>	<u>357</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		
New Correctional Officers hired	233	218
Correctional Officers transferred-in	2	11
Correctional Officers transferred-out	1	3
Correctional Officers separated from Department	0	0
Correctional Officers, end of the year	<u>0</u>	<u>1</u>
	<u>236</u>	<u>233</u>

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

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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	14,181	11,822	7,955
Value of overtime hours worked during fiscal year	<u>\$610,876</u>	<u>\$479,334</u>	<u>\$318,948</u>
Compensatory hours earned during fiscal year	16,725	15,199	14,172
Value of compensatory hours earned during fiscal year	<u>\$451,271</u>	<u>\$389,937</u>	<u>\$348,354</u>
Total paid overtime hours and earned compensatory hours during fiscal year	30,906	27,021	22,127
Total value of paid overtime hours and earned compensatory hours during fiscal year	<u>\$1,062,147</u>	<u>\$869,271</u>	<u>\$667,302</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.

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INMATE COMMISSARY OPERATION (Continued)

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 inmate commissaries at all Centers discontinued selling 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, 2008 and 2007 are presented on pages 20 and 21 of this report.

As part of our testing, 20 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, beginning January 2006, the Center began first marking items up 7% per a Department of Corrections Central Office policy to use full absorption costing. The Center was directed to mark items up by the 7% overhead rate and then to mark the items up by the statutorily mandated 25%. This methodology for determining the cost of goods to be resold in the commissaries exceeds the statutorily allowed mark-up and should be reduced to agree with SAMS and statutory provisions. This exception is reported in the State of Illinois Department of Corrections – General Compliance Examination Report for the two years ended June 30, 2008.

SHARED RESOURCES (not examined)

The Center shared utility costs with Vienna Correctional Center for the fiscal year 2008 and 2007. The Center and Vienna Correctional Center each pay one half of the utility bill from Ameren CIPS and University of Illinois. The Center's shared utility costs for fiscal year 2008 and 2007 from Ameren CIPS were \$22,117 and \$364,222, respectively. The Center's shared utility cost for fiscal year 2008 from the University of Illinois was \$369,297.

The Center shared the cost of a portable toilet with Vienna Correctional Center for fiscal year 2008 and 2007. The Center paid six months of the contract and Vienna Correctional Center paid the other six months. The Center's portion of this contract for fiscal year 2008 and 2007 was \$358 and \$355, respectively.

Vienna Correctional Center loaned the Center an Executive Secretary I for 19 days during fiscal year 2008. While on loan, the employee spent all their time working at the Center but was paid \$3,505 from Vienna Correctional Center's appropriation.

Vienna Correctional Center loaned the Center a Warden for 46 days during fiscal year 2008. While on loan, the employee spent all their time working at the Center but was paid \$13,344 from Vienna Correctional Center's appropriation.



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SHARED RESOURCES (not examined) (Continued)

The Center loaned Vienna Correctional Center a Superintendent during fiscal year 2007 for 173 days. While on loan, the employee spent all their time working at Vienna Correctional Center but was paid \$47,301 from Shawnee Correctional Center's appropriation.

The Center loaned Vienna Correctional Center an Assistant Warden of Operations during fiscal year 2007 for 43 days. While on loan, the employee spent all their time working at Vienna Correctional Center but was paid \$12,154 from Shawnee Correctional Center's appropriation.

The Center loaned Vienna Correctional Center an Assistant Warden of Operations during fiscal year 2008 and fiscal year 2007 for 93 and 40 days, respectively. While on loan, the employee spent all their time working at Vienna Correctional Center but was paid \$26,286 in fiscal year 2008 and \$11,306 in fiscal year 2007 from Shawnee Correctional Center's appropriation.

The Center loaned Vienna Correctional Center an Executive Secretary III during fiscal year 2008 and fiscal year 2007 for 79 and 47 days, respectively. While on loan, the employee spent all their time working at Vienna Correctional Center but was paid \$16,138 in fiscal year 2008 and \$9,601 in fiscal year 2007 from Shawnee Correctional Center's appropriation.

CENTER INMATE STATISTICS (not examined)

Comparative costs of inmate 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	<u>1,046</u>	<u>1,046</u>	<u>1,046</u>
Inmate population (as of May 31)	<u>1,930</u>	<u>1,994</u>	<u>2,003</u>
Average number of inmates	<u>1,944</u>	<u>1,999</u>	<u>1,998</u>
Expenditures from appropriations	<u>\$34,395,052</u>	<u>\$31,778,935</u>	<u>\$30,255,110</u>
Less-equipment and capital improvements	\$2,903	\$2,188	\$13,402
Net expenditures	<u>\$34,392,149</u>	<u>\$31,776,747</u>	<u>\$30,241,708</u>
Net inmate cost per year	<u>\$17,691</u>	<u>\$15,896</u>	<u>\$15,136</u>

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CENTER INMATE STATISTICS (not examined) (Continued)

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

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

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	<u>353</u>	<u>368</u>	<u>357</u>
Average number of correctional officers	<u>229</u>	<u>236</u>	<u>286</u>
Average number of inmates	<u>1,944</u>	<u>1,999</u>	<u>1,998</u>
Ratio of employees to inmates	<u>1 to 5.5</u>	<u>1 to 5.4</u>	<u>1 to 5.6</u>
Ratio of correctional officers to inmates	<u>1 to 8.5</u>	<u>1 to 8.5</u>	<u>1 to 7.0</u>

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

	Fiscal Year	
	<u>2008</u>	<u>2007</u>
Number of assaults on staff	12	6

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>2008</u>	<u>2007</u>	<u>2006</u>
Approximate Square Foot Per Inmate	<u>34</u>	<u>33</u>	<u>32</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>2008</u>	<u>2007</u>	<u>2006</u>
Breakfast	512,967	436,049	488,097
Lunch	694,679	691,487	689,848
Dinner	700,158	693,196	702,172
Staff meals	<u>37,142</u>	<u>33,823</u>	<u>40,771</u>
Total Meals Served	1,944,946	1,854,555	1,920,888
Food Cost	<u>\$2,059,874</u>	<u>\$1,831,931</u>	<u>\$1,921,479</u>
Cost Per Meal	<u>\$1.06</u>	<u>\$0.99</u>	<u>\$1.00</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		
	<u>2008</u>	<u>2007</u>	<u>2006</u>
Medical Services:			
HPL	\$ -	\$ -	\$2,051,856
Wexford Health	4,016,397	4,131,012	2,220,325
Levaughn, Mark M., M.D.	-	-	1,375
Brain and Neurospine	-	-	1,000
KPS Kamath, MD	-	450	400
Williamson County Coroner's Office	-	100	300
Forest Park Medical	-	-	175
American Institute of Toxicology	-	-	165
Killian and Associates	<u>-</u>	<u>1,586</u>	<u>-</u>
	<u>\$4,016,397</u>	<u>\$4,133,148</u>	<u>\$4,275,596</u>
Clergy Services:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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SERVICE EFFORTS AND ACCOMPLISHMENTS (not examined)

Noteworthy accomplishments occurring during fiscal year 2007 at Shawnee Correctional Center and Hardin County Work Camp are detailed as follows:

- A total of 61 formal employee grievances were processed.
- Six cases were referred to the County State's Attorney for possible prosecution.
- A total of 62 GED certificates, 100 ABE certificates, 29 Commercial Custodian certificates, and 6 Associates of Liberal Arts Degrees were awarded to offenders.
- Hardin County Work Camp offenders provided 42,512 hours of community service
- In cooperation with the adjacent Vienna Correctional Center, American Red Cross blood drives for staff were hosted quarterly.

Noteworthy accomplishment occurring during fiscal year 2008 at Shawnee Correctional Center and Hardin County Work Camp are detailed as follows:

- A total of 39 formal grievances were processed.
- Ten cases were referred to the County State's Attorney for possible prosecution.
- A total of 69 GED certificates, 69 ABE certificates, 30 Commercial Custodian certificates, 28 Construction Occupations certificates, 23 Automotive Technology certificates, and 2 Associate of Liberal Arts Degrees were award to offenders during the period. A job preparation class was begun at both the main facility and the work camp to assist offenders nearing release with computer, resume writing, and job interviewing skills.
- Hardin County Work Camp offenders provided 37,824 hours of community service.
- In cooperation with the adjacent Vienna Correctional Center, American Red Cross blood drives for the staff were hosted quarterly.