

STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS

TAMMS 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  
TAMMS CORRECTIONAL CENTER  
LIMITED SCOPE COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2008

**TABLE OF CONTENTS**

	<u>Page</u>
Center Officials	2
Management Assertion Letter	3
Compliance Report	
Summary	4
Accountants' Report	
Independent Accountants' Report on State Compliance, on Internal Control Over Compliance, and on Supplementary Information for State Compliance Purposes	6
Schedule of Findings	
Current Findings	10
Prior Findings Not Repeated	17
Supplementary Information for State Compliance Purposes	
Summary	18
Fiscal Schedules and Analysis	
Schedule of Appropriations, Expenditures and Lapsed Balances	19
Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances	21
Description of Locally Held Funds	22
Schedule of Locally Held Funds	24
Schedule of Changes in State Property (not examined)	27
Comparative Schedule of Cash Receipts and Deposits (not examined)	28
Analysis of Significant Variations in Expenditures	29
Analysis of Significant Lapse Period Spending	31
Schedule of Changes in Inventories (not examined)	33
Analysis of Operations	
Center Functions and Planning Program	34
Average Number of Employees	36
Employee Overtime (not examined)	37
Inmate Commissary Operation	37
Annual Cost Statistics	
Center Inmate Statistics (not examined)	38
Center Employee Statistics (not examined)	39
Cell Square Feet Per Inmate (not examined)	39
Food Services (not examined)	40
Medical and Clergy Service Contracts (not examined)	40
Service Efforts and Accomplishments (not examined)	41

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

**CENTER OFFICIALS**

Warden (Acting 11/01/08 - Current)	Ms. Yolande Johnson
Warden (4/1/07 to 10/31/08)	Mr. Ken Bartley
Warden (8/16/06 to 3/31/07)	Mr. Jay Merchant
Warden (7/1/06 to 8/15/06)	Mr. Terry McCann
Assistant Warden – Programs (4/16/08 - Current)	Mr. Robin Dillon
Assistant Warden – Programs (8/14/06 to 4/15/08)	Vacant
Assistant Warden – Programs (7/1/06 to 8/13/06)	Mr. Gregory Lambert
Assistant Warden – Operations (8/14/06 -Current)	Mr. Gregory Lambert
Assistant Warden – Operations (7/1/06 to 8/13/06)	Vacant
Business Office Administrator (9/2/08 -Current)	Ms. Jackie Pritchett
Business Office Administrator (5/1/08 to 9/1/08)	Vacant
Business Office Administrator (7/1/06 to 4/30/08)	Ms. Gloria Shupe

The Center is located at:

200 Supermax Road  
Tamms, Illinois 62988



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

**PAT QUINN**  
Governor

**Roger E. Walker Jr.**  
Director

Tamms Correctional Center / 8500 Super Max Road, Tamms, IL 62988 / Telephone: (618) 747-2042 / TDD: (800) 526-0844

MANAGEMENT ASSERTION LETTER

Martin & Shadid CPAs, P.C.  
3810 N. Prospect Rd.  
Peoria, IL 61614

March 9, 2009


Ladies and Gentlemen:

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,

Tamms Correctional Center

  
Yolande Johnson, Acting Warden

  
Jackie Pritchett, Business Administrator

STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS  
TAMMS 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 contains certain 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	4	0
Repeated findings	0	0
Prior recommendations implemented or not repeated	0	1

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

**SCHEDULE OF FINDINGS**

CURRENT FINDINGS

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
08-1.	10	Inadequate Controls over Employee Commissary Fund General Ledger	Material Noncompliance and Material Weakness
08-2.	12	Failure to Transfer Employee Commissary Fund Profits	Material Noncompliance and Material Weakness
08-3.	14	Failure to Properly Transfer Unclaimed Inmate Cash Account Balances	Noncompliance and Significant Deficiency
08-4.	16	Inadequate Segregation of Duties	Noncompliance and Significant Deficiency

## **EXIT CONFERENCE**

Center management waived having an exit conference per an email correspondence dated February 23, 2009. Responses to the recommendations were provided by Mary Ann Bohlen, Supervisor of Central Accounting, per correspondence dated February 23, 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 Corrections – Tamms 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 – Tamms Correctional Center is responsible for compliance with these requirements. Our responsibility is to express an opinion on the State of Illinois Department of Corrections – Tamms Correctional Center's compliance based on our examination.

- A. The State of Illinois Department of Corrections – Tamms 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 – Tamms 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 – Tamms 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 – Tamms 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 – Tamms Correctional Center on behalf of the State or held in trust by the State of Illinois Department of Corrections – Tamms 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 – Tamms 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 – Tamms Correctional Center's compliance with specified requirements.

As described in Finding Code No. 08-1 and 08-2 in the accompanying Schedule of Findings, the State of Illinois Department of Corrections – Tamms Correctional Center did not materially comply with requirements regarding maintaining the Employee's Commissary Fund, a locally held fund, in accordance with all applicable laws and regulations and that the accounting and recordkeeping relating thereto is not proper, accurate, and in accordance with law. Compliance with such requirements is necessary, in our opinion, for the State of Illinois Department of Corrections – Tamms 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 – Tamms 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. However, the results of our procedures disclosed other instances of noncompliance, 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 No. 08-3 and 08-4.

### **Internal Control**

The management of the State of Illinois Department of Corrections – Tamms 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 – Tamms Correctional Center’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 Corrections – Tamms Correctional Center’s internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the State of Illinois Department of Corrections – Tamms Correctional Center’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. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies and other deficiencies 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 deficiencies in internal control over compliance as described in the accompanying Schedule of Findings as Finding Code No. 08-1, 08-2, 08-3, and 08-4 to be significant deficiencies.

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 and 08-2 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 Corrections – Tamms Correctional Center’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 Corrections – Tamms Correctional Center’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 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.

*Martin & Shadid, CPAs, P.C.*

**March 9, 2009**

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

Current Findings

08-1. **FINDING** (Inadequate Controls Over Employee Commissary Fund General Ledger)

Tamms Correctional Center (Center) did not exercise adequate control over its locally held Employee Commissary Fund general ledger. The Center established an Employee Commissary Fund during fiscal year 2007.

During our testing, we noted the following:

- The ending inventory balances per the Balance Sheets as of June 30, 2007 and June 30, 2008 were \$(565) and \$(20,160), respectively. However, based upon the Center's year-end physical inventories, the balances on hand were \$7,504 and \$2,393, respectively. The errors that caused an understatement in inventory also resulted in an overstatement of miscellaneous expenses and an understatement of profit.
- The ending loans payable balances per the Balance Sheets as of June 30, 2007 and June 30, 2008 were also inaccurate. In fiscal year 2007, the Employee Benefit Fund loaned the Employee Commissary Fund \$13,500 to pay for start-up costs. No inter-fund reconciliations were performed at year-end and therefore the payable balance in the commissary fund did not agree to the corresponding receivable balance in the benefit fund. The outstanding loan balances should have been \$12,460 and \$11,760 as of June 30, 2007 and June 30, 2008, respectively.
- The ending accounts payable balance per the Balance Sheet as of June 30, 2007 was zero. However, during our testing of this fund, we noted one invoice that had been improperly recorded in the Fund Accounting & Commissary Trading System (FACTS) resulting in an understatement of accounts payable by \$589. Our testing revealed accounts payable as of June 30, 2008 was accurately reported.

The Illinois Department of Corrections Administrative Directives (Directives) (02.40.104) state the "reconciliation of the locally held fund, general ledger, and subsidiary accounts shall occur monthly after the fund checking account has been reconciled and after General Ledger posting is completed." Good internal controls also require all balance sheet accounts be reconciled to supporting documentation.

Center officials stated these errors were a result of Business Office personnel improperly entering transactions into the Fund Accounting and Commissary Trading System (FACTS). This began after the Accountant Advanced left and duties were reassigned to other Business Office personnel.

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

The Central Office in Springfield utilizes the Center's General Ledger for financial reporting and decision-making. Failure by the Center to accurately report account balances will result in errors in the Department's financial information. (Finding Code No. 08-1)

RECOMMENDATION

We recommend the Center strengthen internal controls over the general ledger to ensure accurate financial information is reported to the Central Office.

CENTER RESPONSE

Recommendation implemented. The exceptions noted were errors due to staff turnover and reassignment.

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

08-2. **FINDING** (Failure to Transfer Employee Commissary Fund Profits)

Tamms Correctional Center (Center) did not transfer Employee Commissary Fund profits as required by State statute.

We noted the following exceptions during our examination:

- The ending Due to Employee Benefit Fund-Profit balances per the Balance Sheet as of June 30, 2007 and June 30, 2008 were \$(18,592) and \$(35,888), respectively. This account should represent the 40% of net commissary profits accrued to the Employee Benefit Fund. However, due to the understatement of profits, as noted in Finding Code No. 08-1, the automatic monthly entries generated by the Fund Accounting & Commissary Trading System (FACTS) resulted in negative amounts.
- No transfers of employee commissary profits were made to the Department of Corrections during fiscal year 2007 or 2008. Improper recording of transactions resulted in erroneous net losses of \$1,658 and \$1,101 as of June 30, 2007 and June 30, 2008, respectively. The commissary may have generated a profit, however due to the numerous bookkeeping errors; statutorily required transfers were not made.

The Unified Code of Corrections (730 ILCS 5/3-4-3(c)) states forty percent of the profits on sales from commissary stores shall be expended by the Department for the special benefit of employees. Additionally, the Department's Administrative Directive 02.44.110 requires 40% of commissary profits be accrued to the Employee Benefit Fund and 60% of profits be transferred to the Department of Corrections 523-Salary Reimbursement Fund.

Center officials stated these errors were a result of Business Office personnel improperly entering transactions into the Fund Accounting & Commissary Trading System (FACTS).

Failure by the Center to accurately report account balances will result in errors in the Department's financial information. Furthermore, failing to properly transfer commissary profits is noncompliance with Administrative Directives and could result in a loss of revenue to the State. (Finding Code No. 08-2)

**RECOMMENDATION**

We recommend the Center properly record commissary transactions and transfer the required percentage of profits from employee commissary operations to the Department of Corrections.

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

CENTER RESPONSE

Recommendation implemented. The exceptions noted were due to the general ledger errors resulting from the staff turnover and reassignment.

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

08-3. **FINDING** (Failure to Properly Transfer Unclaimed Inmate Cash Account Balances)

Tamms Correctional Center (Center) did not take appropriate action to ensure that dormant account balances were properly transferred to the General Revenue Fund (GRF).

The Unified Code of Corrections (Code) requires the Department to establish accounting records with individual accounts for each inmate (730 ILCS 5/3-4-3(a)). In addition, the Code (730 ILCS 5/3-4-3(b)) requires any money held in accounts of a committed person, upon release from the Department by death, discharge, or unauthorized absence and unclaimed for a period of one year thereafter by the person or his legal representative to be transmitted to the State Treasurer who shall deposit it into the GRF. Further, Illinois Department of Corrections Administrative Directives (Directive) (02.42.106) require, upon determination of dormant accounts, that the Business Administrator prepare a list, which includes the account numbers, inmates' names, identification numbers, account balances and a memorandum requesting permission to transfer the balances to the GRF.

We noted the Center improperly offset Inmate Trust Fund accounts with positive cash balances against accounts with negative balances prior to transfer of unclaimed cash balances to the GRF. Our testing of the June 2008 dormant accounts noted dormant accounts totaling \$158 were not transferred to the GRF.

Center management stated their internal policy for dormant accounts is to only transfer positive balances which exceed negative balances in total for all inmate accounts. Negative inmate account balances for the June 2008 test period were \$171. One transfer of \$110 was made during fiscal year 2007. There were no transfers during fiscal year 2008.

There were various causes for negative balances, such as restitution for damages and charges for requested legal copies or postage, which could not, according to Department rules, be denied even if the inmate's trust account had an insufficient balance. The majority of negative balances did not involve cash distributions from the Inmate Trust Fund, but represented amounts the Center paid from the GRF or other funds and can only be recouped if cash is available in the individual inmate's account.

However, there are instances where cash payments are made to inmates in excess of their balance, which creates a negative balance. In these instances, offsetting negative account balances against other accounts in the Inmate Trust Fund effectively requires other inmate accounts to bear the costs of those deficits in violation of the Center's fiduciary responsibility and the Code. In addition, failure to notify the Department and ensure dormant account cash balances are transferred to the GRF is noncompliance with the Administrative Directive and State statute and could result in a loss of revenue to the State. (Finding Code No. 08-3)

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

RECOMMENDATION

We recommend the Center take appropriate action to ensure dormant cash balances are timely transferred to the GRF.

CENTER RESPONSE

Finding not accepted. The Department has implemented policies and procedures that it feels are appropriate to the Statute and Administrative Directives.

- The inmate trust fund maintains individual accounts by inmate.
- The accounts are reviewed when designated dormant.
- The appropriate account balances are transferred to the general revenue fund as required.
- The statute is silent on the Department's ability to offset negative account balances with positive account balances.

The end result of the policy is not a loss of revenue to the State as all funds are deposited into a legislatively appropriated fund on deposit at the Treasurer.

AUDITOR'S COMMENT

The Unified Code of Corrections requires the transfer of dormant accounts to the GRF. The Center did not transfer dormant accounts totaling \$158 to the GRF. The net negative balances are caused by the improper off-setting of one inmate's positive cash balance against another inmate's negative balance in the Inmate Trust Fund.

Further, the Department's administrative rules (20 Ill. Adm. Code 535.140(a)) state unclaimed money held for a period of one year may be transferred to the Inmate Benefit Fund and be expended for the special benefit of committed persons, which is inconsistent with the Unified Code of Corrections.

The Center has a fiduciary responsibility for the inmate accounts and should be evaluating each account within the Inmate Trust Fund individually for potential transfer to the GRF.



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

08-4. **FINDING**     *(Inadequate Segregation of Duties)*

Tamms Correctional Center (Center) did not maintain an adequate segregation of duties over certain functions within their locally held funds.

Within each of the locally held funds, we found the same individual was responsible for writing checks and mailing prepared checks.

	Writing Checks	Mailing Prepared Checks
Inmate Commissary Fund	X	X
Employee Commissary Fund	X	X
Employee Benefit Fund	X	X

Illinois Department of Corrections Administrative Directives (Directive) (02.40.101) state that the Business Administrator shall designate an individual to write checks and ensure that individual does not mail prepared checks unless there is an exception in writing from the Chief Administrative Officer which is approved by the Deputy Director of the Division of Finance. The Center did not have an exception in writing for the conflicting duties listed above.

Center officials stated duties are segregated as much as possible with reduced staffing levels.

A lack of segregation of duties weakens the Center's internal controls and increases the risk a loss or error could occur and not be timely detected in the normal course of employees conducting assigned duties. (Finding Code No. 08-4)

**RECOMMENDATION**

We recommend the Center strengthen their internal controls by ensuring conflicting duties are adequately segregated.

**CENTER RESPONSE**

Recommendation implemented. The facility has established compensating controls over the locally held funds that are in line with the Departmental policies and procedures.

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

Prior Findings Not Repeated

There were no findings noted during the Limited Scope Compliance Examination for the two years ended June 30, 2006.

STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS  
TAMMS 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 (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)
- Inmate Commissary Operation
- 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 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 CORRECTIONS  
 TAMMS CORRECTIONAL CENTER  
 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		TOTAL EXPENDITURES 14 MONTHS ENDED AUGUST 31, 2008	BALANCES LAPSED AUGUST 31, 2008
			EXPENDITURES JULY 1 TO AUGUST 31, 2008	EXPENDITURES JULY 1 TO AUGUST 31, 2008		
PUBLIC ACT 95-0348						
<u>GENERAL REVENUE FUND - 001</u>						
Personal services	\$ 18,906,900	\$ 17,010,860	\$ 890,562	\$ 17,901,422	\$ 1,005,478	
Student, member and inmate compensation	102,000	93,979	7,938	101,917	83	
State contributions to State Employees' Retirement System	3,138,600	2,817,555	147,506	2,965,061	173,539	
State contributions to Social Security	1,319,600	1,253,368	66,177	1,319,545	55	
Contractual services	4,335,800	4,230,200	102,181	4,332,381	3,419	
Travel	9,100	8,076	945	9,021	79	
Travel and allowances for committed, paroled and discharged prisoners	-	-	-	-	-	
Commodities	889,400	867,010	22,376	889,386	14	
Printing	13,000	12,965	-	12,965	35	
Equipment	3,600	2,108	1,450	3,558	42	
Telecommunications services	81,400	80,181	1,219	81,400	-	
Operation of automotive equipment	81,400	79,578	1,722	81,300	100	
Total - Fiscal Year 2008	\$ 28,880,800	\$ 26,455,880	\$ 1,242,076	\$ 27,697,956	\$ 1,182,844	

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  
TAMMIS 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		TOTAL EXPENDITURES 14 MONTHS ENDED AUGUST 31, 2007	BALANCES LAPSED AUGUST 31, 2007
			EXPENDITURES JULY 1 TO AUGUST 31, 2007	EXPENDITURES AUGUST 31, 2007		
	\$ 17,630,700	\$ 16,789,321	\$ 841,346	\$ 17,630,667	\$	33
Personal services	103,300	94,543	8,749	103,292		8
Student, member and inmate compensation	2,034,700	1,934,963	96,969	2,031,932		2,768
State contributions to State Employees' Retirement System	1,299,400	1,237,076	62,295	1,299,371		29
State contributions to Social Security	4,360,215	3,966,813	375,250	4,342,063		18,152
Contractual services	21,000	18,587	2,337	20,924		76
Travel						
Travel and allowances for committed, paroled and discharged prisoners						
Commodities	838,800	721,507	117,000	838,507		293
Printing	13,300	12,936	318	13,254		46
Equipment	10,100	7,010	3,090	10,100		-
Telecommunications services	117,500	88,610	28,890	117,500		-
Operation of automotive equipment	83,100	76,016	7,040	83,056		44
<b>Total - Fiscal Year 2007</b>	<b>\$ 26,512,115</b>	<b>\$ 24,947,382</b>	<b>\$ 1,543,284</b>	<b>\$ 26,490,666</b>	<b>\$</b>	<b>21,449</b>

PUBLIC ACT 94-0798

GENERAL REVENUE FUND - 001

Personal services  
Student, member and inmate compensation  
State contributions to State Employees' Retirement System  
State contributions to Social Security  
Contractual services  
Travel  
Travel and allowances for committed, paroled and discharged prisoners  
Commodities  
Printing  
Equipment  
Telecommunications services  
Operation of automotive equipment

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  
TAMMS 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.95-0348	P.A.94-0798	P.A.94-0015
GENERAL REVENUE FUND - 001			
Appropriations (net of transfers)	\$ 28,880,800	\$ 26,512,115	\$ 25,746,300
EXPENDITURES			
Personal services	17,901,422	17,630,667	16,951,388
Employee retirement contributions paid by employer	-	-	210,928
Student, member and inmate compensation	101,917	103,292	122,253
State contributions to State Employees' Retirement System	2,965,061	2,031,932	1,322,041
State contributions to Social Security	1,319,545	1,299,371	1,249,793
Contractual services	4,332,381	4,342,063	4,784,126
Travel	9,021	20,924	28,025
Travel and allowances for committed, paroled and discharged prisoners	-	-	-
Commodities	889,386	838,507	842,910
Printing	12,965	13,254	13,599
Equipment	3,558	10,100	26,404
Telecommunications services	81,400	117,500	83,793
Operation of automotive equipment	81,300	83,056	81,346
Total Expenditures	<u>27,697,956</u>	<u>26,490,666</u>	<u>25,716,606</u>
LAPSED BALANCES	<u>\$ 1,182,844</u>	<u>\$ 21,449</u>	<u>\$ 29,694</u>

STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS  
TAMMS 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 four 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 within the Residents' Benefit Fund account at the General Office that records their specific transactions.

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

	Employees' Commissary Fund	Residents' Commissary Fund	Employees' Benefit Fund
<b><u>REVENUES</u></b>			
Income from Sales	\$ 75,772	\$ 156,677	\$ 9,066
Interest / Investment Income	20	423	28
Miscellaneous:			
Other	187	1,464	-
Donations	-	-	501
Total Revenues	<u>75,979</u>	<u>158,564</u>	<u>9,595</u>
<b><u>EXPENDITURES</u></b>			
Purchases	*67,827	128,736	8,748
General and Administrative	263	948	-
Contractual	-	-	-
Equipment	-	-	-
Donations	-	-	2,148
Other	-	-	-
Total Expenditures	<u>68,090</u>	<u>129,684</u>	<u>10,896</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>7,889</u>	<u>28,880</u>	<u>(1,301)</u>
<b><u>OTHER FINANCING SOURCES</u></b>			
Transfers In	14,470	-	-
Transfers (Out)	-	(28,880)	-
Total Other Financing Sources	<u>14,470</u>	<u>(28,880)</u>	<u>-</u>
Net Change in Fund Balance	22,359	-	(1,301)
Fund Balance July 1, 2007	8,069	6,335	15,954
Fund Balance June 30, 2008	<u>\$ 30,428</u>	<u>\$ 6,335</u>	<u>\$ 14,653</u>

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

\* As explained in Finding Code No. 08-1, purchase expenses were overstated. This is the adjusted balance.

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

	Employees' Commissary Fund	Residents' Commissary Fund	Employees' Benefit Fund
<u>REVENUES</u>			
Income from Sales	\$ 41,168	\$ 158,252	\$ 9,932
Interest / Investment Income	89	479	77
Miscellaneous:			-
Other	210	32	274
Donations	-	-	-
Total Revenues	<u>41,467</u>	<u>158,763</u>	<u>10,283</u>
<u>EXPENDITURES</u>			
Purchases	*35,766	129,677	7,605
General and Administrative	122	7,048	-
Contractual	-	-	1,400
Equipment	13,019	-	-
Donations	-	-	2,936
Other	433	-	-
Total Expenditures	<u>49,340</u>	<u>136,725</u>	<u>11,941</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(7,873)</u>	<u>22,038</u>	<u>(1,658)</u>
<u>OTHER FINANCING SOURCES</u>			
Transfers In	15,942	-	-
Transfers (Out)	-	(22,038)	-
Total Other Financing Sources	<u>15,942</u>	<u>(22,038)</u>	<u>-</u>
Net Change in Fund Balance	8,069	-	(1,658)
Fund Balance July 1, 2006	-	6,335	17,612
Fund Balance June 30, 2007	<u>\$ 8,069</u>	<u>\$ 6,335</u>	<u>\$ 15,954</u>

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

\* As explained in Finding Code No. 08-1, purchase expenses were overstated. This is the adjusted balance.

STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS  
TAMMS CORRECTIONAL CENTER  
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	\$ 1,439	\$ (11,732)	\$ 1,439	\$ (15,155)
Receipts				
Investment Income	-	843	-	940
Inmate Account Receipts	-	314,887	-	314,211
Appropriations from General Revenue Fund	-	103,232	-	104,519
<b>TOTAL RECEIPTS</b>	<b>-</b>	<b>418,962</b>	<b>-</b>	<b>419,670</b>
Disbursements				
Inmate Account Disbursements	-	415,228	-	415,307
Disbursements for released inmates	-	-	-	-
<b>TOTAL DISBURSEMENTS</b>	<b>-</b>	<b>415,228</b>	<b>-</b>	<b>415,307</b>
Fund Transfers				
Fund Transfers In	-	-	-	-
Fund Transfers (Out)	-	(843)	-	(940)
<b>TOTAL TRANSFERS</b>	<b>-</b>	<b>(843)</b>	<b>-</b>	<b>(940)</b>
Balance - June 30	<b>\$ 1,439</b>	<b>\$ (8,841)</b>	<b>\$ 1,439</b>	<b>\$ (11,732)</b>

Note: Schedule is presented on the cash basis of accounting

\* The Travel and Allowance Revolving Fund is administered through the Central Inmate Benefit Fund administered by the Central Office.

STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS  
TAMMS CORRECTIONAL CENTER  
LIMITED SCOPE COMPLIANCE EXAMINATION  
SCHEDULE OF CHANGES IN STATE PROPERTY  
(NOT EXAMINED)

For The Years Ended June 30,

	2008				2007					
	Land	Buildings	Equipment	Land Improvements	Total	Land	Buildings	Equipment	Land Improvements	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance, beginning	248,903	73,329,372	3,198,067	-	76,776,342	248,904	73,329,371	3,253,349	-	76,811,624
Adjustments:										
Purchases	-	-	10,856	-	10,856	-	-	12,993	-	12,993
Transfers-in	-	-	869,166	-	869,166	-	-	18,938	-	18,938
Capital Development Board	-	-	-	-	-	-	-	-	-	-
Employees' Commissary Fund	-	-	-	-	-	-	-	-	-	-
Employees' Benefit Fund	-	-	-	-	-	-	-	8,135	-	8,135
Residents' Commissary Fund	-	-	-	-	-	-	-	-	-	-
Residents' Benefit Fund	-	-	135	-	135	-	-	1,743	-	1,743
Donations	-	-	-	-	-	-	-	-	-	-
Grants	-	-	2,961	-	2,961	-	-	34,027	-	34,027
Adjustments	-	-	-	-	-	-	1	-	-	1
Total Additions	-	-	883,118	-	883,118	-	1	75,836	-	75,837
Deductions:										
Transfers-out	-	-	9,266	-	9,266	-	-	24,312	-	24,312
Scrap property	-	-	9,348	-	9,348	-	-	67,822	-	67,822
Surplus property	-	-	-	-	-	-	-	-	-	-
Condemned and lost property	-	-	-	-	-	-	-	-	-	-
Adjustment	-	-	-	-	-	-	-	-	-	-
Total Deductions	-	-	18,614	-	18,614	-	-	18,984	-	18,985
Balance, ending	248,903	73,329,372	4,062,571	-	77,640,846	248,903	73,329,372	3,198,067	-	76,776,342

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  
DEPARTMENT OF CORRECTIONS  
TAMMS 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
<b>RECEIPTS</b>			
Jury Duty	\$ 563	\$ 561	\$ 314
Inmate Restitution	-	-	-
Postage	-	-	18,271
Dormant Inmate Accounts	-	110	-
Staff Witness Fees	-	-	-
Contraband Cash	-	-	45
Copying Fees	-	-	7
Miscellaneous	31	-	-
<b>TOTAL RECEIPTS</b>	<b>\$ 594</b>	<b>\$ 671</b>	<b>\$ 18,637</b>
<b>REMITTANCES</b>			
General Revenue Fund - 001	\$ 594	\$ 671	\$ 366
Department of Corrections Reimbursement Fund - 523	**15,565	**16,788	18,271
<b>TOTAL RECEIPTS REMITTED DIRECTLY TO STATE TREASURER</b>	<b>\$ 16,159</b>	<b>\$ 17,459</b>	<b>\$ 18,637</b>
<b>DEPOSITS</b>			
Receipts recorded by Center	\$ 594	\$ 671	\$ 366
Add: Deposits in transit - Beginning of year	129	28	-
Deduct: Deposits in transit - End of year	-	(129)	(28)
<b>DEPOSITS RECORDED BY THE STATE COMPTROLLER</b>	<b>\$ 723</b>	<b>\$ 570</b>	<b>\$ 338</b>

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.

\*\*Receipts for Fund 523 are combined and forwarded to Central Accounting. A breakdown of the receipt types was not made available by the Center.

STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS  
TAMMS 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	\$2,965,061	\$2,031,932	\$933,129	46%
Travel	\$9,021	\$20,924	(\$11,903)	(57%)
Equipment	\$3,558	\$10,100	(\$6,542)	(65%)
Telecommunications Services	\$81,400	\$117,500	(\$36,100)	(31%)

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

State Contributions to State Employees' Retirement System

The increase in State Employee Retirement expenditures was due to an increase in percentages from 11.53% in FY'07 to 16.56% in FY'08.

Travel

The decrease in travel expenditures was a result of a change in inmate transfer procedure. Inmates transferred to northern regions of the State were transferred to mid-state receiving officers. This allowed TCC staff to return to the Center the same day, reducing lodging costs.

Equipment

The decrease in equipment expenditures was due to a reduction in appropriations for FY'08.

Telecommunications Services

The decrease in telecommunication expenditures was due to there being only seven months of expenses paid in FY'08. In FY'07, thirteen months of expenses were paid.

STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS  
TAMMS CORRECTIONAL CENTER  
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	\$0	\$210,928	(\$210,928)	(100%)
State Contributions to State Employees' Retirement System	\$2,031,932	\$1,322,041	\$709,891	54%
Travel	\$20,924	\$28,025	(\$7,101)	(25%)
Equipment	\$10,100	\$26,404	(\$16,304)	(62%)
Telecommunications Services	\$117,500	\$83,793	\$33,707	40%

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

Employee Retirement Contributions Paid by Employer

The decrease in retirement contributions was due to the personal services line item paying for this expense in FY'07.

State Contributions to State Employees' Retirement System

The increase in State Employee Retirement expenditures was due to an increase in percentages from 7.792% in FY'06 to 11.530 in FY'07.

Travel

The decrease in travel expenditures was due to a change in staff lodging requirements. Staff were required to lodge at the Academy and share rooms whenever possible.

Equipment

The decrease in equipment expenditures was due to a reduction in appropriations for FY'08.

Telecommunications Services

The increase in telecommunication expenditures in FY'07 was due to paying thirteen months of expenses. Only eight months of expenses were paid in FY'06.

STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS  
TAMMS CORRECTIONAL CENTER  
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 a significant (20% or more) lapse period expenditure, 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>
Equipment	\$3,558	\$1,450	41%

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

Equipment

The lapse period expenditure represented a sprayer and can opener ordered late in FY'08 but not received until lapse period. Equipment funds were not appropriated until late in the fiscal year.



STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS  
TAMMS CORRECTIONAL CENTER  
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 two 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>
Equipment	\$10,100	\$3,090	31%
Telecommunications Services	\$117,500	\$28,890	25%

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

Equipment

The lapse period expenditure represented equipment items ordered late in FY'07 but not received until lapse period. Equipment funds were not appropriated until May 2007.

Telecommunications Services

The lapse period expenditures represented the telecommunications invoices for the months of November 2006 through February 2007 that could not be paid until a 2% appropriation transfer was approved.

STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS  
TAMMS CORRECTIONAL CENTER  
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
<b>GENERAL REVENUE FUND</b>				
General Stores	\$ 81,933	\$ 826,039	\$ 815,857	\$ 92,115
Mechanical Stores	-	69,002	69,002	-
Resident/Inmate Clothing	8,332	39,249	30,791	16,790
Officers' Clothing	-	7,496	7,496	-
Office Supplies	4,316	24,622	22,836	6,102
Postage	31,447	22,900	20,100	34,247
	<u>\$ 126,028</u>	<u>\$ 989,308</u>	<u>\$ 966,082</u>	<u>\$ 149,254</u>
<b>LOCAL FUNDS</b>				
Employees' Commissary Fund	\$ 7,504	\$ 70,661	\$ 75,772	\$ 2,393
Residents' Commissary Fund	6,259	127,280	128,736	4,803
	<u>\$ 13,763</u>	<u>\$ 197,941</u>	<u>\$ 204,508</u>	<u>\$ 7,196</u>
	Balance July 1, 2006	Additions	Deletions	Balance June 30, 2007
<b>GENERAL REVENUE FUND</b>				
General Stores	\$ 112,544	\$ 765,367	\$ 795,978	\$ 81,933
Mechanical Stores	-	70,139	70,139	-
Resident Clothing	7,886	39,350	38,904	8,332
Officers' Clothing	426	13,998	14,424	-
Office Supplies	4,545	29,255	29,484	4,316
Postage	25,875	30,500	24,928	31,447
	<u>\$ 151,276</u>	<u>\$ 948,609</u>	<u>\$ 973,857</u>	<u>\$ 126,028</u>
<b>LOCAL FUNDS</b>				
Employees' Commissary Fund	\$ -	\$ 48,672	\$ 41,168	\$ 7,504
Residents' Commissary Fund	4,311	131,625	129,677	6,259
	<u>\$ 4,311</u>	<u>\$ 180,297</u>	<u>\$ 170,845</u>	<u>\$ 13,763</u>

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

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

CENTER FUNCTIONS AND PLANNING PROGRAM

**Background**

The Tamms Correctional Center (Tamms) was developed in response to a need for a facility to house Illinois Department of Corrections' (IDOC) most disruptive, violent and problematic inmates. As one of currently twenty-seven adult facilities of the IDOC, Tamms has two facilities: a two-hundred bed Minimum Security Unit (MSU) which accepted its first resident in June of 1995; and a five-hundred bed Closed Maximum Security Facility (C-MAX) which received its first resident in March of 1998. The MSU provides for the custody, care and safety of adult males placed under its jurisdiction and also provides support services for the C-MAX.

**Mission Statement, Philosophy and Goals**

It is the overall goal of the C-MAX to improve the quality of life, safety, and day-to-day operations of the other Illinois Department of Corrections facilities and to enhance the safety of staff, inmates and the public. The operation and program philosophy that has been developed at the Tamms Correctional Center for the C-MAX focuses on providing an environment for inmates who have demonstrated an inability or unwillingness to conform to the requirements of a general population facility. In addition, inmates who have manifested a negative influence on the safety and security of the IDOC, or may have perpetrated criminal activity that threatens the community may be placed into this facility. Accordingly, the C-MAX provides extra high levels of security and restricts or eliminates privileges permitted at the other Illinois Department of Corrections' general population facilities. Furthermore, inmates are required to stay for a minimum, pre-determined length of time. Inmates have only returned to the general population facilities after demonstrating a positive behavior, a willingness to conform to stated rules and regulations or a change in the circumstances surrounding the rationale for the inmates' stay in the C-MAX has occurred. The minimum-security facility has as its primary objective that of providing services which focus on the recidivism problem for both first-time offender and the general inmate population by providing those skills necessary for a more positive and successful reintegration process back into community. In order to achieve this objective, inmates are afforded the opportunity to participate in programs, which allow for increased individual responsibility and decision-making authority in an environment which reasonable freedom but the necessary level of security and control for the protection of inmates, staff, visitors and the community.

**Agency Planning**

Planning for the Illinois Department of Corrections is completed at the Departmental level under the supervision and direction of the Director of the Department. The Department has a manager of Planning and Research directly responsible for the Centers' planning programs. However,

each facility is encouraged to participate by establishing facility-level goals within the strategic plan.

The departmental heads at Tamms Correctional Center meet on a monthly basis to discuss various activities and current events within their departments. These executive staff meetings provide the Center an opportunity to involve program management in the planning process. The department heads set short-term goals and evaluate the progress at the meetings.

STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS  
TAMMS CORRECTIONAL CENTER  
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	12	11	12
Business office and stores	11	13	14
Clinical services	13	10	11
Work Camp	72	82	82
Recreation	-	-	-
Maintenance	13	13	11
Utilities	-	-	-
Laundry	-	-	-
Correctional Officers	165	174	177
Dietary	12	14	14
Medical/Psychiatric	2	3	3
Religion	<u>1</u>	<u>2</u>	<u>2</u>
Total	<u>301</u>	<u>322</u>	<u>326</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	248	253
New Correctional Officers hired	0	4
Correctional Officers transferred-in	1	3
Correctional Officers transferred-out	6	5
Correctional Officers separated from Department	<u>11</u>	<u>7</u>
Correctional Officers, end of the year	<u>232</u>	<u>248</u>

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

STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS  
TAMMS CORRECTIONAL CENTER  
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>4,091</u>	<u>2,364</u>	<u>2,540</u>
Value of overtime hours worked during fiscal year	<u>\$175,058</u>	<u>\$98,069</u>	<u>\$100,745</u>
Compensatory hours earned during fiscal year	<u>9,597</u>	<u>8,650</u>	<u>10,054</u>
Value of compensatory hours earned during fiscal year	<u>\$271,146</u>	<u>\$231,129</u>	<u>\$251,622</u>
Total paid overtime hours and earned compensatory hours during fiscal year	<u>13,688</u>	<u>11,014</u>	<u>12,594</u>
Total value of paid overtime hours and earned compensatory hours during fiscal year	<u>\$446,204</u>	<u>\$329,198</u>	<u>\$352,367</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.

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

INMATE COMMISSARY OPERATION (cont.)

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 24 and 25 of this report.

As part of our testing 10 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 no exceptions.

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>700</u>	<u>700</u>	<u>700</u>
Inmate population (as of May 31)	<u>414</u>	<u>448</u>	<u>463</u>
Average number of inmates	<u>432</u>	<u>447</u>	<u>464</u>
Expenditures from appropriations	\$27,697,956	\$26,490,666	\$25,716,606
Less-equipment and capital improvements	<u>3,558</u>	<u>10,100</u>	<u>26,404</u>
Net expenditures	<u>\$27,694,398</u>	<u>\$26,480,566</u>	<u>\$25,690,202</u>
Net inmate cost per year	<u>\$64,107</u>	<u>\$59,241</u>	<u>\$55,367</u>

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

CENTER INMATE STATISTICS (not examined) (cont.)

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>301</u>	<u>322</u>	<u>326</u>
Average number of correctional officers	<u>165</u>	<u>174</u>	<u>177</u>
Average number of inmates	<u>432</u>	<u>447</u>	<u>464</u>
Ratio of employees to inmates	<u>1 to 1.44</u>	<u>1 to 1.39</u>	<u>1 to 1.42</u>
Ratio of correctional officers to inmates	<u>1 to 2.62</u>	<u>1 to 2.57</u>	<u>1 to 2.62</u>

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

	<u>Fiscal Year</u>	
	<u>2008</u>	<u>2007</u>
Number of assaults on staff	<u>11</u>	<u>16</u>

CELL SQUARE FEET PER INMATE (not examined)

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

	<u>2008</u>	<u>2007</u>	<u>2006</u>
Approximate Square Foot Per Inmate	<u>110</u>	<u>101</u>	<u>98</u>



STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS  
TAMMS CORRECTIONAL CENTER  
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		
	<u>2008</u>	<u>2007</u>	<u>2006</u>
Breakfast	127,750	127,385	90,100
Lunch	133,225	134,685	100,700
Dinner	144,175	149,285	113,950
Staff meals	<u>36,500</u>	<u>45,625</u>	<u>38,425</u>
Total Meals Served	<u>441,650</u>	<u>456,980</u>	<u>343,175</u>
Food Cost	<u>\$688,151</u>	<u>\$634,751</u>	<u>\$603,400</u>
Cost Per Meal	<u>\$1.56</u>	<u>\$1.39</u>	<u>\$1.76</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:			
Wexford Health Sources, Inc.	\$3,346,967	\$3,329,183	\$1,780,174
Health Professionals Ltd	-	-	1,776,764
Total Medical Services	<u>\$3,346,967</u>	<u>\$3,329,183</u>	<u>\$3,556,938</u>
Clergy Services:			
Islamic Services	\$ -	\$ -	\$ 10,112
Catholic Services	-	-	975
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,087</u>

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

SERVICE EFFORTS AND ACCOMPLISHMENTS (not examined)

**Minimum Security Unit**

Offenders assigned to the Tamms Correctional Center Minimum Security Unit (MSU) continued to provide a helping hand to the surrounding communities. The work crews provided various services to three counties including Alexander, Pulaski and Union County. Services provided for the communities included: special request projects such as preparing communities for the holidays, fairs, homecomings, weekend activities, etc.; picking up trash and litter from the interstate intersections and city streets; washing and waxing school buses; and stripping and waxing floors at schools. During this reporting period the MSU offenders came to the aid of flood victims and lent assistance throughout the county communities for clean up and disposal services and also preventative action to ensure the immediate damage was held to a minimum.

Some of those areas receiving assistance from the Tamms MSU work crews were:

- **PARKS**  
Ft. Defiance State Park – Alexander County  
Horseshoe Lake – Alexander County – Shawnee National Forest  
Trail of Tears State Park – Union county – Shawnee National Forest
- **WILDLIFE REFUGES**  
Union County Refuge – Shawnee National Forest  
Horseshoe Lake Refuge – Shawnee National Forest
- **DEPARTMENT OF TRANSPORTATION**  
Alexander County D.O.T. – Olive Branch  
Pulaski county D.O.T. – Villa Ridge  
Union County D.O.T. – Jonesboro
- **MUNICIPALITIES**  
Alexander County – Cairo, Olive Branch, Tamms, Thebes  
Pulaski County – Karnak, Olmsted, Mounds, Mounds City, Ullin  
Union County – Anna, Cobden, Dongola, Jonesboro

**Clinical Services**

Several new Reentry Programs have been initiated: Trac I, Parole School I, Parole School II, and a Job Prep Program. A Smoking Cessation program has also been initiated. The Administrative Detention Re-entry Management Program and Pre-Transfer Unit Program continue to operate.

**Maintenance**

Summer 2006 – Land Lease was started on approximately 80 acres. Leaseholder started cutting hay from the property saving the facility the expense of fuel and equipment maintenance. In the fall of 2006, a water heater was replaced at the MSU administration building. Due to the build up of minerals from the water supply, the efficiency of the existing water heater had diminished. The replacement of this equipment has ensured the State of Illinois a savings in utility cost and

repair expenses. An equipment upgrade project was completed in September 2007, for the replacement of six (6) Combi-Units and control room door buttons. In February 2008, the facility and surrounding areas experienced a major ice storm that left the institution without power for three days. The emergency back-up generators ran the facility for that extended period of time without any issues or incidents. Spring rains came in March 2008 and the facility and surrounding areas experience approximately 14 inches of rain in a one 24 hour period. Although all roads into the facility were eventually closed, due to high water, the institution had no major issues with the exception of the loss of phone service.

### **Medical and Mental Health**

Positive outcomes with offender litigation concerning the provision of medical and mental health services continue, low staffing turnover that has resulted in experienced, knowledgeable staff, the addition of several new offender correspondence courses by our mental health staff, a renovation of the mental health library to the improved mental health resource center, a quality improvement program that continues to identify problematic areas and develop corrective plans of action.

### **Administration**

In an effort to reduce the total amount of waste deposited in our local landfills, the Tamms Correctional Center applied for and was awarded grant money to establish a recycling program at the facility. Tamms Correctional Center entered into an agreement with the Illinois Department of Commerce and Economic Opportunity in order to fund the recycling effort. The facility has purchased recycling containers, compactor, paper shredders and various other related products; along with entering into a contract for pickup and transportation services to the recycling center has greatly reduced unnecessary waste.

### **Business Office/Fiscal**

Tamms Correctional Center remained under budget at the closing of each fiscal year. Due to staff retirements, promotions, etc., the Business Office and Warehouse areas remained understaffed during this reporting period. A new inventory program (TIMS) has been implemented. This program has allowed purchases, receipt and payments of various products information to be most current and valuable. The Dietary Manager now has access to the current inventory counts, thus allowing for meal planning efficiency, along with providing aid in the department. The procurement department continues to participate in the Small-Business-Set-A-Side program and has increased in the percentages of orders awarded to certified Illinois small business vendors.