

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

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STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS  
THOMSON CORRECTIONAL CENTER  
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For the Two Years Ended June 30, 2008

CENTER OFFICIALS

|                               |                     |                    |
|-------------------------------|---------------------|--------------------|
| Warden (Current)              |                     | Mr. Frank Shaw     |
| Superintendent                |                     | Mr. Curt Eubanks   |
| Business Administrator        | 11/16/08 to Current | Mr. Roger L. Wait  |
| Acting Business Administrator | 9/1/06 to 12/31/08  | Ms. Sonja Nicklaus |

The Center is located at:

1100 One Mile Road  
Thomson, Illinois 61285



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

**Pat Quinn**  
 Governor

**Roger E. Walker Jr.**  
 Director

Thomson Correctional Center / 1100 One Mile Road / P. O. Box 487 / Thomson, IL 61285 / Telephone: (815)259-1177 / TDD: (800)526-0844

May 14, 2009

Hill Taylor, LLC  
 Certified Public Accountants  
 118 S. Michigan Ave., 11<sup>th</sup> Floor  
 Chicago, IL 60603

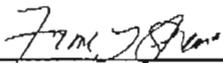
Ladies and Gentlemen:

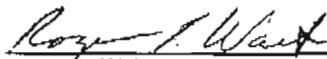
We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the Agency. We are responsible for and we have established and maintained an effective system of internal controls over compliance requirements. We have performed an evaluation of the Agency's compliance with the following assertions during the two-year period ended June 30, 2008, and June 30, 2007, and the Agency has materially complied with the assertions below.

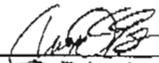
- A. The agency has obligated, expended, received and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The agency has obligated, expended, received and used public funds of the State in accordance with any limitations,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

Yours very truly,

THOMSON CORRECTIONAL CENTER

  
 \_\_\_\_\_  
 Frank L. Shaw, Warden

  
 \_\_\_\_\_  
 Roger L. Wait, Business Administrator

  
 \_\_\_\_\_  
 Curt D. Eubanks, Superintendent

FLS/RLW/afd

STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS  
THOMSON 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 compliance testing performed and does not contain scope limitations, disclaimers, or other significant non-standards language.

**SUMMARY OF FINDINGS**

| <u>Number of</u>                                    | <u>This Report</u> | <u>Prior Report</u> |
|---|--------------------|---------------------|
| Findings  | 2                  | 0                   |
| Repeated findings                                   | 0                  | 0                   |
| Prior recommendation<br>implemented or not repeated | 0                  | 0                   |

Detail 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 segregation of duties over locally held funds | Significant Deficiency<br>Noncompliance |
| 08-2            | 11          | Inadequate equipment records                             | Significant Deficiency<br>Noncompliance |

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

**COMPLIANCE REPORT**

**EXIT CONFERENCE**

Center management waived having an exit conference per correspondence dated May 6, 2009.

Responses to recommendations were provided by Mary Ann Bohlen, Department of Corrections Supervisor of Central Accounting, per correspondence dated May 14, 2009.



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Member of the  
American Institute  
of Certified Public Accountants

Member of the  
Illinois CPA Society

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

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

In our opinion, the State of Illinois Department of Corrections - Thomson 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 instances of noncompliance with those requirements, which are required to be reported in accordance with criteria established by the *Audit Guide*, issued by the Illinois Office of the Auditor General and which are described in the accompanying schedule of findings as finding code no. 08-1 and 08-2.

### **Internal Control**

The management of the State of Illinois Department of Corrections – Thomson 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 - Thomson 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 – Thomson 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 – Thomson 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.

A *control deficiency* in an entity’s internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with the requirements listed in the first paragraph of this report on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity’s ability to comply with the requirements listed in the first paragraph of this report such that there is more than a remote likelihood that noncompliance with a requirement that is more than inconsequential will not be prevented or detected by the entity’s internal control. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings as Finding Code No. 08-1 and 08-2 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. We did not consider any of the efficiencies described in the accompanying Schedule of Findings to be material weaknesses.

Our consideration of internal control over compliance with the requirements listed in the first paragraph of this report was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

There were no immaterial findings that have been excluded from this report.

The State of Illinois Department of Corrections – Thomson Correctional Center’s 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 – Thomson 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 Supplemental Information for State Compliance Purposes, except for information on the Annual Cost Statistics and Service Efforts and Accomplishments, Comparative Schedule of Cash Receipts and Deposits, Employee Overtime, and Shared Resources 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 Supplemental 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.

A handwritten signature in black ink that reads "Hill, Taylor UC". The signature is written in a cursive, slightly slanted style.

May 14, 2009

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

**Current Findings**

**08-1 - Inadequate Segregation of Duties Over Locally Held Funds**

The Thomson Correctional Center (Center) did not maintain adequate segregation of duties over Residents' Trust Fund. The Residents' Trust Fund received \$328,849 and disbursed \$311,127 during the period July 1, 2006 to June 30, 2008.

During our testing, we noted that an Account Technician I both writes checks and reconciles the Residents' Trust Fund. This is a segregation of duties internal control weakness.

Administrative Directive 02.40.101 states that the Business Administrator shall designate an individual to write checks and ensure the individual does not 1) receive or deposit cash, 2) mail prepared checks or 3) sign 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.

Center officials said that the Center did not have sufficient staff to ensure locally held fund duties were fully segregated.

A lack of segregation of duties may lead to improper or unauthorized expenditures. (Finding Code No. 08-1)

**Recommendation**

We recommend the Center properly segregate duties.

**Agency Response**

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

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

**Current Findings**

**08-2 – Inadequate Equipment Records**

The Center did not maintain adequate equipment records.

Center personnel did not have capital asset reporting records for seven of 24 (29%) monthly Property by Location reports (DOCOV110).

In addition, the Center did not have supporting documentation for approval of all equipment transfers from other Agencies for either fiscal year 2008 or 2007. The unsupported approval of net transfers from their quarterly C-15 reports amounted to \$4,460 and \$313,681 for 2008 and 2007, respectively.

DOC Administrative Directive (No. 02.70.120) requires that the Physical Control Officer shall secure and control all property items and maintain all required records within his or her location code grouping. In addition, the Illinois State Records Act (5 ILCS 160/9) requires the Head of each agency to establish, and maintain an active, continuing program for the economical and efficient management of records of the Agency.

Center personnel stated property reports that could not be located may have been misfiled.

Equipment that is not controlled or adequately safeguarded could lead to a loss of State assets. Additionally, the absence of property control records may result in incorrect accounting information and could cause unnecessary equipment expenditures and inaccurate financial reporting. (Finding Code No. 08-2)

**Recommendation**

We recommend the Center adhere to requirements for maintenance of equipment records.

**Agency Response**

Recommendation implemented. The exceptions noted were due to the initial startup phase of the facility.

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

**Prior Findings Not Repeated**

This was the initial compliance examination of Thomson Correctional Center for the two years ended June 30, 2008. Therefore, there were no prior audit findings for the two years ended June 30, 2006.

STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS  
THOMSON 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
- Schedules 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 Employees Statistics (not examined)
  - Cell Square Feet per Inmate (not examined)
  - Food Services (not examined)
  - Medical and Service Contracts (not examined)
- Service Efforts and Accomplishments (not examined)

The accountants' report on the Supplementary Information for State Compliance Purposes presented in the Compliance Report Section states the auditors have applied certain limited procedures as prescribed by the *Audit Guide*, as adopted by the Auditor General, except for information on the Annual Cost Statistics and Service Efforts and Accomplishments; Comparative Schedule of Cash Receipts and Deposits, Employee Overtime, and Shared Resources 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  
 THOMSON CORRECTIONAL CENTER  
 SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2008

|   | EXPENDITURES<br>THROUGH<br>JUNE 30, 2008 | LAPSE PERIOD<br>EXPENDITURES<br>JULY 1 TO<br>AUGUST 31, 2008 | TOTAL<br>EXPENDITURES<br>14 MONTHS ENDED<br>August 31, 2008 | BALANCES<br>LAPSED<br>AUGUST 31, 2008 |
|---|--|--|---|---------------------------------------|
| <u>APPROPRIATIONS</u>   |  |  |   |                                       |
| <u>NET OF TRANSFERS</u>   |  |  |   |                                       |
|   | \$ 3,855,200                             | \$ 190,092   | \$ 3,855,170  | \$ 30                                 |
| Personal services   |  |  |   |                                       |
| Student, member and inmate compensation                               | 64,100                                   | 8,947  | 64,030  | 70                                    |
| State contributions to State Employees' Retirement System             | 638,600                                  | 31,484   | 638,525   | 75                                    |
| State contributions to Social Security                                | 285,000                                  | 14,088   | 284,976   | 24                                    |
| Contractual services  | 1,003,000                                | 81,121   | 1,002,180   | 820                                   |
| Travel  | 6,700                                    | 6,205  | 6,652   | 48                                    |
| Travel and allowances for committed, paroled and discharged prisoners | 1,600                                    | 1,500  | 1,598   | 2                                     |
| Commodities   | 324,800                                  | 6,495  | 324,737   | 63                                    |
| Printing  | 4,500                                    | 4,370  | 4,434   | 66                                    |
| Equipment   | 500                                      | -  | 435   | 65                                    |
| Telecommunications services   | 76,500                                   | 22,281   | 76,437  | 63                                    |
| Operation of automotive equipment                                     | 48,400                                   | 1,519  | 48,390  | 10                                    |
| Total - Fiscal Year 2008  | <u>\$ 6,308,900</u>                      | <u>\$ 356,636</u>  | <u>\$ 6,307,564</u>   | <u>\$ 1,336</u>                       |

PUBLIC ACT 95-0348

GENERAL REVENUE FUND - 001

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  
 THOMSON CORRECTIONAL CENTER  
 SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2007

|   | EXPENDITURES<br>THROUGH<br>June 30, 2007 | LAPSE PERIOD<br>EXPENDITURES<br>JULY 1<br>TO AUGUST 31, 2007 | TOTAL<br>EXPENDITURES<br>14 MONTHS ENDED<br>August 31, 2007 | BALANCES<br>LAPSED<br>AUGUST 31, 2007 |
|---|--|--|---|---------------------------------------|
| <u>NET OF TRANSFERS</u>   |  |  |   |                                       |
| APPROPRIATIONS  | \$                                       | \$   | \$  | \$                                    |
| Personal services   | 3,168,500                                | 2,996,312  | 3,168,458   | 42                                    |
| Student, member and inmate compensation                               | 48,200                                   | 34,925   | 48,120  | 80                                    |
| State contributions to State Employees' Retirement System             | 365,500                                  | 345,608  | 365,449   | 51                                    |
| State contributions to Social Security                                | 234,548                                  | 221,748  | 234,547   | 1                                     |
| Contractual services  | 856,404                                  | 822,333  | 856,403   | 1                                     |
| Travel  | 3,900                                    | 3,491  | 3,840   | 60                                    |
| Travel and allowances for committed, paroled and discharged prisoners | 3,800                                    | 1,078  | 1,078   | 2,722                                 |
| Commodities   | 309,600                                  | 301,569  | 309,013   | 587                                   |
| Printing  | 6,500                                    | 6,436  | 6,436   | 64                                    |
| Equipment   | 42,700                                   | 41,419   | 42,687  | 13                                    |
| Telecommunications services   | 82,000                                   | 25,699   | 69,949  | 12,051                                |
| Operation of automotive equipment                                     | 44,400                                   | 27,580   | 39,308  | 5,092                                 |
| Total - Fiscal Year 2007  | <u>\$ 5,166,052</u>                      | <u>\$ 4,828,198</u>  | <u>\$ 5,145,288</u>   | <u>\$ 20,764</u>                      |

PUBLIC ACT 94-0978

GENERAL REVENUE FUND - 001

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 CORRECTION  
THOMSON CORRECTIONAL CENTER  
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,  
EXPENDITURES AND LAPSED BALANCES  
FOR THE FISCAL YEARS ENDED JUNE 30, 2008 AND 2007

|  | 2008         | 2007         |
|--|--------------|--------------|
|  | P.A. 95-0348 | P.A. 94-0978 |
| GENERAL REVENUE FUND - 001   |              |              |
| Appropriations (net of transfers)  | \$ 6,308,900 | \$ 5,166,052 |
| EXPENDITURES   |              |              |
| Personal services  | \$ 3,855,170 | \$ 3,168,458 |
| Student, member and inmate compensation                                  | 64,030       | 48,120       |
| Employee retirement contributions paid by the employer                   | 638,525      | 365,449      |
| State contributions to Social Security                                   | 284,976      | 234,547      |
| Contractual services   | 1,002,180    | 856,403      |
| Travel   | 6,652        | 3,840        |
| Travel and allowances for committed, paroled and<br>discharged prisoners | 1,598        | 1,078        |
| Commodities  | 324,737      | 309,013      |
| Printing   | 4,434        | 6,436        |
| Equipment  | 435          | 42,687       |
| Telecommunications services  | 76,437       | 69,949       |
| Operation of automotive equipment  | 48,390       | 39,308       |
| Total Expenditures   | \$ 6,307,564 | \$ 5,145,288 |
| LAPSED BALANCES  | \$ 1,336     | \$ 20,764    |

STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS  
THOMSON 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 nonappropriated 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 Residents' Commissary Fund is used to maintain stores for selling food, candy, health and beauty aids and other personal items. The inmates' commissary sells solely to inmates. 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 Inmates' Commissary or the Employees' Benefit Fund for sales from the Residents' 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  
THOMSON 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 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  
THOMSON CORRECTIONAL CENTER  
LIMITED SCOPE COMPLIANCE EXAMINATION  
SCHEDULE OF LOCALLY HELD FUNDS - SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2008

|   | Residents'<br>Commissary<br>Fund | Employees'<br>Benefit<br>Fund |
|---|----------------------------------|-------------------------------|
|   | <hr/>                            | <hr/>                         |
| <u>REVENUES</u>   |                                  |                               |
| Income from Sales   | \$ 150,487                       | \$ 2,278                      |
| Interest/Investment Income                                  | 63                               | 6                             |
| Miscellaneous: Other  | -                                | -                             |
|   | <hr/>                            | <hr/>                         |
| Total Revenues  | 150,550                          | 2,284                         |
|   | <hr/>                            | <hr/>                         |
| <u>EXPENDITURES</u>   |                                  |                               |
| Purchases   | 122,768                          | 3,006                         |
| Other   | 1,630                            | -                             |
|   | <hr/>                            | <hr/>                         |
| Total Expenditures  | 124,398                          | 3,006                         |
|   | <hr/>                            | <hr/>                         |
| Excess (Deficiency) of Revenue<br>Over (Under) Expenditures | 26,152                           | (722)                         |
|   | <hr/>                            | <hr/>                         |
| <u>OTHER FINANCING SOURCES</u>                              |                                  |                               |
| Fund Transfers (Out)  | (26,152)                         | (1,000)                       |
|   | <hr/>                            | <hr/>                         |
| Total Other Financing Sources                               | (26,152)                         | (1,000)                       |
|   | <hr/>                            | <hr/>                         |
| Net Change in Fund Balance                                  | -                                | (1,722)                       |
|   | <hr/>                            | <hr/>                         |
| Fund Balance July 1, 2007                                   | -                                | 2,216                         |
|   | <hr/>                            | <hr/>                         |
| Fund Balance June 30, 2008                                  | \$ -                             | \$ 494                        |
|   | <hr/> <hr/>                      | <hr/> <hr/>                   |

STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS  
THOMSON CORRECTIONAL CENTER  
LIMITED SCOPE COMPLIANCE EXAMINATION  
SCHEDULE OF LOCALLY HELD FUNDS - SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2007

|   | <u>Residents'</u><br><u>Commissary</u><br><u>Fund</u> | <u>Employees'</u><br><u>Benefit</u><br><u>Fund</u> |
|---|---|--|
| <u>REVENUES</u>   |   |  |
| Income from Sales   | \$ 113,801  | \$ 3,452   |
| Interest/Investment Income                                  | 94  | 6  |
| Miscellaneous: Other  | -   | -  |
|   | <hr/>   | <hr/>  |
| Total Revenues  | 113,895   | 3,458  |
|   | <hr/>   | <hr/>  |
| <u>EXPENDITURES</u>   |   |  |
| Purchases   | 98,769  | 2,242  |
| Other   | -   | -  |
|   | <hr/>   | <hr/>  |
| Total Expenditures  | 98,769  | 2,242  |
|   | <hr/>   | <hr/>  |
| Excess (Deficiency) of Revenue<br>Over (Under) Expenditures | 15,126  | 1,216  |
|   | <hr/>   | <hr/>  |
| <u>OTHER FINANCING SOURCES</u>                              |   |  |
| Fund Transfers In   | -   | 1,000  |
| Fund Transfers (Out)  | (15,126)  | -  |
|   | <hr/>   | <hr/>  |
| Total Other Financing Sources                               | (15,126)  | 1,000  |
|   | <hr/>   | <hr/>  |
| Net Change in Fund Balance                                  | -   | 2,216  |
| Fund Balance July 1, 2006                                   | -   | -  |
|   | <hr/>   | <hr/>  |
| Fund Balance June 30, 2007                                  | <u>\$ -</u>   | <u>\$ 2,216</u>                                    |

STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS  
THOMSON CORRECTIONAL CENTER  
LIMITED SCOPE COMPLIANCE EXAMINATION

SCHEDULE OF LOCALLY HELD FUNDS - CASH BASIS

For the Years Ended June 30, 2008 and 2007

|   | 2008                                 |                             | 2007                                 |                             |
|---|--------------------------------------|-----------------------------|--------------------------------------|-----------------------------|
|   | Travel and<br>Allowance<br>Rev. Fund | Residents'<br>Trust<br>Fund | Travel and<br>Allowance<br>Rev. Fund | Residents'<br>Trust<br>Fund |
| Balance - July 1                            | \$ (92)                              | \$ 6,961                    | \$ -                                 | \$ -                        |
| Receipts                                    |                                      |                             |                                      |                             |
| Investment Income                           | -                                    | 74                          | -                                    | 39                          |
| Inmate Account Receipts                     | -                                    | 184,259                     | -                                    | 135,305                     |
| Appropriations from General<br>Revenue Fund | 1,822                                | -                           | 351                                  | -                           |
| <b>TOTAL RECEIPTS</b>                       | <u>1,822</u>                         | <u>184,333</u>              | <u>351</u>                           | <u>135,344</u>              |
| Disbursements                               |                                      |                             |                                      |                             |
| Inmate Account Disbursements                | -                                    | 157,090                     | -                                    | 110,631                     |
| Disbursements for released<br>inmates       | 1,902                                | -                           | 443                                  | -                           |
| <b>TOTAL DISBURSEMENTS</b>                  | <u>1,902</u>                         | <u>157,090</u>              | <u>443</u>                           | <u>110,631</u>              |
| Fund Transfers                              |                                      |                             |                                      |                             |
| Fund Transfers In                           | -                                    | -                           | -                                    | -                           |
| Fund Transfers (Out)                        | -                                    | (4,248)                     | -                                    | (17,752)                    |
| <b>TOTAL TRANSFERS</b>                      | <u>-</u>                             | <u>(4,248)</u>              | <u>-</u>                             | <u>(17,752)</u>             |
| Balance - June 30                           | <u>\$ (172)</u>                      | <u>\$ 29,956</u>            | <u>\$ (92)</u>                       | <u>\$ 6,961</u>             |

Note: Travel and Allowance is presented on the cash basis of accounting. The negative balances represent amounts to be replenished from the general fund.

STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS  
THOMSON CORRECTIONAL CENTER  
SCHEDULE OF CHANGES IN STATE PROPERTY  
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007

|                    | 2008       |                |              |                | 2007       |                |              |                |
|--------------------|------------|----------------|--------------|----------------|------------|----------------|--------------|----------------|
|                    | Land       | Buildings      | Equipment    | Total          | Land       | Buildings      | Equipment    | Total          |
| Balance, beginning | \$ 300,350 | \$ 119,372,634 | \$ 2,339,662 | \$ 122,012,646 | \$ 300,350 | \$ 119,372,634 | \$ 2,006,575 | \$ 121,679,559 |
| Additions:         |            |                |              |                |            |                |              |                |
| Purchases          | -          | -              | 3,110        | 3,110          | -          | -              | 22,435       | 22,435         |
| Transfers-in:      |            |                |              |                |            |                |              |                |
| Intra-agency       | -          | -              | 1,417,910    | 1,417,910      | -          | -              | 334,843      | 334,843        |
| Total Additions    | -          | -              | 1,421,020    | 1,421,020      | -          | -              | 357,278      | 357,278        |
| Deductions:        |            |                |              |                |            |                |              |                |
| Transfers-out:     |            |                |              |                |            |                |              |                |
| Inter-Agency       | -          | -              | -            | -              | -          | -              | 21,160       | 21,160         |
| Intra-agency       | -          | -              | -            | -              | -          | -              | -            | -              |
| Scrap property     | -          | -              | 5,399        | 5,399          | -          | -              | 3,031        | 3,031          |
| Total Deductions   | -          | -              | 5,399        | 5,399          | -          | -              | 24,191       | 24,191         |
| Balance, ending    | \$ 300,350 | \$ 119,372,634 | \$ 3,755,283 | \$ 123,428,267 | \$ 300,350 | \$ 119,372,634 | \$ 2,339,662 | \$ 122,012,646 |

Note: The property 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  
 THOMSON CORRECTIONAL CENTER  
 LIMITED SCOPE COMPLIANCE EXAMINATION  
 COMPARATIVE SCHEDULE OF CASH RECEIPTS AND DEPOSITS  
 (NOT EXAMINED)  
 FOR THE FISCAL YEARS ENDED JUNE 30, 2008 AND 2007

|  | <u>2008</u>      | <u>2007</u>     |
|--|------------------|-----------------|
| <u>RECEIPTS</u>  |                  |                 |
| Jury Duty and Telephone Reimbursement                  | \$ 114           | \$ -            |
| Inmate Restitution                                     | 36               | 67              |
| Dormant Accounts                                       | 248              | -               |
| Furloughs  | 493              | 1,422           |
| Child Support  | 222              | 128             |
| Miscellaneous  | <u>15,321</u>    | <u>7,901</u>    |
| TOTAL RECEIPTS   | <u>\$ 16,434</u> | <u>\$ 9,518</u> |
| <u>REMITTANCES</u>                                     |                  |                 |
| General Revenue Fund - 001                             | \$ 934           | \$ 1,489        |
| Department of Corrections Reimbursement Fund - 523     | <u>15,500</u>    | <u>8,029</u>    |
| TOTAL RECEIPTS REMITTED DIRECTLY TO<br>STATE TREASURER | <u>\$ 16,434</u> | <u>\$ 9,518</u> |
| <u>DEPOSITS</u>  |                  |                 |
| Receipts recorded by Center                            | \$ 934           | \$ 1,489        |
| Add: Deposits in transit - Beginning of year           | -                | -               |
| Deduct: Deposits in transit - End of year              | <u>-</u>         | <u>-</u>        |
| DEPOSITS RECORDED BY THE STATE COMPTROLLER             | <u>\$ 934</u>    | <u>\$ 1,489</u> |

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  
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 2008

A comparative schedule of significant variations in expenditures +/- 20% for the fiscal years ended June 30, 2008 and June 30, 2007 are shown below:

| <u>EXPENDITURE ITEM</u>                                   | <u>FISCAL YEAR ENDED</u><br><u>JUNE 30</u> |                  | <u>INCREASE</u><br><u>(DECREASE)</u> |          |
|---|--|------------------|--------------------------------------|----------|
|   | <u>2008</u>                                | <u>2007</u>      | <u>AMOUNT</u>                        | <u>%</u> |
| Personal service  | \$ 3,855,170                               | \$ 3,168,458     | \$ 686,712                           |          |
| State employee retirement                                 | 638,525                                    | 365,449          | 273,076                              |          |
| Social security/Medicare contribution                     | 284,976                                    | 234,547          | 50,429                               |          |
|   | <u>4,778,671</u>                           | <u>3,768,454</u> | <u>1,010,217</u>                     | 27%      |
| Student, member and inmate compensation                   | 64,030                                     | 48,120           | 15,910                               | 33%      |
| Travel  | 6,652                                      | 3,840            | 2,812                                | 73%      |
| Travel and allowance for paroled and discharged Prisoners | 1,598                                      | 1,078            | 520                                  | 48%      |
| Printing  | 4,434                                      | 6,436            | (2,002)                              | -31%     |
| Equipment   | 435  | 42,687           | (42,252)                             | -99%     |

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

**Personal Services/Employee Retirement/Social Security**

All increases are directly related to the increase in staffing from fiscal year 2007 to fiscal year 2008. The facility opened in the second month of fiscal year 2007; therefore there were no staffing related expenses for the entire first month.

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FOR THE TWO YEARS ENDED JUNE 30, 2008

**Student Member and Inmate Compensation**

The increase in Student Member and Inmate Compensation from fiscal 2007 to fiscal year 2008 is a direct result of the increase in Thomson's inmate population. As the number of inmates increased so did the inmates assignments in which they were paid.

**Travel**

The Warden was asked to cover other Warden Position vacancies, i.e., Danville and Statesville Correctional Centers in fiscal year 2008. This extended coverage resulted in lodging and per diem costs that were not incurred in fiscal year 2007.

**Travel and Allowance for Paroled and Discharged Prisoners**

The increase in travel allowance in fiscal year 2008 is attributable to the increased number of inmates being released.

**Printing**

The decrease in printing expense for fiscal year 2008 compared to fiscal year 2007 was due to the initial set up of institutional policies, commonly used forms; Administrative Directives resulting in a one time printing cost in fiscal year 2007. These policies, directive, forms did not need to be re-created in fiscal year 2008.

**Equipment**

Equipment expense decreased in fiscal year 2008 compared to fiscal year 2007 due to the purchase of Ford pick-up truck for maintenance, a Chevy Impala for the Warden's vehicle and a Salt Spreader to be mounted to the maintenance truck. In fiscal 2008 the facility only purchased a Training Projector.

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FOR THE TWO YEARS ENDED JUNE 30, 2008

**Analysis of Significant Lapse Period Expenditures**

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

Fiscal Year Ended June 30, 2008

| <u>EXPENDITURE ITEM</u>     | <u>TOTAL<br/>EXPENDITURES</u> | <u>LAPSED PERIOD<br/>EXPENDITURES</u> | <u>PERCENTAGE</u> |
|-----------------------------|-------------------------------|---------------------------------------|-------------------|
| Telecommunications Services | \$ 76,437                     | \$ 22,281                             | 29%               |

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

- (1) There were additional telecommunication equipment installations during the lapse period.

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ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES  
FOR THE TWO YEARS ENDED JUNE 30, 2008

**Analysis of Significant Lapse Period Expenditures (continued)**

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

| Fiscal Year Ended June 30, 2007         |                               |                                       |                   |
|---|-------------------------------|---------------------------------------|-------------------|
| <u>EXPENDITURE ITEM</u>                 | <u>TOTAL<br/>EXPENDITURES</u> | <u>LAPSED PERIOD<br/>EXPENDITURES</u> | <u>PERCENTAGE</u> |
| Student, member and inmate compensation | \$ 48,120                     | \$ 13,195                             | 27%               |
| Telecommunication services              | \$ 69,949                     | \$ 44,250                             | 63%               |
| Operation of automotive equipment       | \$ 39,308                     | \$ 11,728                             | 30%               |

Center management provided the following explanations for the significant lapse period expenditure identified above:

- (1) Student, member and inmate compensation increased as a direct result of the increase in Thomson's inmate population. As the number of inmates increased so did the inmate assignments in which they were paid.
- (2) There were new telecommunication installations at year-end.
- (3) Operation of automotive equipment increased to new purchase of automobiles.

STATE OF ILLINOIS  
DEPARTMENT OF CORRECTIONS  
THOMSON CORRECTIONAL CENTER  
SCHEDULE OF CHANGES IN INVENTORIES  
TWO YEARS ENDED JUNE 30, 2008

|                                 | Balance<br>July 1, 2007 | Additions         | Deletions         | Balance<br>June 30, 2008 |
|---------------------------------|-------------------------|-------------------|-------------------|--------------------------|
| GENERAL REVENUE FUND            |                         |                   |                   |                          |
| In-House Repair and Maintenance |                         |                   |                   |                          |
| Items                           | \$ -                    | \$ 350            | \$ 350            | \$ -                     |
| Printing                        | 1,148                   | 4,010             | 4,844             | 314                      |
| Office & Library Supplies       | 3,038                   | 5,093             | 6,710             | 1,421                    |
| Food Supplies                   | 42,109                  | 183,383           | 182,658           | 42,834                   |
| Wearing Apparel - Inmates       | 27,561                  | -                 | 10,078            | 17,483                   |
| Household Laundry & Cleaning    | 46,387                  | 25,625            | 58,230            | 13,782                   |
| Office/Library Equipment        | 1,235                   | 352               | 266               | 1,321                    |
| Household Equipment             | 38,605                  | 1,372             | 39,223            | 754                      |
|                                 | <u>\$ 160,083</u>       | <u>\$ 220,185</u> | <u>\$ 302,359</u> | <u>\$ 77,909</u>         |

LOCAL FUNDS

|                            |                  |                   |                   |                  |
|----------------------------|------------------|-------------------|-------------------|------------------|
| Residents' Commissary Fund | <u>\$ 21,765</u> | <u>\$ 133,964</u> | <u>\$ 143,755</u> | <u>\$ 11,974</u> |
|                            | <u>\$ 21,765</u> | <u>\$ 133,964</u> | <u>\$ 143,755</u> | <u>\$ 11,974</u> |

|                                 | Balance<br>July 1, 2006 | Additions       | Deletions        | Balance<br>June 30, 2007 |
|---------------------------------|-------------------------|-----------------|------------------|--------------------------|
| GENERAL REVENUE FUND            |                         |                 |                  |                          |
| In-House Repair and Maintenance |                         |                 |                  |                          |
| Items                           | \$ -                    | \$ 698          | \$ 698           | \$ -                     |
| Printing                        | 1,780                   | -               | 632              | 1,148                    |
| Office & Library Supplies       | 2,730                   | 1,181           | 873              | 3,038                    |
| Food Supplies                   | 66,506                  | 6,319           | 30,716           | 42,109                   |
| Wearing Apparel - Inmates       | 35,850                  | -               | 8,289            | 27,561                   |
| Household Laundry & Cleaning    | 69,082                  | -               | 22,695           | 46,387                   |
| Office/Library Equipment        | 1,353                   | -               | 118              | 1,235                    |
| Household Equipment             | 39,710                  | -               | 1,105            | 38,605                   |
|                                 | <u>\$ 217,011</u>       | <u>\$ 8,198</u> | <u>\$ 65,126</u> | <u>\$ 160,083</u>        |

LOCAL FUNDS

|                            |                  |                   |                   |                  |
|----------------------------|------------------|-------------------|-------------------|------------------|
| Residents' Commissary Fund | <u>\$ 10,406</u> | <u>\$ 141,066</u> | <u>\$ 129,707</u> | <u>\$ 21,765</u> |
|                            | <u>\$ 10,406</u> | <u>\$ 141,066</u> | <u>\$ 129,707</u> | <u>\$ 21,765</u> |

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

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CENTER'S FUNCTION AND PLANNING PROGRAM

THOMSON CORRECTIONAL CENTER'S MISSION STATEMENT

The mission of the Thomson Correctional Center is to protect the public from the criminal offenders through a system of incarceration and supervision which securely segregates offenders from society and assures offenders of their constitutional rights. Thomson Correctional Center is a maximum security facility that features education, mental health services, recreation, and skill development as mandatory and/or voluntary programming options. These choices, under professional guidance, are opportunities for inmates to enrich their lives with the tools necessary for successful living.

CENTER LOCATION

Thomson Correctional Center is an adult male Level 1, Maximum Security Facility, comprised of 1,600 cells spread throughout eight cell houses and a separate 200-bed minimum-security unit. The center located just north of the Village of Thomson, off Route 84, in the northwest corner of Illinois. The site is comprised of 146 flat acres and consists of 15 buildings, totaling 625,000 square feet. The inner perimeter is surrounded by one-mile loop of two, parallel fences separated by 25 feet of open space. This space is under constant surveillance by four armed, perimeter towers, two armed perimeter road patrols, and a network of 365 surveillance cameras.

The 12-foot exterior fence sets in a 3-foot deep "rat wall" foundation and is stacked, top to bottom, with multiple rows of a coiled wire barrier called razor-ribbon. The 15-foot interior fence is a dual-sided electric stun fence that carries a 7,000-volt current. The total cost for the project is \$140 million. The operating budget is estimated to be \$50 million with a \$30 million payroll that will support 761 state positions and additional contractual workers needed to safely operate the facility.

CENTER PURPOSE

The purpose of the Center is to maintain custody and control of incarcerated adult male felons under a level of security, which will provide a safe and secure environment for inmates, staff, visitors and the community. Consistent with this purpose is the offering of a variety of programs in which inmates may choose to participate, including counseling programs, recreational activities, religious meetings and educational opportunities. These programs are designed to return appropriate offenders to the community with skills to be useful and productive citizens.

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PLANNING PROGRAM

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

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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 two years.

|                            | <u>Fiscal Year</u> |                  |
|----------------------------|--------------------|------------------|
|                            | <u>2008</u>        | <u>2007</u>      |
| Administrative             | 4                  | 4                |
| Business office and stores | 4                  | 4                |
| Clinical services          | 4                  | 4                |
| Maintenance                | 4                  | 4                |
| Correctional officers      | 57                 | 52               |
| Dietary                    | <u>4</u>           | <u>4</u>         |
| Total                      | <u><u>77</u></u>   | <u><u>72</u></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, 2008 and 2007.

|   | <u>Fiscal Year</u> |                  |
|---|--------------------|------------------|
|   | <u>2008</u>        | <u>2007</u>      |
| Correctional officers, beginning of the year    | 43                 | -                |
| New correctional officers hired                 | -                  | 31               |
| Correctional officers transferred-in            | 5                  | 12               |
| Correctional officers transferred-out           | -                  | -                |
| Correctional officers separated from department | <u>-</u>           | <u>-</u>         |
| Correctional officers, end of year              | <u><u>48</u></u>   | <u><u>43</u></u> |

Correctional officers for the above schedule are 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 the 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 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 employee's supervisor must approve any overtime. In most cases, except for roll call, employees are compensated at 1½ 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 during fiscal year 2008 and 2007.

|   | <u>2008</u>      | <u>2007</u>      |
|---|------------------|------------------|
| Paid overtime hours worked during fiscal year                                       | <u>65,379</u>    | <u>562</u>       |
| Value of overtime hours worked during fiscal year                                   | <u>\$ 25,032</u> | <u>\$ 23,505</u> |
| Compensatory hours earned during fiscal year  | <u>2,039</u>     | <u>2,235</u>     |
| Value of compensatory hour earned during fiscal year                                | <u>\$ 59,653</u> | <u>\$ 57,912</u> |
| Total paid overtime hours and earned compensatory hours during fiscal year          | <u>67,418</u>    | <u>2,797</u>     |
| Total value of paid overtime hours and earned compensatory hours during fiscal year | <u>\$ 84,685</u> | <u>\$ 81,417</u> |

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INMATE COMMISSARY OPERATION:

The Center operates a commissary for the benefit of the inmates. The commissary purchases goods from outside vendors and then retails the items to the inmates. The commissary purchases goods at wholesale prices where possible. Effective January 1, 2004, the Unified Code of Correction, 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 transaction of the inmate commissary is recorded in the Inmates' Commissary Fund. A summary of the financial activity of the Inmates' 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 of 24 inmate commissary products were selected and their sale price recomputed to determine compliance with Unified Code of Corrections regarding the statutorily required mark-up. As a result of our testing, we noted that the products were marked-up 25% for non-tobacco and an additional 7% for operating cost.

SHARED RESOURCES (not examined)

The Acting Business Administrator at the Center during September 1, 2006 to December 31, 2008 was the Business Administrator for Dixon Correctional Center.

The Center received from Dixon Correctional Center start-up inventory for its Inmate Commissary Fund. The balance due to Dixon Correctional Center from the Center is \$6,679 as of June 30, 2008.

The Warden was asked to cover other Warden Position vacancies, i.e., Danville and Statesville Correctional Centers in fiscal year 2008. This extended coverage resulted in lodging and per diem costs that were not incurred in fiscal year 2007.

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CENTER INMATE STATISTICS (not examined)

Comparative costs of inmate care, prepared from Center records for the fiscal year ended June 30, 2008 are shown below:

|   | Fiscal Year         |                     |
|---|---------------------|---------------------|
|   | 2008                | 2007                |
| Rated population                        | <u>200</u>          | <u>200</u>          |
| Inmate population (as of May 31)        | <u>145</u>          | <u>159</u>          |
| Average number of inmates               | <u>144</u>          | <u>134</u>          |
| Expenditures from appropriations        | \$ 6,307,564        | \$ 5,145,288        |
| Less-equipment and capital improvements | 435                 | 42,687              |
| Net expenditures                        | <u>\$ 6,307,129</u> | <u>\$ 5,102,601</u> |
| Net inmate cost per year                | <u>\$ 43,800</u>    | <u>\$ 38,079</u>    |

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 Illinois Department of Corrections' quarterly reports to the State legislature.

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CENTER EMPLOYEES STATISTICS (not examined)

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

|   | <u>2008</u> | <u>2007</u> |
|---|-------------|-------------|
| Average number of employees               | 77          | 72          |
| Average number of correctional officers   | 57          | 52          |
| Average number of inmates                 | 144         | 134         |
| Ratio of employees to inmates             | 1 to 1.87   | 1 to 1.86   |
| Ratio of correctional officers to inmates | 1 to 2.53   | 1 to 2.58   |

There were no assaults on staff for fiscal years 2008 and 2007, respectively.

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> |
|------------------------------------|-------------|-------------|
| Approximate Square Foot Per Inmate | 17          | 16          |

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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.

|                    | <u>Fiscal Year</u> |                  |
|--------------------|--------------------|------------------|
|                    | <u>2008</u>        | <u>2007</u>      |
| Breakfast          | 32,000             | 20,000           |
| Lunch              | 62,500             | 50,000           |
| Dinner             | <u>62,500</u>      | <u>50,000</u>    |
| Total Meals Served | <u>157,000</u>     | <u>120,000</u>   |
| Food Cost          | <u>\$ 242,449</u>  | <u>\$ 72,825</u> |
| Cost Per Meal      | <u>\$ 1.54</u>     | <u>\$ .61</u>    |

MEDICAL AND CLERGY SERVICE CONTRACTS (not examined)

The following table, prepared from Center records, summarizes what was paid to vendors for medical contractual services for fiscal years 2008 and 2007.

|                              | <u>Fiscal Year</u> |                   |
|------------------------------|--------------------|-------------------|
|                              | <u>2008</u>        | <u>2007</u>       |
| Medical Services:            |                    |                   |
| Wexford Health Sources, Inc. | <u>\$ 225,024</u>  | <u>\$ 172,211</u> |

The clergy contractual services were paid by Springfield for fiscal year 2008 and 2007.

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SERVICE EFFORTS AND ACCOMPLISHMENTS (not examined)

Thomson Correctional Center had significant accomplishments in fiscal years 2008 and 2007, its first years of operation.

- The Commissary store began selling goods to the inmates in September, 2006.
- The Law library is open six days a week, effective February 2007.
- The Conversion to the Inventory Management system (TIMS) was completed in fiscal year 2007. The TIMS system is utilized for imputing of OFD'S, purchase orders and receiving reports and tracking of commodities.