



STATE OF ILLINOIS
**OFFICE OF THE
 AUDITOR GENERAL**

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

PRISONER REVIEW BOARD

Compliance Examination
 For the Two Years Ended June 30, 2020

Release Date: November 30, 2021

FINDINGS THIS AUDIT: 17				AGING SCHEDULE OF REPEATED FINDINGS			
	<u>New</u>	<u>Repeat</u>	<u>Total</u>	<u>Repeated Since</u>	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>
Category 1:	3	2	5	2018		6, 10	
Category 2:	8	3	11	2016		9	
Category 3:	<u>1</u>	<u>0</u>	<u>1</u>	2014	1, 2		
TOTAL	12	5	17				
FINDINGS LAST AUDIT: 6							

SYNOPSIS

- **(20-01)** The Board did not exercise adequate controls over the recording and reporting of State property.
- **(20-03)** The Board did not maintain adequate controls over its contractual services and interagency agreements.
- **(20-06)** The Board failed to comply with the provisions of the Illinois Crime Reduction Act of 2009.

Category 1: Findings that are **material weaknesses** in internal control and/or a **qualification** on compliance with State laws and regulations (material noncompliance).

Category 2: Findings that are **significant deficiencies** in internal control and **noncompliance** with State laws and regulations.

Category 3: Findings that have **no internal control issues but are in noncompliance** with State laws and regulations.

**PRISONER REVIEW BOARD
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2020**

EXPENDITURE STATISTICS	2020	2019	2018
Total Expenditures (expressed in thousands).....	\$ 2,430	\$ 2,641	\$ 2,339
OPERATIONS TOTAL (expressed in thousands).....	\$ 2,405	\$ 2,584	\$ 2,103
% of Total Expenditures.....	99.0%	97.8%	89.9%
Personal Services.....	1,463	1,528	1,209
Other Payroll Costs (FICA, Retirement).....	106	113	89
All Other Operating Expenditures.....	836	943	805
AWARDS AND GRANTS (expressed in thousands).....	\$ 25	\$ 57	\$ 36
% of Total Expenditures.....	1.0%	2.2%	1.5%
REFUNDS (expressed in thousands).....	\$ -	\$ -	\$ 200
% of Total Expenditures.....	0.0%	0.0%	8.6%
Total Receipts.....	\$ 8,871	\$ 30	\$ -
Average Number of Employees.....	25	20	20

AGENCY DIRECTOR
During Examination Period: Craig Findley
Currently: Craig Findley

**FINDINGS, CONCLUSIONS, AND
RECOMMENDATIONS**

INADEQUATE CONTROLS OVER EQUIPMENT

The Board did not exercise adequate controls over the recording and reporting of State property.

During testing, we noted the following:

- The Board's Agency Reports of State Property (C-15) for the Fiscal Year 2019 Fourth Quarter and Fiscal Year 2020 First, Second, and Third quarters were inaccurate. Equipment purchased during Fiscal Year 2019 which should have been reported on the Fiscal Year 2019 Fourth Quarter C-15 was instead reported on the Fiscal Year 2020 First Quarter C-15. In addition, while the Board originally indicated there were no deletions or transfers-out of equipment during the examination period, it came to the accountant's attention that equipment items were transferred to the Department of Central Management Services' Surplus during the examination period. These transfers-out were not reflected on the Board's Fiscal Year 2020 Second or Third Quarter C-15 reports, which is when the transfers took place. Further, the Schedule of Changes in State Property report component completed by the Board indicates there were no transfers-out or deletions during either fiscal year. It is unknown whether additional transfers-out took place during the examination period.
- During forwards testing of equipment, 2 of 9 (22%) equipment items, totaling \$34,200, were found in a different location than indicated on the Board's property listing.
- During backwards testing of equipment, 1 of 7 (14%) equipment items tested, totaling \$5,120, did not have a location listed on the Board's property listing.
- During backwards testing of equipment, 1 of 7 (14%) equipment items tested, totaling \$14,551, was found in a different location than indicated on the Board's property listing.
- Items noted as obsolete and needing transferred to surplus during the prior examination period, totaling \$374, were still located at the Board's office. In addition, the Board does not maintain a listing of obsolete equipment.

Unknown how many transfers-out took place during the examination period

No location listed for property

Obsolete equipment not surplus

Equipment items not tagged as property of the State

- During forwards testing of equipment, 3 of 9 (33%) equipment items, totaling \$24,384, were not tagged as property of the State.

Property listing not updated timely

- While touring the Board's office, we noted one item, totaling \$5,120, was not tagged as the property of the State of Illinois nor was the item included on the Board's property listing.
- For 2 of 2 (100%) equipment (vehicle) additions tested, totaling \$39,670, the equipment was not added to the Board's property listing within 30 days of receipt. The equipment was added to the Board's property listing 72 days late.

Equipment locations on the property listing wrong

- During review of the Board's property listing as of June 30, 2020, we noted 56 equipment items, totaling \$172,786, were listed as being assigned to Board Members and employees who were not serving for or employed by the Board during the examination period.

Property records are overstated

- Items listed as discrepancies on the Board's Fiscal Year 2018 and Fiscal Year 2019 Inventory Certifications still appear on the Board's property listing as of June 30, 2020. As a result, the Board's property records are overstated by \$1,037.
- One item, totaling \$5,056, was scrapped during the previous examination period but had not been removed from the Board's property listing. The item was still listed on the Board's property listing as of June 30, 2020, resulting in the Board's property records being overstated by \$5,056.
- Twenty-six items were noted as having been transferred to the Department of Central Management Services' (Department) Surplus during the examination period, but had not been removed from the Board's property listing as of June 30, 2020. As a result, the Board's property records are overstated by \$21,264.

Missing items not reported to CMS

- During review of the Fiscal Year 2018 and Fiscal Year 2019 Inventory Certifications submitted by the Board to the Department, we noted each certification had missing items noted; however, the Board did not submit a discrepancy report to the Department with the certifications.

Incomplete inventory certification

- During review of equipment vouchers, for 1 of 3 (33%) equipment vouchers tested, the purchased equipment did not appear on the Fiscal Year 2020 annual

certification of inventory sent to the Department. (Finding 1, pages 12 – 15) **This finding was first reported in 2014.**

We recommended the Board take action to strengthen its internal controls over recording and reporting its State property and equipment transactions. We also recommend the Board implement a corrective action plan to complete a full inventory to identify and correct its accumulated property and equipment errors.

Board agreed

The Board agreed with the recommendation.

INADEQUATE CONTROLS OVER CONTRACTUAL SERVICES AND INTERAGENCY AGREEMENTS

The Board did not maintain adequate controls over its contractual services and interagency agreements.

During testing, we noted the following:

Contract population could not be reconciled to Comptroller records

- The population of contracts provided by the Board could not be reconciled to the Comptroller’s *Agency Contract Report* (SC-14).

Board has no involvement with reconciliations

- The Department of Corrections’ fiscal staff perform reconciliations of the Board’s internal records to the Comptroller’s monthly *Agency Contract Report* (SC-14) and *Obligation Activity Report* (SC-15). The Board has no involvement in the process, nor does the Board review the monthly reconciliations.

Contract did not include date of Chief Legal Counsel’s signature

- For one of five (20%) contracts selected for testing, the contract did not include the date of the Chief Legal Counsel’s signature.

Contract Obligations Documents not properly completed

- For four of five (80%) contracts selected for testing, the Contract Obligation Documents (COD) were not properly completed. The maximum contract amount and annual contract amount indicated on the COD differs from the maximum and annual contract amount stated within the related contract.

Interagency agreement signed 175 days after effective date of agreement

- One of two (50%) interagency agreements the Board entered into during the period was signed 175 days after the effective date of the agreement. (Finding 3, pages 19 – 21)

We recommended the Board ensure contractual agreements and the associated contract obligation documents are properly and accurately completed. We also recommended the Board review the reconciliations prepared on behalf of the Board by the Department of Corrections’ fiscal staff. Additionally, we

recommended the Board implement a way to create a complete and accurate population of contractual agreements. Finally, we recommended the Board ensure all interagency agreements entered into are properly completed prior to the effective date of the agreement.

Board agreed

The Board agreed with the recommendation.

NONCOMPLIANCE WITH THE ILLINOIS CRIME REDUCTION ACT OF 2009

The Board failed to comply with the provisions of the Illinois Crime Reduction Act of 2009 (730 ILCS 190/10).

During testing, we noted the following:

Evidence-based policies for supervising individuals not adopted

- The Board, in conjunction with the Department of Corrections, did not implement an evidence-based programming system. Thus, the Board did not adopt policies, rules, and regulations that resulted in at least 25% of supervised individuals being supervised in accordance with evidence-based practices.

Employees not provided with training and professional development services

- The Board, in conjunction with the Parole Division of the Department of Corrections, did not provide its employees with intensive and ongoing training and professional development services to support the implementation of evidence-based practices.

Evaluation system to study the effectiveness of evidence-based practices not developed

- The Board did not design, implement, or make public a system to evaluate the effectiveness of evidence-based practices.

Comprehensive report not submitted to the Sentencing Policy Advisory Council

- The Board did not annually submit to the Sentencing Policy Advisory Council a comprehensive report on the success of implementing evidence-based practices. (Finding 6, pages 26 – 27)

We recommended the Board, in conjunction with the Department of Corrections, implement measures to achieve compliance with the provisions of the Act.

Board agreed

The Board agreed with the recommendation.

OTHER FINDINGS

The remaining findings pertain to voucher processing weaknesses, operation of state vehicle weaknesses, inadequate controls over reconciliations, ERP transition, report components, board membership, personal services, agency workforce reports, travel, revenues, cybersecurity controls, failure to appoint members to task force, failure to prepare and

submit reports, and failure to develop an identity protection policy. We will review the Board's progress towards the implementation of our recommendations in our next compliance examination.

ACCOUNTANT'S OPINION

The accountants conducted a compliance examination of the Board for the two years ended June 30, 2020, as required by the Illinois State Auditing Act. The accountants qualified their report on State compliance for Findings 2020-001 through 2020-005. Except for the noncompliance described in this finding, the accountants stated the Board complied, in all material respects, with the requirements described in the report.

This compliance examination was conducted by the Office of the Auditor General's staff.

SIGNED ORIGINAL ON FILE

JANE CLARK
Division Director

This report is transmitted in accordance with Section 3-14 of the Illinois State Auditing Act.

SIGNED ORIGINAL ON FILE

FRANK J. MAUTINO
Auditor General

FJM:JMR