

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS

PINCKNEYVILLE CORRECTIONAL CENTER

LIMITED SCOPE COMPLIANCE EXAMINATION

For the Two Years Ended June 30, 2006

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

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
PINCKNEYVILLE CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2006

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	5
Schedule of Findings	
Current Findings	8
Prior Findings Not Repeated	11
Supplementary Information for State Compliance Purposes	
Summary	12
Fiscal Schedules and Analysis	
Schedule of Appropriations, Expenditures and Lapsed Balances	13
Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances	15
Description of Locally Held Funds	16
Schedule of Locally Held Funds	17
Schedule of Changes in State Property	20
Comparative Schedule of Cash Receipts and Deposits (not examined)	21
Analysis of Significant Variations in Expenditures	22
Analysis of Significant Lapse Period Spending	26
Schedule of Changes in Inventories	28
Analysis of Operations	
Center Functions and Planning Program	29
Average Number of Employees	30
Employee Overtime (not examined)	30
Inmate Commissary Operation	31
Annual Cost Statistics	
Costs Per Year Per Inmate (not examined)	32
Ratio of Employees to Inmates (not examined)	33
Cell Square Feet Per Inmate (not examined)	33
Food Services (not examined)	34
Medical and Clergy Service Contracts (not examined)	34
Service Efforts and Accomplishments (not examined)	35

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
PINCKNEYVILLE CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2006

CENTER OFFICIALS

Warden (Current)	Mr. Kenneth Bartley
Acting Warden (12/08/05 to 3/31/06)	Mr. Julius Flag
Warden (12/16/03 to 12/07/05)	Mr. John Evans
Assistant Warden – Programs (Current)	Mr. Earl Wilson
Assistant Warden – Programs (06/16/01 to 12/07/05)	Mr. Julius Flag
Assistant Warden - Operations (Current)	Mr. Alan Uchtman
Assistant Warden – Operations (02/01/04 – 03/31/06)	Mr. Earl Wilson
Business Office Administrator (Current)	Vacant
Business Office Administrator (05/01/03 to 09/20/04)	Ms. Jamie Phoenix

The Center is located at:

5835 State Route 154
Pinckneyville, IL 62274



Illinois
Department of
Corrections

Rod R. Blagojevich
Governor

Roger E. Walker Jr.
Director

Pinckneyville Correctional Center / 5835 State Route 154 / Pinckneyville, IL 62274-3410 / Telephone: (618) 357-9722 / TDD: (800) 526-0844

STATE COMPLIANCE EXAMINATION
MANAGEMENT ASSERTION LETTER

Martin and Shadid, CPAs, P.C.
456 Fulton Street, Suite 126
Peoria, IL 61602

October 12, 2006


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 Pinckneyville Correctional Center (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-year period ended June 30, 2006. Based on this evaluation, we assert that during the years ended June 30, 2005 and June 30, 2006, 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. The 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. The 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,

Pinckneyville Correctional Center


Ken Bartley, Warden


Lynn Brand, Business Manager

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
PINCKNEYVILLE CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2006

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 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.

SUMMARY OF FINDINGS

<u>Number of</u>	<u>This Report</u>	<u>Prior Report</u>
Findings	2	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>
06-1.	8	Inadequate Segregation of Duties
06-2.	10	Improper Usage of Inmate Benefit Funds

EXIT CONFERENCE

Center management waived having an exit conference per a letter dated January 31, 2007. Responses to the recommendations were provided by Mary Ann Bohlen, Supervisor of Central Accounting in a letter dated January 27, 2007.

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**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 - Pinckneyville 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, 2006. The management of the State of Illinois Department of Corrections - Pinckneyville Correctional Center is responsible for compliance with these requirements. Our responsibility is to express an opinion on the State of Illinois Department of Corrections - Pinckneyville Correctional Center's compliance based on our examination.

- A. The State of Illinois Department of Corrections - Pinckneyville 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 - Pinckneyville 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 - Pinckneyville 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. The State revenues and receipts collected by the State of Illinois Department of Corrections - Pinckneyville 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 - Pinckneyville Correctional Center on behalf of the State or held in trust by the State of Illinois Department of Corrections - Pinckneyville 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 Department's General Office, and accordingly, any findings from the results of those procedures have been included in the Department of Corrections – General Office compliance report. We have also performed certain procedures with respect to the accounting records of the Center to assist in the performance of the Auditor General's financial statement audit of the entire Department of Corrections for the year ended June 30, 2006. The results of these additional procedures have been communicated to the Department of Corrections – General Office auditors.

Our examination was conducted 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 - Pinckneyville Correctional Center's compliance with those requirements 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 - Pinckneyville Correctional Center's compliance with specified requirements.

In our opinion, the State of Illinois Department of Corrections – Pinckneyville Correctional Center complied, in all material respects, with the aforementioned requirements during the two years ended June 30, 2006. 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 findings 06-1 and 06-2. There were no immaterial findings relating to instances of noncompliance that have been excluded from this report.

Internal Control

The management of the State of Illinois Department of Corrections – Pinckneyville Correctional Center is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws and regulations. In planning and performing our limited scope compliance examination, we considered the State of Illinois Department of Corrections - Pinckneyville Correctional Center's internal control over compliance with the aforementioned requirements 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. We have also performed certain procedures with respect to the accounting records of the Center to assist in the performance of the Auditor General's financial statement audit of the entire Department of Corrections for the year ended June 30, 2006. The results of these additional procedures have been communicated to the Department of Corrections – General Office auditors.

Our consideration of internal control over compliance with the aforementioned requirements would not necessarily disclose all matters in internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws and regulations that would be material in relation to one or more of the aforementioned requirements being examined may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving internal control over compliance that we consider to be material weaknesses. However, the results of our procedures disclosed other matters involving internal control 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 06-1. There were no immaterial findings relating to internal control deficiencies that have been excluded from this report.

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 2006 and 2005 Supplementary Information for State Compliance Purposes, except for information on the fiscal year 2006 Residents' Benefit Fund information on page 18, Comparative Schedule of Cash Receipts and Deposits, 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 2004 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 & Shadiq, CPAs, P.C.

October 12, 2006

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
PINCKNEYVILLE CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2006

Current Findings

06-1. Finding: Inadequate Segregation of Duties

During our testing we noted Pinckneyville 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 reconciling bank account, mailing checks, delivering deposits to the bank, reconciling receipts to deposits and entering transactions. The following table shows which duties were performed by the same individual within each of the five locally held funds:

	Reconciling Bank Account	Mailing Checks	Delivering Deposits to Bank	Reconciling Receipts to Deposits	Entering Transactions
Inmate Commissary Fund	X	X	X	X	X
Inmate Benefit Fund (FY'05 only)	X		X	X	X
Employee Commissary Fund	X		X	X	
Employee Benefit Fund	X	X	X	X	X
Inmate Trust Fund	X		X	X	

Administrative Directive 02.40.101 states 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.) reconcile bank accounts for any locally held fund 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 any of the conflicting duties noted above. Effective internal controls also dictate the person recording transactions be independent of the person reconciling and approving transactions. The person approving transactions should also be independent of the person recording and reconciling transactions.

Center officials stated they were aware duties were not adequately segregated and as a result the Business Manager thoroughly reviewed all disbursement documentation and bank reconciliations.

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 their assigned duties. (Finding Code No. 06-1)

Recommendation

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

Center Response

Recommendation implemented. During FY07, the facility redistributed duties within the existing staff structure in order to maximize the separation of duties.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
PINCKNEYVILLE CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2006

06-2. Finding: Improper Usage of Inmate Benefit Funds

In testing the Pinckneyville Correctional Center (Center) Inmate Benefit Fund transactions we found the Center did not use the Inmate Benefit Fund in accordance with State statute.

In fiscal year 2003, the Inmate Benefit Fund loaned \$15,000 to the Employee Commissary Fund in order to re-establish an employee commissary at the Center. In June 2004, the Center's Employee Benefit Fund assumed this non-interest bearing loan of \$15,000 from the Employee Commissary Fund. The terms of the loan required the Employee Benefit Fund to make monthly payments of \$100 during 2004, \$200 from January 2005 to June 2005, \$300 from July 2005 to June 2006 and \$400 from July 2006 through 2008 to the Inmate Benefit Fund. As of June 30, 2006 the outstanding loan balance was \$9,600, and the Employee Benefit Fund was current on repaying the loan.

The Unified Code of Corrections (730 ILCS 5/3-4-3(c)) requires forty percent of the profits on sales from commissary stores be expended for the benefit of committed persons. However, a loan to the Employee Commissary Fund does not benefit committed persons.

Center officials stated they were unaware the loan was an improper use of the Inmate Benefit Fund.

This loan represents noncompliance with a State statute. (Finding Code No. 06-2)

Recommendation

We recommend the Center comply with the statutorily mandated responsibilities and properly use the Inmate Benefit Fund for the benefit of committed persons.

Center Response

Recommendation accepted, the facility will close out the loan in FY07.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
PINCKNEYVILLE CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2006

Prior Findings Not Repeated

There were no findings noted during the Limited Scope Compliance Examination for the two years ended June 30, 2004.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
PINCKNEYVILLE CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES
For the Two Years Ended June 30, 2006

SUMMARY

Supplementary Information for State Compliance Purposes presented in this section of the report includes the following:

Fiscal Schedules and Analysis:

- Schedule of Appropriations, Expenditures and Lapsed Balances
- Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances
- Description of Locally Held Funds
- Schedule of Locally Held Funds
- Schedule of Changes in State Property
- Comparative Schedule of Cash Receipts and Deposits (not examined)
- Analysis of Significant Variations in Expenditures
- Analysis of Significant Lapse Period Spending
- Schedule of Changes in Inventories

Analysis of Operations

- Center Functions and Planning Program
- Average Number of Employees
- Employee Overtime (not examined)
- Inmate Commissary Operation
- Annual Cost Statistics
 - Costs Per Year Per Inmate (not examined)
 - Ratio of Employees to Inmates (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 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 to the 2006 and 2005 Supplementary Information for State Compliance Purposes, except for information on the fiscal year 2006 Residents' Benefit Fund information on page 18, Comparative Schedule of Cash Receipts and Deposits, Employee Overtime, Annual Cost Statistics and Service Efforts and Accomplishments on which they did not perform any procedures. However, the auditors do not express an opinion on the supplementary information. The auditors have not applied procedures to the 2004 Supplementary Information for State Compliance Purposes, and accordingly, do not express an opinion thereon.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
PINKNEYVILLE CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
For The Year Ended June 30, 2006

	APPROPRIATIONS NET OF TRANSFERS	EXPENDITURES THROUGH JUNE 30, 2006	LAPSE PERIOD EXPENDITURES JULY 1 TO AUGUST 31, 2006	TOTAL EXPENDITURES 14 MONTHS ENDED AUGUST 31, 2006	BALANCES LAPSED AUGUST 31, 2006
PUBLIC ACT 94-0015 & 94-0798					
<u>GENERAL REVENUE FUND - 001</u>					
Personal services	\$ 23,510,500	\$ 22,315,904	\$ 1,187,237	\$ 23,503,141	\$ 7,359
Employee retirement contributions paid by employer	305,500	305,497	-	305,497	3
Student, member and inmate compensation	280,700	257,069	23,553	280,622	78
State contributions to State Employees' Retirement System	1,831,700	1,738,894	92,531	1,831,425	275
State contributions to Social Security	1,741,200	1,652,719	88,472	1,741,191	9
Contractual services	7,576,700	6,730,981	842,555	7,573,536	3,164
Travel	12,100	7,824	4,065	11,889	211
Travel and allowances for committed, paroled and discharged prisoners	31,900	30,899	436	31,335	565
Commodities	2,177,900	2,041,155	136,724	2,177,879	21
Printing	14,500	10,327	4,143	14,470	30
Equipment	19,100	18,291	744	19,035	65
Telecommunications services	50,500	50,492	-	50,492	8
Operation of automotive equipment	74,700	53,283	21,384	74,667	33
Total - Fiscal Year 2006	\$ 37,627,000	\$ 35,213,335	\$ 2,401,844	\$ 37,615,179	\$ 11,821

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
PINKNEYVILLE CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAFSED BALANCES
For The Year Ended June 30, 2005

	APPROPRIATIONS NET OF TRANSFERS	EXPENDITURES THROUGH JUNE 30, 2005	LAPSE PERIOD EXPENDITURES JULY 1 TO AUGUST 31, 2005	TOTAL EXPENDITURES 14 MONTHS ENDED AUGUST 31, 2005	BALANCES LAFSED AUGUST 31, 2005
PUBLIC ACT 93-0842, 93-0681, & 94-0015					
<u>GENERAL REVENUE FUND - 001</u>					
Personal services	\$ 20,060,400	\$ 19,083,096	\$ 947,742	\$ 20,030,838	\$ 29,562
Employee retirement contributions paid by employer	39,731	39,730	-	39,730	1
Student, member and inmate compensation	308,100	268,389	22,896	291,285	16,815
State contributions to State Employees' Retirement System	3,117,200	2,962,211	148,737	3,110,948	6,252
State contributions to Social Security	1,439,400	1,359,095	68,612	1,427,707	11,693
Contractual services	5,962,300	5,308,935	546,175	5,855,110	107,190
Travel	14,800	8,675	1,024	9,699	5,101
Travel and allowances for committed, paroled and discharged prisoners	54,500	44,887	2,241	47,128	7,372
Commodities	2,100,600	1,777,951	242,299	2,020,250	80,350
Printing	26,400	16,275	434	16,709	9,691
Equipment	10,200	-	4,734	4,734	5,466
Telecommunications services	72,000	65,328	6,575	71,903	97
Operation of automotive equipment	37,200	26,263	7,359	33,622	3,578
Total - Fiscal Year 2005	\$ 33,242,831	\$ 30,960,835	\$ 1,998,828	\$ 32,959,663	\$ 283,168

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
PINCKNEYVILLE CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
For The Years Ended June 30,

	FISCAL YEAR		
	2006	2005	2004
	P.A. 94-0015 & 94-0798	P.A. 93-0842, 93-0681, & 94-0015	P.A. 93-0091
GENERAL REVENUE FUND - 001			
Appropriations (net of transfers)	\$ 37,627,000	\$ 33,242,831	\$ 34,346,700
EXPENDITURES			
Personal services	23,503,141	20,030,838	19,417,492
Employee retirement contributions paid by employer	305,497	39,730	1,006,698
Student, member and inmate compensation	280,622	291,285	303,006
State contributions to State Employees' Retirement System	1,831,425	3,110,948	1,733,195
State contributions to Social Security	1,741,191	1,427,707	1,433,530
Contractual services	7,573,536	5,855,110	5,367,976
Travel	11,889	9,699	15,673
Travel and allowances for committed, paroled and discharged prisoners	31,335	47,128	62,099
Commodities	2,177,879	2,020,250	2,819,293
Printing	14,470	16,709	31,525
Equipment	19,035	4,734	54,787
Telecommunications services	50,492	71,903	89,218
Operation of automotive equipment	74,667	33,622	36,630
Total Expenditures	<u>\$ 37,615,179</u>	<u>\$ 32,959,663</u>	<u>\$ 32,371,122</u>
LAPSED BALANCES	<u>\$ 11,821</u>	<u>\$ 283,168</u>	<u>\$ 1,975,578</u>

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
PINCKNEYVILLE CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
DESCRIPTION OF LOCALLY HELD FUNDS
For the Two Years Ended June 30, 2006

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 travel and allowances for discharged residents/inmates. The Travel and Allowance Revolving Fund is replenished from the Center's 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. This Center maintains four special revenue funds.

The Employees' Commissary Fund and Residents' Commissary Fund are used to maintain stores for selling food, candy, tobacco, health and beauty aids and other personal items. The residents' commissary sells solely to residents and the employees' commissary sells to employees. Profits derived from Commissary Funds' 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 Residents' 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 for residents and employees. The Employees' Benefit Fund is also used to provide travel expense reimbursement for correctional officers while travel vouchers are being processed. During fiscal year 2006 the accounting and expenditure processing of the Residents' Benefit Fund were transferred to the Department of Corrections General Office.

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 which is a depository for the residents' money. The Residents' Trust Fund is used to account for the receipts and disbursements of the resident's individual accounts.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
PINCKNEYVILLE CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF LOCALLY HELD FUNDS - SPECIAL REVENUE FUNDS
For the the Year ended June 30, 2006

	Employees' Commissary Fund	Residents' Commissary Fund	Employees' Benefit Fund	Residents' Benefit Fund (not examined)
REVENUES				
Income from Sales	\$ 110,432	\$ 1,251,240	\$ 13,656	\$ -
Interest / Investment Income	79	533	41	1,650
Miscellaneous				
Entry Fees	-	-	-	-
Postage	-	-	-	-
Other	1,803	-	1,022	25,278
Donations	-	-	58	-
Total Revenues	<u>112,314</u>	<u>1,251,773</u>	<u>14,777</u>	<u>26,928</u>
EXPENDITURES				
Purchases	100,488	1,004,168	9,397	-
General and Administrative	-	-	-	16,718
Contractual	-	-	3,207	94,050
Equipment	-	-	-	-
Postage	-	-	-	-
Cable Television	-	-	-	-
Donations	-	-	5,786	-
Other	-	1,257	824	-
Total Expenditures	<u>100,488</u>	<u>1,005,425</u>	<u>19,214</u>	<u>110,768</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>11,826</u>	<u>246,348</u>	<u>(4,437)</u>	<u>(83,840)</u>
OTHER FINANCING SOURCES				
Transfers In	-	-	4,731	101,817
Transfers (Out)	<u>(11,826)</u>	<u>(246,348)</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources	<u>(11,826)</u>	<u>(246,348)</u>	<u>4,731</u>	<u>101,817</u>
Net Change in Fund Balance	-	-	294	17,977
Fund Balance July 1, 2005	-	37,272	1,177	44,700
Fund Balance June 30, 2006	<u>\$ -</u>	<u>\$ 37,272</u>	<u>\$ 1,471</u>	<u>\$ 62,677</u>

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

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
PINCKNEYVILLE CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF LOCALLY HELD FUNDS - SPECIAL REVENUE FUNDS
For the the Year ended June 30, 2005

	Employees' Commissary Fund	Residents' Commissary Fund	Employees' Benefit Fund	Residents' Benefit Fund
REVENUES				
Income from Sales	\$ 117,186	\$ 1,216,341	\$ 13,728	\$ 53,105
Interest / Investment Income	99	543	34	162
Miscellaneous				
Other	1,726	-	18	25
Donations	-	-	1,702	8,420
Total Revenues	<u>119,011</u>	<u>1,216,884</u>	<u>15,482</u>	<u>61,712</u>
EXPENDITURES				
Purchases	106,704	965,341	7,588	55,401
Contractual	-	-	2,335	80,634
Equipment	-	-	-	7,372
Donations	-	-	5,541	1,024
Other	120	1,190	728	10,391
Total Expenditures	<u>106,824</u>	<u>966,531</u>	<u>16,192</u>	<u>154,822</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>12,187</u>	<u>250,353</u>	<u>(710)</u>	<u>(93,110)</u>
OTHER FINANCING SOURCES				
Transfers In	-	-	4,875	100,794
Transfers (Out)	<u>(12,187)</u>	<u>(250,353)</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources	<u>(12,187)</u>	<u>(250,353)</u>	<u>4,875</u>	<u>100,794</u>
Net Change in Fund Balance	-	-	4,165	7,684
Fund Balance July 1, 2004	-	37,272	(2,988)	37,016
Fund Balance June 30, 2005	<u>\$ -</u>	<u>\$ 37,272</u>	<u>\$ 1,177</u>	<u>\$ 44,700</u>

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

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
PINCKNEYVILLE CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF LOCALLY HELD FUNDS - CASH BASIS
For The Years Ended June 30,

	2005		2006	
	Travel and Allowance	Residents' Trust	Travel and Allowance	Residents' Trust
	Rev. Fund	Fund	Rev. Fund*	Fund
Balance - July 1	\$ 6,667	\$ 117,896	\$ -	\$ 96,779
Receipts				
Investment Income	-	653	-	618
Inmate Account Receipts	1,401	1,594,307	-	1,606,829
Appropriations from General Revenue Fund	16,522	-	27,171	-
TOTAL RECEIPTS	<u>17,923</u>	<u>1,594,960</u>	<u>27,171</u>	<u>1,607,447</u>
Disbursements				
Inmate Account Disbursements	8,936	1,615,424	-	1,619,889
Disbursements for released inmates	15,654	-	27,171	-
TOTAL DISBURSEMENTS	<u>24,590</u>	<u>1,615,424</u>	<u>27,171</u>	<u>1,619,889</u>
Fund Transfers				
Fund Transfers In	-	-	-	-
Fund Transfers (Out)	-	(653)	-	(618)
TOTAL TRANSFERS	<u>-</u>	<u>(653)</u>	<u>-</u>	<u>(618)</u>
Balance - June 30	<u>\$ -</u>	<u>\$ 96,779</u>	<u>\$ -</u>	<u>\$ 83,719</u>

Note: Schedule is presented on the cash basis of accounting

* Starting on December 9, 2004, the replenishment of the Travel and Allowance Revolving Fund is provided through the Inmate Benefit Fund which is now administered by the IDOC Central Office. The Inmate Benefit Fund is reimbursed from the General Revenue Fund appropriation for travel and allowances for committed, paroled and discharged prisoners.

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

	2006				2005					
	Land	Buildings	Equipment	Land Improvements	Total	Land	Buildings	Equipment	Land Improvements	Total
Balance, beginning	\$ 413,798	\$ 63,871,877	\$ 3,173,971	\$ 8,139,532	\$ 75,599,178	\$ 413,798	\$ 63,871,877	\$ 3,195,892	\$ 8,139,532	\$ 75,621,099
Additions:										
Purchases	-	-	28,011	-	28,011	-	-	15,805	-	15,805
Transfers-in:										
Intra-agency	51,685	4,588,335	636,084	68,760	5,344,864	-	-	12,877	-	12,877
Inter-agency	-	-	374,128	-	374,128	-	-	12,535	-	12,535
Capital Development Board	-	-	-	-	-	-	-	-	-	-
Employees' Commissary Fund	-	-	-	-	-	-	-	-	-	-
Employees' Benefit Fund	-	-	-	-	-	-	-	-	-	-
Residents' Commissary Fund	-	-	-	-	-	-	-	-	-	-
Residents' Benefit Fund	-	-	-	-	-	-	-	-	-	-
Donations	-	-	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-	-
Total Additions	\$ 51,685	\$ 4,588,335	\$ 1,038,223	\$ 68,760	\$ 5,747,003	-	-	\$ 41,217	-	\$ 41,217
Deductions:										
Transfers-out:										
Intra-agency	-	-	34,988	-	34,988	-	-	444	-	444
Inter-agency	-	-	40,765	-	40,765	-	-	1,330	-	1,330
Scrap property	-	-	14,347	-	14,347	-	-	49,399	-	49,399
Surplus property	-	-	11,403	-	11,403	-	-	11,965	-	11,965
Condemned and lost property	-	-	-	-	-	-	-	-	-	-
Adjustment	-	-	-	-	-	-	-	-	-	-
Total Deductions	-	-	\$ 101,503	-	\$ 101,503	-	-	\$ 63,138	-	\$ 63,138
Balance, ending	\$ 465,483	\$ 68,460,212	\$ 4,110,691	\$ 8,208,292	\$ 81,244,678	\$ 413,798	\$ 63,871,877	\$ 3,173,971	\$ 8,139,532	\$ 75,599,178

Note: The property balances at June 30, 2006 and 2005 have been reconciled to the property reports submitted to the Office of the Comptroller.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
PINCKNEYVILLE CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
COMPARATIVE SCHEDULE OF CASH RECEIPTS AND DEPOSITS
(NOT EXAMINED)
For The Years Ended June 30,

	FISCAL YEAR		
	2006	2005	2004
RECEIPTS			
Jury Duty	\$ 102	\$ 134	\$ 7,031
Inmate Restitution	10,347	19,185	546
Postage	-	-	5,309
Dormant Inmate Accounts	1,239	1,305	-
Funeral Furlough	-	-	4,512
Staff Witness Fees	22	22	-
Copying Fees	6	-	-
Damage to State Property	-	-	3,019
Medical Services	-	-	11,516
Miscellaneous	383	540	492
TOTAL RECEIPTS	\$ 12,099	\$ 21,186	\$ 32,425
REMITTANCES			
General Revenue Fund - 001	\$ 1,752	\$ 2,001	\$ 7,031
Department of Corrections Reimbursement Fund - 523	10,347	19,185	25,394
TOTAL RECEIPTS REMITTED DIRECTLY TO STATE TREASURER	\$ 12,099	\$ 21,186	\$ 32,425
DEPOSITS			
Receipts recorded by Center	\$ 1,752	\$ 2,001	\$ 7,031
Add: Deposits in transit - Beginning of year	-	-	-
Deduct: Deposits in transit - End of year	-	-	-
DEPOSITS RECORDED BY THE STATE COMPTROLLER	\$ 1,752	\$ 2,001	\$ 7,031

Note: The Deposits reconciliation section of this schedule is a reconciliation of the Center's General Revenue Fund receipts to the Comptroller's General Revenue Fund deposits only. The Comptroller's records do not provide a detail breakdown of deposits into the Department of Corrections Reimbursement Fund #523 by Center.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
PINCKNEYVILLE CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2006

Fiscal Year 2006

A comparative schedule of significant variations in expenditures (20% or more) for the fiscal years ended June 30, 2006 and June 30, 2005 are shown below:

<u>EXPENDITURE ITEM</u>	<u>FISCAL YEAR ENDED JUNE 30</u>		<u>INCREASE</u>	<u>%</u>
	<u>2006</u>	<u>2005</u>	<u>(DECREASE)</u> <u>AMOUNT</u>	
Employee Retirement Contributions				
Paid by State	\$305,497	\$39,730	\$265,767	669%
State contributions to State Employees' Retirement System	\$1,831,425	\$3,110,948	\$(1,279,523)	(41)%
State Contributions to Social Security	\$1,741,191	\$1,427,707	\$313,484	22%
Contractual Services	\$7,573,536	\$5,855,110	\$1,718,426	29%
Travel	\$11,889	\$9,699	\$2,190	23%
Travel & Allowances	\$31,335	\$47,128	\$(15,793)	(34)%
Equipment	\$19,035	\$4,734	\$14,301	302%
Telecommunications Services	\$50,492	\$71,903	\$(21,411)	(30)%
Operations of automotive equipment	\$74,667	\$33,622	\$41,045	122%

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

Employee Retirement Contributions Paid by State

The increase in Employee Retirement Contributions Paid by State resulted from all but one pay period in fiscal year 2005 being expended from the Personal Services appropriation. In fiscal year 2006, the State paid its share of the employee contribution until December 31, 2005, and then ceased all payments.

State Contributions to State Employees' Retirement System

The decrease in State Employee Retirement expenditures was the result of the decreasing of the employer contribution rate from 16.107% in 2005 to 7.792% in 2006.

State Contributions to Social Security

The increase in State Contributions to Social Security was the result of the Center taking responsibility for the DuQuoin Impact Incarceration Program, and the employees located at that facility.

Contractual Services

The increase in contractual services expenditures was the result of the Center contracting for a substance abuse treatment program.

Travel

The increase in travel expenditures was the result of the Center acquiring a bus which allowed them to move more inmates and required more employees to accompany them. Usually, seven to eight correctional officers transport the inmates at a time with each receiving paid lunches as well ranging from \$5.50 to \$17.

Travel and Allowance

The decrease in travel and allowance expenditures was the result of the Center's policy change on November 1, 2005, which stated inmates are responsible for their own travel expenses upon release if their trust fund balance exceeds \$10.

Equipment

The increase in equipment expenditures was the result of a larger dollar amount of equipment expenditures being approved for 2006.

Telecommunications Services

The decrease in telecommunications services expenditures was the result of three months of bills for fiscal year 2006 were not paid until fiscal year 2007.

Operations of Automotive Equipment

The increase in Operations of Automotive Equipment expenditures was the result of the Center acquiring the DuQuoin Impact Incarceration Program and nineteen of their vehicles. Therefore, the cost of operating vehicles increased.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
PINCKNEYVILLE CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2006

Fiscal Year 2005

A comparative schedule of significant variations in expenditures (20% or more) for the fiscal years ended June 30, 2005 and June 30, 2004 are shown below:

<u>EXPENDITURE ITEM</u>	<u>FISCAL YEAR ENDED JUNE 30</u>		<u>INCREASE</u>	<u>%</u>
	<u>2005</u>	<u>2004</u>	<u>(DECREASE)</u> <u>AMOUNT</u>	
Employee Retirement Contributions Paid by State	\$39,730	\$1,006,698	\$(966,968)	(96)%
State Contributions to State Employees' Retirement System	\$3,110,948	\$1,733,195	\$1,377,753	79%
Travel	\$9,699	\$15,673	\$(5,974)	(38)%
Travel & Allowances	\$47,128	\$62,099	\$(14,971)	(24)%
Commodities	\$2,020,250	\$2,819,293	\$(799,043)	(28)%
Printing	\$16,709	\$31,525	\$(14,816)	(47)%
Equipment	\$4,734	\$54,787	\$(50,053)	(91)%

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

Employee Retirement Contributions Paid by State

The decrease in Employee Retirement Contributions Paid by State was the result of a full year expended from this line item in fiscal year 2004. However, all but one pay period in fiscal year 2005 was instead expended from the Personal Services line item.

State Contributions to State Employees' Retirement System

The increase in State Contributions to State Employees' Retirement System was the result of the employer contribution rate increasing from 13.439% in 2004 to 16.107% in 2005. Also, beginning January 1, 2005, the employees made half the employee contribution to the retirement system in an amount of 2%.

Travel

The decrease in travel expenditures was the result of fewer court writs for fiscal year 2005 than 2004.

Travel and Allowance

The decrease in travel and allowance expenditures was the result of the Center's policy change on November 1, 2005, which stated inmates are responsible for their own travel expenses upon release if their trust fund balance exceeds \$10.

Commodities

The decrease in commodities expenditures was the result of the Central Office planning to privatize the food buying process which would have transferred these expenditures to Contractual Services. Therefore, no appropriations were given to line 1360 (food) at the beginning of fiscal year 2005. However, Central Office decided not to privatize and transferred money to Commodities to cover food expenses. In addition, the Central Office offered food saving initiatives during fiscal year 2005 while money was tight.

Printing

The decrease in printing expenditures was the result of the Center's printing appropriation reducing from fiscal year 2004 to fiscal year 2005.

Equipment

The decrease in equipment expenditures was the result of appropriations decreasing because of budget cuts.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
PINCKNEYVILLE CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
For the Two Years Ended June 30, 2006

Our testing of lapse period expenditures for fiscal year ended June 30, 2006 disclosed three appropriation line items with significant (20% or more) lapse period expenditures, as scheduled below:

Fiscal Year Ended June 30, 2006			
<u>EXPENDITURE ITEM</u>	<u>TOTAL EXPENDITURES</u>	<u>LAPSE PERIOD EXPENDITURES</u>	<u>PERCENTAGE</u>
Travel	\$11,889	\$4,065	34%
Printing	\$14,470	\$4,143	29%
Operation of automotive equipment	\$74,667	\$21,384	29%

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

Travel

The lapse period expenditures represented employees turning in travel vouchers late in the year.

Printing

The lapse period expenditures represented funding not being available until a 2% transfer to this line item was completed.

Operation of automotive equipment

The lapse period expenditures represented funding not being available until a 2% transfer to this line item was completed.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
PINCKNEYVILLE CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
For the Two Years Ended June 30, 2006

Our testing of lapse period expenditures for fiscal year ended June 30, 2005 disclosed two appropriation line items with significant (20% or more) lapse period expenditures, as scheduled below:

Fiscal Year Ended June 30, 2005			
<u>EXPENDITURE ITEM</u>	<u>TOTAL EXPENDITURES</u>	<u>LAPSE PERIOD EXPENDITURES</u>	<u>PERCENTAGE</u>
Equipment	\$4,734	\$4,734	100%
Operations of automotive equipment	\$33,622	\$7,359	22%

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

Equipment

The lapse period expenditures represented funding not being approved until late in the year. Also, the Center did not receive the invoice until mid-July.

Operations of automotive equipment

The lapse period expenditures represented funding not being available until a 2% transfer to this line item was completed.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
PINCKNEYVILLE CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF CHANGES IN INVENTORIES
Two Years Ended June 30, 2006

	Balance July 1, 2005	Additions	Deletions	Balance June 30, 2006
GENERAL REVENUE FUND				
General Stores	\$ 217,407	\$ 1,589,622	\$ 1,602,795	\$ 204,234
Mechanical Stores	17,382	12,140	17,569	11,953
Resident Clothing	18,642	112,075	113,166	17,551
Officers' Clothing	-	-	-	-
Office Supplies	9,155	17,373	19,601	6,927
Postage	-	-	-	-
Surplus Inventory	-	-	-	-
	<u>\$ 262,586</u>	<u>\$ 1,731,210</u>	<u>\$ 1,753,131</u>	<u>\$ 240,665</u>
LOCAL FUNDS				
Employees' Commissary Fund	\$ 5,637	\$ 111,362	\$ 111,609	\$ 5,390
Residents' Commissary Fund	77,877	937,034	981,355	33,556
	<u>\$ 83,514</u>	<u>\$ 1,048,396</u>	<u>\$ 1,092,964</u>	<u>\$ 38,946</u>

	Balance July 1, 2004	Additions	Deletions	Balance June 30, 2005
GENERAL REVENUE FUND				
General Stores	\$ 276,338	\$ 1,765,602	\$ 1,824,533	\$ 217,407
Mechanical Stores	19,800	195,969	198,387	17,382
Resident Clothing	21,746	163,916	167,020	18,642
Officers' Clothing	-	10,623	10,623	-
Office Supplies	14,668	41,829	47,342	9,155
Postage	22,703	-	22,703	-
Surplus Inventory	179	-	179	-
	<u>\$ 355,434</u>	<u>\$ 2,177,939</u>	<u>\$ 2,270,787</u>	<u>\$ 262,586</u>
LOCAL FUNDS				
Employees' Commissary Fund	\$ 4,278	\$ 119,509	\$ 118,150	\$ 5,637
Residents' Commissary Fund	74,606	968,492	965,221	77,877
	<u>\$ 78,884</u>	<u>\$ 1,088,001</u>	<u>\$ 1,083,371</u>	<u>\$ 83,514</u>

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

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
PINCKNEYVILLE CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2006

CENTER FUNCTIONS AND PLANNING PROGRAM

Background

The Pinckneyville Correctional Center (Pinckneyville) opened in October 1998. It is a Level II correctional facility located in Perry County, in Southern Illinois. The facility is comprised of 19 buildings totaling 434,000 square feet contained on 148 acres of land.

Mission Statement, Philosophy and Goals

It is the mission of Pinckneyville to protect the public from criminal offenders through a system of incarceration and supervision which securely segregates offenders from society, assures offenders of their constitutional rights and maintains programs to enhance the success of offenders' reentry into society. The purpose of the Center involves two basic factors in both institutional and public safety. This is a combination of basic personnel, hardware and facilities to retain and control inmates within a correctional environment. The second relevant factor is the humane treatment and self-improvement opportunities available to those committed to the Center. It is felt that these secondary factors are basic to control within the institution and to reintegrating the offender into the community better able to cope in the social, vocational, and academic spheres.

Agency Functions and Planning Program

Planning for the 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 Center has established formal written long and short-term goals with respect to its functions and programs. In accordance with their philosophy, the Center has established specific objectives with which to achieve each goal. These objectives are continuously monitored to ensure timely implementation as part of periodic meetings when key personnel meet to keep abreast of current operating, financial and security matters. In addition, the goals and objectives of the administrative staff and the department heads, formulated to comply with the Center's functions and planning program, are reviewed and revised on a periodic basis.

Evaluation and Conclusion

Pinckneyville Correctional Center appears to be effectively utilizing their planning program to improve their current management of the Center and has established adequate operating programs to meet their defined goals and objectives.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
PINCKNEYVILLE CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2006

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		
	<u>2006</u>	<u>2005</u>	<u>2004</u>
Administrative	15	12	15
Business office and stores	23	20	21
Clinical services	18	16	19
Work Camp	60	-	-
Recreation	4	5	5
Maintenance	16	13	13
Laundry	2	2	2
Correctional Officers	343	301	307
Dietary	24	18	18
Medical/Psychiatric	3	3	2
Religion	1	1	1
Records	11	11	11
Total	<u>520</u>	<u>402</u>	<u>414</u>

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.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
PINCKNEYVILLE CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2006

EMPLOYEE OVERTIME (cont.)

The following table, prepared from Department records presents the paid overtime and earned compensatory time incurred during fiscal year 2006 and 2005.

	<u>2006</u>	<u>2005</u>
Paid overtime hours worked during fiscal year	<u>3,685</u>	<u>2,836</u>
Value of overtime hours worked during fiscal year	<u>\$144,648</u>	<u>\$100,086</u>
Compensatory hours earned during fiscal year	<u>15,514</u>	<u>9,152</u>
Value of compensatory hours earned during fiscal year	<u>\$391,973</u>	<u>\$219,504</u>
Total paid overtime hours and earned compensatory hours during fiscal year	<u>19,199</u>	<u>11,988</u>
Total value of paid overtime hours and earned compensatory hours during fiscal year	<u>\$536,621</u>	<u>\$319,590</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. 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.

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, 2006 and 2005 are presented on pages 18 and 19 of this report.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
PINCKNEYVILLE CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2006

INMATE COMMISSARY OPERATION (cont.)

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.

COSTS PER YEAR PER INMATE (not examined)

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

	Fiscal Year		
	<u>2006</u>	<u>2005</u>	<u>2004</u>
Rated population	<u>2,434</u>	<u>2,234</u>	<u>2,234</u>
Inmate population (as of May 31)	<u>2,189</u>	<u>1,933</u>	<u>2,013</u>
Average number of inmates	<u>2,159</u>	<u>1,971</u>	<u>2,029</u>
Expenditures from appropriations	\$37,615,179	\$32,959,663	\$32,371,122
Less-equipment and capital improvements	<u>19,035</u>	<u>4,734</u>	<u>54,787</u>
Net expenditures	<u>\$37,596,144</u>	<u>\$32,954,929</u>	<u>\$32,316,335</u>
Net inmate cost per year	<u>\$17,414</u>	<u>\$16,720</u>	<u>\$15,927</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.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
PINCKNEYVILLE CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2006

RATIO OF EMPLOYEES TO INMATES (not examined)

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

	<u>2006</u>	<u>2005</u>	<u>2004</u>
Average number of employees	<u>520</u>	<u>402</u>	<u>414</u>
Average number of correctional officers	<u>343</u>	<u>301</u>	<u>307</u>
Average number of inmates	<u>2,159</u>	<u>1,971</u>	<u>2,029</u>
Ratio of employees to inmates	<u>1 to 4.2</u>	<u>1 to 4.9</u>	<u>1 to 4.9</u>
Ratio of correctional officers to inmates	<u>1 to 6.3</u>	<u>1 to 6.5</u>	<u>1 to 6.6</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>2006</u>	<u>2005</u>	<u>2004</u>
Approximate Square Foot Per Inmate	<u>39</u>	<u>41</u>	<u>40</u>

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
PINCKNEYVILLE CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2006

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>2006</u>	<u>2005</u>	<u>2004</u>
Breakfast	459,301	417,055	454,455
Lunch	704,733	621,145	641,239
Dinner	726,616	635,151	670,567
Staff meals	<u>117,750</u>	<u>101,350</u>	<u>101,960</u>
Total Meals Served	<u>2,008,400</u>	<u>1,774,701</u>	<u>1,868,221</u>
Food Cost	<u>\$1,663,078</u>	<u>\$1,707,146</u>	<u>\$2,168,729</u>
Cost Per Meal	<u>\$.83</u>	<u>\$.96</u>	<u>\$1.16</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 2006, 2005 and 2004.

	Fiscal Year		
	<u>2006</u>	<u>2005</u>	<u>2004</u>
Medical Services:			
Health Professionals, Ltd.	\$2,491,771	\$ -	\$2,266,046
Wexford Health Source, Inc.	-	3,814,608	1,199,864
	<u>\$2,491,771</u>	<u>\$3,814,608</u>	<u>\$3,465,910</u>
Clergy Services:			
Lubavitch Chabad	<u>\$222</u>	<u>\$665</u>	<u>\$1,440</u>

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
PINCKNEYVILLE CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2006

SERVICE EFFORTS AND ACCOMPLISHMENTS (not examined)

Security and Operations

The implementation of the below security and operational measures have resulted in lowered utility costs, increased security, and enabled us to maintain minimal amounts of weapon materials and other contraband being confiscated as well as a very low number of positive drug test results.

- Procedure of issuance of cell keys to the inmate population was abolished. All individual movement from cells now requires staff to open individual cells. Mass movement or dayroom times are controlled by pod officer opening doors one wing at a time.
- Implementation of new gym line and school schedule to afford more controllable numbers of inmates out in any given area at a time. Gym schedule also refined to include times for over 40 inmates in addition to the physically challenged to allow these groups of inmates more enjoyable gym use.
- Requirement of prior approval for all non-security overtime and security overtime which would result in hold-over for next shift in an effort to alleviate as much overtime expenditure as possible. Additionally, daily overtime reports are compiled and reviewed by administrative staff and sent to executive staff to monitor correlation with staffing needs.
- Computers were converted to Windows XP and changed to Springfield servers in 2005 eliminating the need for backup process locally.
- Policy implemented to ensure electricity usage is closely monitored. Staff are responsible to ensure all equipment is shut down at the end of work day and thermostats during summer months are maintained at 75 degrees. Due to the increase in gas prices, thermostats in winter months are now maintained at 68 degrees.
- Personal Property Box Compliance Checks have been enforced more stringently to ensure any unauthorized items are not being maintained by the inmate population.
- Individual cell view ports were painted black to reduce glare and improve staff's visibility of offenders.

American Correctional Association (ACA) Accreditation

The facility has not received accreditation from ACA to date as a result of budget constraints. It is maintained as an Americans with Disabilities Act (ADA) facility with 34 ADA equipped cells accommodating up to 58 inmates. All health care residents have access to their assigned counselor twice weekly.

In addition, the facility houses a large segregation population providing counseling and case management to the capacity of 248 segregation status inmates. 72-hour initial contacts are maintained with all inmates being placed in segregation status and each is seen by their counselor a minimum of once every 30 days thereafter. Law library services are also provided as needed.

Community Service and Drug Treatment Program

Pinckneyville Correctional Center was named as a parent facility for the DuQuoin Impact Incarceration Program which houses an average population of 200 boot camp inmates. These inmates provide an average of 5,000 work hours per month in the surrounding communities. Severe weather impacted local areas in the summer months and these inmate work crews provided assistance in debris removal which expedited the process for communities who had no other resources to rely upon.

The drug treatment program is established and an average of 25 inmates are enrolled in the program at any given time. The DuQuoin Impact Incarceration Program also has contracted drug treatment counselors providing services to approx. 50 inmates at any given time.

Educational Program

The facility offers adult basic education (ABE), general education development (GED) and special education classes to inmates through School District 428. In FY04, 87 students or 92.6% of 94 students tested passed. In FY05, 68 students, or 94.5% of 77 students passed.

Rend Lake College offers post-secondary programs in Horticulture, Computer Technology, Construction Occupations, Business Management, Commercial Custodial, and Food Service. An academic program is also available providing the opportunity for inmates to attain an Associate of Arts degree.

Anger Management curriculum remains in place and is offered through Clinical Services staff along with peer education classes providing information on sexually transmitted diseases.