

**Audit of the Orange County
Corrections Department
Work Release Center**

**Report by the
Office of County Comptroller**

**Martha O. Haynie, CPA
County Comptroller**

County Audit Division

J. Carl Smith, CPA
Director

Christopher J. Dawkins, CPA
Deputy Director

Deborah W. Owens, CPA, Audit Supervisor
In-Charge Auditor

Renee Anderson, Auditor
Staff

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February 16, 2006

Richard T. Crotty, County Mayor
And
Board of County Commissioners

We have conducted an audit of the Orange County Corrections Department Work Release Center. The audit was limited to an examination of internal controls over operation of the Work Release Center and compliance with applicable laws, rules, and regulations. The period audited was January 1, 2004 through November 30, 2004. Our audit was conducted in accordance with generally accepted government auditing standards, and included such tests as we considered necessary in the circumstances.

Responses to our Recommendations for Improvement were received from the Chief of Corrections and are incorporated herein.

We appreciate the cooperation of the personnel of the Corrections Department during the course of the audit.

Martha O. Haynie, CPA
County Comptroller

c: Ajit Lalchandani, County Administrator
Jerry Demings, Director of Public Safety
Timothy P. Ryan, Chief of Corrections
Dr. Jill Hobbs, Manager, Community Corrections Division

EXECUTIVE SUMMARY

Executive Summary

We have conducted an audit of the Corrections Department Work Release Center. The audit scope was limited to an examination of internal controls over operation of the Orange County Work Release Center and compliance with applicable laws, rules, and regulations. The audit period was January 1, 2004 through November 30, 2004. The objectives of the audit were to determine whether the Center's operations are in compliance with applicable laws, rules, and regulations including inmate qualification and monitoring and whether adequate controls exist over the receipt and distribution of inmate monies.

The Work Release Center is a non-secure community-based facility that provides selected inmates with an opportunity to take responsibility for their financial obligations, while being prepared for a successful transition from jail back into the community.

Based on the results of the work performed, the Orange County Corrections Department Work Release Center materially complied with applicable laws, rules, and regulations except for instances noted in inmate qualification and monitoring. In our opinion, controls over the receipt and distribution of inmate monies were adequate. However, opportunities for improvement were noted. These recommendations include the following:

We found three of the thirty inmates tested did not meet the criteria to serve their sentence at the Center. Inmate criminal histories are reviewed prior to being selected for work release, but without proper review, ineligible inmates may be moved to the Center. These inmates may be too high of a public safety risk to participate in programs within the community. We informed management of the three ineligible inmates and they were promptly returned to the main correctional facility.

We could not determine whether the Center is performing inmate job checks. We found seven of sixteen inmates had no evidence of bi-weekly phone checks to their employer being conducted. In addition, we found no evidence of monthly field checks being conducted for seven of twelve inmates. It is possible that inmates may be in unauthorized locations within the community without being detected, which may increase the risk to the citizens of Orange County.

There is no verification of the number of hours inmates worked to the number of hours in which inmates were paid nor are pay stubs collected when inmates turn in paychecks for deposit. Without such a control, inmates may intentionally sign out of the Center as if they are going to work and actually be unaccounted for in the community.

Management concurred or partially concurred with all of the recommendations made in the report and corrective action is either completed, planned, or underway.

ACTION PLAN

**AUDIT OF THE ORANGE COUNTY CORRECTIONS DEPARTMENT WORK RELEASE CENTER
ACTION PLAN**

NO.	RECOMMENDATIONS	MANAGEMENT RESPONSE			IMPLEMENTATION STATUS	
		CONCUR	PARTIALLY CONCUR	DO NOT CONCUR	UNDERWAY	PLANNED
1.	We recommend the Corrections Department conducts a study of the subsistence amount charged to inmates at the Work Release Center to determine whether the amount charged needs to be adjusted.	✓			✓	
2.	We recommend the Corrections Department reviews its classification process to ensure only eligible inmates are permitted to serve their sentence at the Work Release Center.	✓			Completed	
3.	We recommend the Work Release Center considers developing a centralized filing system and placing the control of the inmate files under the direction of one or two employees.	✓			✓	
4.	We recommend the Work Release Center maintains copies of daily Alpha Rosters, either in paper or electronic format.	✓			Completed	
5.	The Work Release Center develops and implements policies and procedures requiring all developed and purchased applications have adequate password controls.	✓			Completed	
6.	We recommend the Work Release Center develops and implements a policy requiring documentation of all user developed reports, spreadsheets, models, programs, etc. At a minimum the documentation should include those items set forth in the Appendix.	✓			✓	
7.	We recommend the Work Release Center consults with the Comptroller's Office to determine whether the process of preparing inmate checks could be made more efficient.	✓				✓

**AUDIT OF THE ORANGE COUNTY CORRECTIONS DEPARTMENT WORK RELEASE CENTER
ACTION PLAN**

NO.	RECOMMENDATIONS	MANAGEMENT RESPONSE			IMPLEMENTATION STATUS	
		CONCUR	PARTIALLY CONCUR	DO NOT CONCUR	UNDERWAY	PLANNED
8.	We recommend the Work Release Center ensures current medical summary forms are maintained for inmates residing at the Center.	✓			✓	
9.	We recommend the Work Release Center develops a system to better track their inmate job monitoring efforts to ensure these checks are performed as required.	✓			Completed	
10.	We recommend the Work Release Center collects pay stubs from all inmates when paychecks are submitted for deposit. Further, periodic reconciliations should be performed of the hours inmates sign out for work to the hours of pay received.		✓		✓	

INTRODUCTION

Background

The Orange County Work Release Center (Center) is a non-secure community-based facility that provides selected inmates with an opportunity to take responsibility for their financial obligations, while being prepared for a successful transition from jail back into the community. Only non-violent offenders are considered for placement at the Center. Many of the inmates are serving their sentence at the Center as a result of a Judge's order. The Center, with a maximum population of 308 inmates, provides supervised dormitory-type housing for both male and female inmates.

The Center assists inmates in obtaining employment in the community and the inmates are charged a weekly subsistence amount of \$50.05 to offset operating costs of the Center. Inmates are required to submit their pay to the Center for deposit into the Work Release Trust Fund. Weekly, they are allowed fifty-dollars for incidentals and may also have checks issued to cover living expenses for their family, funds permitting. The Center deducts subsistence and may also deduct fines, court costs, or child support from the inmate accounts. During our audit period a total of \$461,493.46 in subsistence was collected from inmates along with deposits of inmate net earnings of \$1,832,708.07.

The Work Release Center is under the direction of the Community Corrections Division within the Orange County Corrections Department. The current number of authorized positions at the Center is 50, consisting of 35 certified corrections officers and 15 civilians. Of these authorized positions, there were 33 certified and 14 civilian positions filled during our audit.

Inmates at the Center are tracked by the use of the Work Release Access database. This system was developed in-house and contains four separate sections: intake, fiscal, security, and job placement.

**Scope, Objectives,
and Methodology**

The audit scope was limited to an examination of the Orange County Work Release Center's operations for compliance with applicable laws, rules, and regulations, and to assess the adequacy of monetary controls. The period under audit was from January 1, 2004 to November 30, 2004. The objectives of the audit were:

1. To determine whether the Work Release Center complied with applicable laws, rules, and regulations including inmate qualification and monitoring.
2. To determine whether adequate controls exist over the receipt and distribution of inmate monies.

Regarding the Work Release Center's compliance with applicable laws, rules, and regulations including inmate qualification and monitoring, we selected a sample of inmates who resided at the Center during the audit period and performed the following procedures:

To determine whether intake files were complete, we reviewed files for a jail card, court documents, and work release documents. If the inmate was permitted to take furloughs we confirmed the inmate had an approved sponsor by reviewing the sponsor notebook. To verify inmate headcounts were being performed as required, we reviewed the completeness of headcount documentation for a sample of days during our audit period. We also observed headcounts being performed. We reviewed the inmate's Case Management file for orientation and financial forms. We also confirmed whether any passes granted were approved, and verified there was evidence of the required 30-day file reviews.

To verify inmates were attempting to find work, we reviewed completed job search forms. We tested inmate vocational placement files for job information to confirm the inmates obtained work within the allotted time period after orientation. If an inmate did not find work in the allotted period of time, we confirmed the time period was extended for a valid reason or the inmate was employed as a resident worker. We compared scheduled hours with actual hours inmates

were out of the Center and, if necessary, we confirmed schedule changes were approved and documented with a completed schedule change form. We also verified inmates were not away from the Center for more than twelve hours by reviewing inmate time cards. We tested the Vocational Placement's job check tracking system to determine whether employers were visited when inmates began employment. We confirmed that contracts with businesses agreeing to employ inmates were on file. We also verified both field checks and phone checks were being performed at the required intervals. To determine inmate schedules were correct, we traced their schedules and job information to the Control Report from the Work Release Center Access database.

To verify inmates met the criteria for serving their sentence at the Center (per Administrative Order No.07-93-58-1 of the Ninth Judicial Circuit Court), we selected a sample of inmates currently at the Center and reviewed their criminal background checks. If inmates had been ordered to Work Release by a judge and did not meet the criteria, we reviewed the inmate files to confirm a letter had been sent to the judge asking him to reconsider. In addition, to verify inmates were medically qualified, we verified the Medical Release Summary forms from Orange County Corrections Health Services were on file.

To test inmate eligibility for a furlough, we obtained a sample of weekly furlough lists and verified the criteria were reviewed before allowing inmates out of the Center on a furlough. Such criteria included being a resident for 30 days, having an approved sponsor, working 32 hours or more the previous week, following all facility rules, an account balance of \$50 or more with all costs up to date, and submitting timely money request forms. We reviewed furlough call documentation to confirm successful contact was made with inmates out on furlough. To verify investigations were performed for inmate disputes of furlough denials, we ensured Furlough Discrepancy forms were complete with all of the required signatures.

By inquiring of management, we determined whether a recent study had been conducted to review the amount charged to inmates for subsistence. We also asked management for any data on recidivism rates for the Center. We performed steps to determine the completeness and reliability of the Work Release Access database such as tracing paper files and actual inmates to and from the database.

To determine whether adequate controls exist over the receipt and distribution of inmate monies, we reviewed the inmate check issuance process. This process requires that inmates turn in weekly money request forms to disburse available funds to the inmate and their requested payees. Prior to disbursement of monies, the checks are reviewed by Center management and forwarded to the Comptroller's Office. The Comptroller's Office again verifies funds, reviews supporting documentation, and if adequate, signs the checks. We obtained disbursement documentation for a sample of weeks during our audit period. We verified inmate checks were approved by management prior to being submitted to the Comptroller's Office. We reviewed a sample of supported inmate request forms and confirmed the amounts appeared on the transaction support reports of the checks issued.

To verify inmate account balances were correct, we obtained account histories for a sample of inmates and traced all deposits to the Classification of Receipt (COR) form and all withdrawals to the request forms. In addition, we verified inmate disbursements were deducted in the order specified by Section 951.24(3)(a), Florida Statutes, by reviewing inmate transaction support reports. For any escapees noted, we verified inmate's remaining funds were deposited with the Board of County Commissioners as per Section 951.24(3)(a)5, Florida Statutes.

We used the amount of inmate paycheck deposits to compare hours paid to hours worked per inmate timecards and work schedules. To determine whether CORs are reviewed and approved, we verified a sample of CORs were signed by both the preparer and supervisor. We also

verified no receipt numbers were missing and compared COR totals with the total of check copy amounts. We verified the deposits were recorded by tracing deposit amounts to reports of fund activity. We chose a sample of names from each COR and confirmed the name was that of a current inmate by tracing the name to the associated file. We verified the deposit was recorded in the inmate's account by tracing the amounts to the inmate account histories. We ensured weekly "no deposit" lists were being prepared to investigate the reason an inmate would not have made a paycheck deposit for the week.

Except for the specific items noted in this report, the audit did not include a review of the Work Release Access Database system developed and used by the Center to track various activities associated with the inmates.

Overall Evaluation

Based on the results of the work performed, the Orange County Corrections Department Work Release Center materially complied with applicable laws, rules, and regulations except for instances noted in inmate eligibility and employment monitoring. In our opinion, controls over the receipt and distribution of inmate monies were adequate. However, opportunities for improvement were noted in this area.

RECOMMENDATIONS FOR IMPROVEMENT

1. A Study on the Appropriateness of the Inmate Subsistence Amount Should Be Conducted

The Corrections Department has not conducted a study to determine whether they are collecting a reasonable amount of subsistence from the inmates. The Center has been charging the same amount since it began operation in 1982. Discounting back twenty-three years using a rate of inflation of four percent makes the same \$50 worth approximately \$20 today. Subsistence amounts should be periodically reviewed to ensure an adequate amount of money is collected from inmates to assist with the cost of operating the Center.

We Recommend the Corrections Department conducts a study of the subsistence amount charged to inmates at the Work Release Center to determine whether the amount charged needs to be adjusted.

Management's Response:

Concur – Underway.

Orange County Corrections has begun to review the current subsistence fee. Corrections' Fiscal Section has begun discussions with the County Office of Management and Budget (OMB) about revising the fee structure, and Work Release Center (WRC) staff have conducted a preliminary survey of other work release facilities, both State and local, to determine what fees are charged and how the fee is determined. A complete evaluation will be conducted and recommendations will be made to OMB and the County Administrator for the next budget cycle.

2. Inmate Eligibility Should Be More Carefully Reviewed

We found that ten percent (3 of 30) of the inmates reviewed did not meet the criteria to serve their sentence at the Work Release Center. Two of the inmates were ineligible due to the conviction for two or more felonies within a three-year

period and the other inmate was ineligible due to conviction for a violent felony within the past ten years. Administrative Order 07-93-58-1 of the Circuit Court of the Ninth Judicial Circuit specifies that for the inmate to be eligible for work release, the following criteria must be met:

- Offender has not been convicted in the last ten years of a felony offense involving violence, the use of a weapon, or any offense involving the abuse of children.
- Offender has not been convicted of more than one non-violent felony offense in the last three years, excluding the instant offense.

The Corrections Classification Services Unit sets custody levels for all inmates coming into the system among other duties. The Classification Services Unit officers note their review of inmate criminal backgrounds in the Corrections Department JailTrack system summarizing the above criteria. This summarization is then used throughout the inmate incarceration and criminal backgrounds may not be reviewed again. Inmates may not be correctly classified if the notes are not correct. In addition, we noted that the process of reviewing inmate criminal histories was very time consuming and complicated. It required going to many different sources of information and even making phone calls to determine the disposition of some of the arrests.

Without proper review of their criminal histories, ineligible inmates may be moved to the Center. These inmates may be too high of a public safety risk to participate in programs within the community.

We informed management of the three ineligible inmates noted above. Their histories were promptly reviewed and the inmates were returned to the main correctional facility.

We Recommend the Corrections Department reviews its classification process to ensure only eligible inmates are permitted to serve their sentence at the Work Release Center.

Management's Response:

Concur - Completed

A WRC Verification Check List was developed to improve the accuracy of the selection process. This checklist is used by WRC staff to review inmate files sent by Classification, and to verify an inmate's eligibility for WRC prior to acceptance, including review of instant offense and criminal history. In addition, the new Inmate Management System (IMS), which went live on November 6, 2005, is a proprietary application, purchased by the County to replace the current JailTrac system.

This application meets rigorous standards for both security and documentation set by the County's Information Systems and Services Division.

IMS allows the Classification Section, which identifies eligible inmates, to view inmate records electronically. WRC staff also has the ability to view the inmate record on-line, prior to accepting an inmate into the program. In the near future, inmate criminal histories will be maintained on-line, providing additional assurances.

These new processes should ensure that only eligible inmates are accepted in WRC. Additionally, to ensure on-going evaluation of the effectiveness of this process, random file reviews, similar to those performed by the auditor, are being conducted.

3. Inmate Files Should Be Consolidated

The Work Release Center maintains a number of inmate files in various locations throughout the Center. Inmates have a file at the control desk, with their case manager, in the fiscal office, and with their vocational placement counselor. Once inmates are no longer at the Center, all files are placed together in one folder and stored alphabetically in a file room. These closed or inactive files may contain up to four copies of the same documents and

as such, can be very cumbersome to review. In addition, we found some of the separate files of the active inmates were missing documentation or, in one case, missing altogether. In a few instances we found documents in the wrong file. We were informed that inmates are frequently returned to the main jail for a variety of reasons and later return to the Center causing files to get misplaced for a period of time.

An adequate system of internal control dictates that a filing system for an organization's records be centralized and protected by a custodian responsible for the files at all times. Such a system may include a file check out policy and a review of the files upon return. Different areas of the Center require inmate information and each area has been maintaining their own set of inmate files concerning their responsibility with inmates, such as fiscal or job placement.

A centralized filing system would lessen the chance of lost or misplaced files. Responsibility being placed on only one or two employees would assist in more accurate and complete files.

We Recommend the Work Release Center considers developing a centralized filing system and placing the control of the inmate files under the direction of one or two employees.

Management's Response:

Concur - Underway

The IMS application includes a Work Release module that reduces the need for many forms, and provides an electronic means for storing most of the inmate information required at the WRC. Additionally, the remaining hard copy files have been consolidated and are being stored in one centralized location. The Fiscal section of WRC will go live with IMS within the next few months, at which time there will be a single electronic file for each inmate.

4. Daily Rosters Should Be Retained

Daily Alpha Rosters of current inmates are not retained to document the daily headcounts and cannot be recreated by the system for a particular day. Good internal controls dictate such documentation is retained, either in paper or electronic format, so headcount details can be verified in the future, if necessary. The completeness and accuracy of the headcount cannot be verified without such records being available for support. The Center may not be able to provide information to support the number of inmates at the Center as of a specific date if questions on count accuracy arise in the future.

We Recommend the Work Release Center maintains copies of daily Alpha Rosters, either in paper or electronic format.

Management's Response:

Concur - Completed

The IMS application includes a Work Release module that reduces the need for many forms, and provides an electronic means for storing most of the inmate information required at the WRC. Additionally, the remaining hard copy files have been consolidated and are being stored in one centralized location. The Fiscal section of WRC will go live with IMS within the next few months, at which time there will be a single electronic file for each inmate.

5. Passwords to the Database Should Be Changed at Regular Intervals

User IDs and passwords are used to restrict access to computerized information, transactions, programs, and system software. We found strong password controls are not utilized. The Center does not require employees to change their password to the Work Release Access database at least every 30 days or when the owner believes the password may have been compromised. Passwords

should be required to adhere to specific criteria, including but not limited to:

- Created and entered by the user;
- Known only to each individual user;
- Not being less than six characters;
- Rules preventing passwords from being reused;
- Containing both numeric and alphanumeric characters;
- Locking out users after three unsuccessful attempts;
- Requiring changing every 30 days or immediately upon suspected compromise.

The Work Release Access Database system was designed in-house and this feature may not have been included when creating the system. Passwords could be compromised if they are not required to meet minimum password criteria requirements.

We Recommend the Work Release Center develops and implements policies and procedures requiring all developed and purchased applications have adequate password controls.

Management's Response:

Concur – Completed.

The Work Release module of IMS went live on November 6, 2005. The Fiscal section of WRC will go live with IMS within the next few months, at which time IMS will completely replace the WRC Access Database system. Users will be required to change their password every forty-five (45) days.

Each user will have a unique user identification and the ability to set a personal password that includes both alpha and numeric characters. IMS security is consistent with other audit recommendations, including on-line "Help Files" which are available to all users, and a complete data dictionary, which is available to technical staff.

Further, again in compliance with the technology recommendations of the audit, reports are developed by County ISS staff, and are all maintained on the County server, ensuring complete documentation is available.

6. The Work Release Access Database Should Be Documented

Written documentation requirements for user developed reports, spreadsheets, models, programs, etc. have not been developed and implemented. During our audit we noted that there is no written manual or other documentation on the Work Release Access database that is used to track inmates at the Center. To ensure effective utilization and future maintenance of user developed reports, spreadsheets, models, and programs written documentation requirements should be developed and implemented. Two employees working at the Center developed the Work Release Access Database system in-house and the system was never documented. One of these employees works in the Fiscal Section at the Center and provides the main support for the system; the other employee now works in another area of the Corrections Department. The Center's continued use of these user developed reports, spreadsheets, and programs which may in certain cases be critical to continuing operations, may not be feasible without appropriate documentation.

We Recommend the Work Release Center develops and implements a policy requiring documentation of all user developed reports, spreadsheets, models, programs, etc. At a minimum the documentation should include those items set forth in the Appendix.

Management's Response:

Concur - Underway

The Work Release module of IMS went live on November 6, 2005. The Fiscal section of WRC will go live with IMS within the next few months. At that time IMS will completely

replace the WRC Access Database system, thus there will be no need to document the access database. The IMS on-line "Help Files" fully document how the WRC and fiscal modules of the application are to be utilized and maintained.

7. Check Processing Procedures Should Be Reviewed

Although there are adequate controls in place, we found the check preparation process to be inefficient. Two fiscal coordinators input weekly inmate money requests into the Work Release Access database system and print a check disbursement report that is reviewed by the supervising fiscal coordinator. The supervising coordinator prints the checks that are then reviewed and approved by the unit supervisor. The supervising coordinator then transports the checks and support to the Comptroller's Finance and Accounting Department on Thursday afternoons for signing and funds verification. The signed checks are picked up on Friday mornings for distribution to inmates that afternoon.

The current process requires two to three reviews by the supervising fiscal coordinator, a review by the unit supervisor, and two trips to the Comptroller's Office. Technology has developed such that the process may be able to be streamlined. For instance, it may be more efficient to have the Comptroller's Office print the checks from an approved report. Streamlining this process may allow for more time to be spent on other important issues at the Center.

We Recommend the Work Release Center consults with the Comptroller's Office to determine whether the process of preparing inmate checks could be made more efficient.

Management's Response:

Concur - Planned

Although the current process is somewhat inefficient, it was created and coordinated with Finance when our check writing process began in 2000. Technology has moved

forward quite a bit since then and this process is also subject to change with the implementation of the fiscal module of the IMS in the coming months.

8. Inmate Medical Summaries Should Be Retained

We could not locate two medical summary forms for our sample of 30 inmates. The Center maintains copies of the Work Release Summary from Corrections Health Services forms in binders for current inmates at the Control Desk. These forms reveal any major health conditions of an inmate to the staff. For example, if the form indicated an inmate was epileptic and prone to seizures, that inmate would be assigned to a bottom bunk.

Administrative Order 07-93-58-1 of the Circuit Court of the Ninth Judicial Circuit states "Offenders with a serious medical condition, requiring frequent care will not be eligible for participation in the Community Corrections programs, as detailed..." Corrections officers and case managers should be aware of major medical conditions of the inmates. Inmates may be injured and the Center may be liable if major health conditions are overlooked.

We Recommend the Work Release Center ensures current medical summary forms are maintained for inmates residing at the Center.

Management's Response:

Concur - Underway

The IMS team is currently working with the MMS (Medical Management System) team to ensure that all pertinent and non-confidential medical information is electronically available for the staff at the WRC. Until this is fully implemented, the medical summaries will be forwarded to the WRC, in hard copy, and incorporated in the inmate's hard file in one centralized location. In addition, all pertinent data are retained in the MMS for historical purposes.

9. Job Check Monitoring Should Be Enhanced

We could not determine whether the Center is performing the required inmate job checks. We reviewed job verification data maintained by the Vocational Placement Center, but found no evidence of bi-weekly phone checks for seven of the sixteen inmates in our sample. In addition, seven of the twelve inmates in our sample that were required to have monthly field checks verifying their employment had no record of such a check being conducted. Work Release Center Standard Operating Procedure IS.601-03, Job Placement Procedures, states, "...staff will conduct bi-weekly phone checks on all employed residents." In addition, "At minimum, one field check per month will be conducted on all employed residents."

The Vocational Placement Office's process of performing and tracking job checks includes the use of multiple reports for use in the field with the results being transferred into the system. The Access database system only allows one job check date to be recorded in the system, so several reports must be searched to determine whether all job checks were conducted. Two employees perform the site visits and another employee performs phone checks. Schedule changes faxed by employers are also counted as phone checks. These phone checks must also be recorded in the database system.

It is possible that inmates may be in unauthorized locations within the community without timely detection from Job Placement Center staff, which may increase the risk to the citizens of Orange County.

We Recommend the Work Release Center develops a system to better track their inmate job monitoring efforts to ensure these checks are performed as required.

Management's Response:

Concur - Completed

The WRC has recently reorganized the Administrative Section with the primary goal of providing additional staff to perform increased vocational placement functions, to include but not limited to telephone checks, job verifications, employer development and additional on-site checks. A new policy requires that job checks be conducted on-site at least once per month, in addition to twice per month telephone checks. Compliance with this policy will result in a significant increase in the number of job related checks. Job checks are recorded in IMS. The system logs the date of the job check, the type of check, the outcome of the check and the person contacted at the job site. An exception report will be used to ensure compliance with policy regarding frequency and type of job checks.

10. Verification of Inmate Pay to Hours Worked Should Be Performed

There is no verification of the number of hours inmates worked to the number of hours in which inmates were paid. In addition, pay stubs are not collected when inmates turn in paychecks for deposit. We attempted to recalculate a sample of paychecks deposited for ten inmates and found paychecks for two of the inmates could have reflected fewer hours worked than they had signed out of the Center claiming to work.

Work Release Center Standard Operating Procedure AM.102-01, Deposits and Bookkeeping, requires that "Inmates that are paid in cash must turn in a pay stub from their employer along with their deposits." An adequate system of internal control should include a periodic reconciliation of the number of hours paid to the number of reported hours worked, regardless of whether paid in cash or by check. The Center does not collect pay stubs from inmates to be used for this purpose. Inmates could intentionally sign out of the Center as if they are going to work and actually be unaccounted for in the community.

We Recommend the Work Release Center collects pay stubs from all inmates when paychecks are submitted for

deposit. Further, periodic reconciliations should be performed of the hours inmates sign out for work to the hours of pay received.

Management's Response:

Partially Concur - Underway

Once the Fiscal module of the IMS is implemented, all inmate financial transactions will be entered in IMS, rather than in the current database. The time an inmate checks in and out of the facility will be compared to the number of hours worked and the dollars paid for the week. (Note: Any significant variance will be addressed by WRC administrative staff.) A report will also be produced that will identify which inmates turned in money orders and not a traditional check; so further verification of pay to hours work can be conducted.

However, the recommendation to have all inmates turn in a pay stub is not feasible, although desirable. Unfortunately some businesses that hire WRC inmates, such as labor pools and lawn services, pay in cash. If this occurs, the inmate is instructed to purchase a money order and then deposit the same at the WRC. Every effort is made to ensure that hours worked are tracked with these employers as well.

Management's Additional Response:

We appreciate the time and effort expended by your office in conducting this audit. As you can see, although we believe that the WRC was operating appropriately, we did concur with virtually all of the recommendations for improvement, several of which are now complete, primarily due to implementation of the IMS. The remaining recommendations are underway. However, the additional changes are contingent upon certain modifications to the new IMS System, and or the implementation of the Medical Management System. We would hope these modifications are complete within the next three (3) to six (6) months.

APPENDIX - RECOMMENDED MINIMUM
DOCUMENTATION CONTENT FOR USER
DEVELOPED REPORTS, SPREADSHEETS,
PROGRAMS, ETC.

**RECOMMENDED MINIMUM DOCUMENTATION CONTENT
FOR USER DEVELOPED REPORTS, SPREADSHEETS, PROGRAMS, ETC.**

1. Narrative Description of the Purpose of the Spreadsheet, Report, etc.
2. Description of Input, files used, etc.
3. Description of major calculations, special routines, etc.
4. Listing of program, parameters, etc.
5. Sample of Output Reports, etc.
6. Notes or comments for the execution of the Model, Report, etc.