



Michigan
Office of the Auditor General
REPORT SUMMARY

*Performance Audit
Selected Personnel and Other Administrative
Costs
Department of Corrections*

Report Number:
471-0620-07L

Released:
October 2008

The Department of Corrections (DOC) maintained 49 facilities (41 correctional facilities and 8 camps) that housed over 50,000 prisoners as of December 31, 2007. Each facility is required to maintain specific staffing levels of custody officers for duty 24 hours each day. DOC had 16,260 employees as of December 31, 2007. In fiscal year 2006-07, DOC expended \$1.41 billion for payroll, of which \$95.3 million was for overtime pay. DOC total expenditures for fiscal year 2006-07 were \$1.91 billion.

Audit Objective:

To assess the effectiveness of DOC's efforts to manage costs related to staffing, overtime, and salaries and benefits.

Audit Conclusion:

We concluded that DOC's efforts to manage costs related to staffing, overtime, and salaries and benefits were moderately effective. We noted two reportable conditions (Findings 1 and 2).

Reportable Conditions:

DOC needs to improve its administration of custody officer staffing (Finding 1).

DOC needs to pursue additional cost saving measures through future contract negotiations and review of its organizational structure (Finding 2).

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Audit Objective:

To assess the effectiveness of DOC's efforts to manage other administrative costs.

Audit Conclusion:

We concluded that DOC's efforts to manage other administrative costs were effective. However, we noted one reportable condition (Finding 3).

Reportable Condition:

DOC did not have a formal process in place to negotiate prices for goods and services purchased from Michigan State Industries (Finding 3).

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Agency Response:

Our audit contains 3 findings and 3 corresponding recommendations. DOC's preliminary response indicated that it partially agrees with all of the recommendations.

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A copy of the full report can be
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<http://audgen.michigan.gov>



Michigan Office of the Auditor General
201 N. Washington Square
Lansing, Michigan 48913

Thomas H. McTavish, C.P.A.
Auditor General

Scott M. Strong, C.P.A., C.I.A.
Deputy Auditor General