



STATE OF MICHIGAN  
DEPARTMENT OF CORRECTIONS  
LANSING

RICK SNYDER  
GOVERNOR

HEIDI E. WASHINGTON  
DIRECTOR

August 26, 2015

Jeffrey S. Bankowski, Chief Internal Auditor  
Office of Internal Audit Services  
Office of the State Budget  
George W. Romney Building  
111 South Capitol, 6<sup>th</sup> Floor  
Lansing, MI 48913

Dear Mr. Bankowski:

In accordance with the State of Michigan, Financial Management Guide, Part VII, attached is a summary table identifying our responses and a corrective action plan to address the recommendations contained within the Office of the Auditor General's performance audit of the Prisoner Accounts, Prisoner Store Programs, and Prisoner Benefit Funds covering the period October 1, 2011 through September 30, 2014.

Please direct questions regarding the summary table or corrective action plans to Julie Hamp at (517) 335-6886.

Sincerely,

Signature Redacted

Heidi E. Washington, Director

Attachment

HW/22/cm

c: Executive Office  
Office of the Auditor General  
House Fiscal Agency  
Senate Fiscal Agency  
House Appropriations Sub-Committee on Corrections  
Senate Appropriations Sub-Committee on Judiciary and Corrections  
House Judiciary Committee  
Senate Judiciary Committee  
B. Curtis  
L. Gulick  
J. Hamp  
C. MacKenzie  
K. McKee  
L. Rapelje  
J. Sherry

**Responses to Office of the Auditor General's Performance Audit of  
Prisoner Accounts, Prisoner Store Programs, and Prisoner Benefit Funds**

Summary Table
<b>Audit recommendations the agency complied with:</b>
1. Improved Controls Needed Over Prisoner Payroll
<b>Audit recommendations the agency will comply with:</b>
2. Improved Communication Needed for Prisoner Store and PBF Activities
Expected compliance date: March 2016

**Corrective Action Plan**

**1. Improved Controls Needed Over Prisoner Payroll**

The auditors recommended that DOC improve controls to help ensure the accuracy of prisoner payroll.

Agency Preliminary Response

DOC agrees and has complied by establishing additional review by business office accounting staff prior to processing the payroll. In addition, DOC has and will continue to provide training to food service vendor staff related to prisoner work assignment schedules and payroll. For the prisoner that was paid for working 99 hours in one day, there was a data keying error where 99 hours were entered instead of 9.9 hours. DOC removed the funds from the prisoner's account to correct the error.

**2. Improved Communication Needed for Prisoner Store and PBF Activities**

The auditors recommended that DOC make improvements to its processes for communicating prisoner store and PBF activities.

Agency Preliminary Response

DOC agrees and will comply. DOC communicates prisoner store and PBF activities to the prisoner benefit and store committee representatives and also posts this information in the libraries and housing units. However, DOC cannot control if information is removed from those locations by prisoners. DOC is working with prisoner store and prisoner service vendors to allow posting of this information on housing unit kiosks. The prisoner services vendor has indicated this feature may be available in late 2015 or early 2016.