

## EXECUTIVE DIGEST

# CONSENT DECREES

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### INTRODUCTION

This report, issued in May 1997, contains the results of our performance\* and financial related\* audit of Consent Decrees, Department of Corrections (DOC). The financial related portion of our audit covered the period October 1, 1993 through September 30, 1996.

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### AUDIT PURPOSE

This performance and financial related audit was conducted as a part of the constitutional responsibility of the Office of the Auditor General. Performance audits are conducted on a priority basis related to the potential for improving effectiveness\* and efficiency\*. Financial related audits are conducted at various intervals to permit the Auditor General to express an opinion on the State's financial statements.

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### BACKGROUND

DOC operates within the constraints of two principal consent decrees: USA versus the State of Michigan and Everett Hadix, et al., versus Perry Johnson, et al.

The USA consent decree\*, entered into on July 13, 1984, was created to resolve concerns of the U.S. Department of Justice (DOJ) as a result of prison riots that occurred during 1981. DOJ examined conditions at the State Prison of Southern Michigan (including the Egeler Correctional Facility) in Jackson, the Michigan Reformatory in Ionia, and the Marquette Branch Prison in Marquette. The requirements of the consent decree generally apply to

these prisons only; however, certain requirements related to mental health services apply to other prisons as well.

The Hadix consent decree\*, entered into on May 13, 1985, was created to resolve complaints by prisoners housed at the Central Complex of the State Prison of Southern Michigan, including the Reception and Guidance Center. A major concern of the Hadix decree is the breakup of the State Prison of Southern Michigan into separate prisons.

Since 1984, DOC has expended approximately \$500 million for consent decree related costs. During fiscal year 1995-96, DOC expended approximately \$90 million related to the two consent decrees. For fiscal year 1995-96, DOC was appropriated 581 full-time equated employees to provide compliance with the consent decrees.

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AUDIT OBJECTIVES  
AND CONCLUSIONS

**Audit Objective:** To assess the effectiveness of DOC's internal control structure\* in providing reasonable assurance that expenditures charged to consent decree operations related to the consent decree compliance requirements.

**Conclusion:** DOC's internal control structure was generally effective in providing reasonable assurance that expenditures charged to the consent decree operations related to the consent decree compliance requirements. Our testing of personnel and operating expenditures for fiscal years 1993-94 through 1995-96 did not disclose any expenditures that did not in some way relate to complying with the many consent decree requirements.

**Audit Objective:** To assess the effectiveness of DOC's management of consent decree operations.

**Conclusion:** DOC generally managed the consent decree operations in an effective manner. However, our assessment disclosed a reportable condition\* related to DOC's monitoring and oversight of the Corrections Mental Health Program (Finding 1).

**Audit Objective:** To assess the effectiveness and efficiency of DOC's process for monitoring compliance with the consent decrees.

**Conclusion:** DOC's process for monitoring compliance with the consent decrees was generally effective and efficient. DOC has put forth substantial time and effort to monitor the prisons' compliance with the consent decree requirements.

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AUDIT SCOPE AND  
METHODOLOGY

Our audit scope was to examine the program and other records of the Department of Corrections related to consent decrees. Also, our scope was to examine the financial records of the Department of Corrections related to consent decrees for the period October 1, 1993 through September 30, 1996. Our audit was conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States and, accordingly, included such tests of the records and such other auditing procedures as we considered necessary in the circumstances.

Our methodology included assessing the effectiveness of consent decree operations for the period October 1, 1993 through January 31, 1997.

To accomplish our audit objectives, we interviewed DOC and prison consent decree coordinators, budget and finance personnel, clinical directors and therapists, wardens, and Attorney General personnel. We reviewed the USA and Hadix consent decrees, the related State Plans for Compliance, and DOC policies and directives.

We evaluated the Corrections Mental Health Program and conducted on-site interviews with mental health clinical teams. We reviewed DOC's actions to bring closure to the consent decrees.

We reviewed consent decree compliance reports prepared by DOC staff, Department of Community Health staff, and outside independent and court-appointed staff.

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AGENCY RESPONSE

Our audit report contains 1 finding and 2 corresponding recommendations. DOC agreed with one of the recommendations and disagreed with the other.