



MICHIGAN

OFFICE OF THE AUDITOR GENERAL

AUDIT REPORT



THOMAS H. McTAVISH, C.P.A.
AUDITOR GENERAL

“...The auditor general shall conduct post audits of financial transactions and accounts of the state and of all branches, departments, offices, boards, commissions, agencies, authorities and institutions of the state established by this constitution or by law, and performance post audits thereof.”

– Article IV, Section 53 of the Michigan Constitution

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Michigan
Office of the Auditor General
REPORT SUMMARY

Performance Audit

Report Number:
47-111-05

Office of Community Corrections

Department of Corrections

Released:
November 2005

The Office of Community Corrections (OCC) is responsible for administering the requirements of Act 511, P.A. 1988. The Act was passed to help reduce prison crowding through local programs that demonstrate a positive impact on reducing prison and jail admissions and to encourage involvement of local government officials and citizens through community corrections advisory boards. During fiscal year 2003-04, OCC reimbursed the advisory boards a total of approximately \$28.1 million to support local community corrections programs.

Audit Objective:

To assess the effectiveness of OCC's monitoring of local community corrections programs.

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Audit Conclusion:

We concluded that OCC's monitoring of local community corrections programs was effective. Our report does not include any reportable conditions related to this audit objective.

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A copy of the full report can be obtained by calling 517.334.8050 or by visiting our Web site at: <http://audgen.michigan.gov>



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November 23, 2005

Ms. Patricia L. Caruso, Director
Department of Corrections
Grandview Plaza Building
Lansing, Michigan

Dear Ms. Caruso:

This is our report on the performance audit of the Office of Community Corrections, Department of Corrections.

This report contains our report summary; description of agency; audit objective, scope, and methodology and prior audit follow-up; comment; two summaries, presented as supplemental information; and a glossary of acronyms and terms.

We appreciate the courtesy and cooperation extended to us during this audit.

AUDITOR GENERAL

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OFFICE OF COMMUNITY CORRECTIONS DEPARTMENT OF CORRECTIONS

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Description of Agency

The Office of Community Corrections (OCC), Department of Corrections (DOC), is responsible for administering the requirements of Act 511, P.A. 1988. The Act was passed to help reduce prison crowding through local programs that demonstrate a positive impact on reducing prison and jail admissions and to encourage involvement of local government officials and citizens through community corrections advisory boards. Also, the Act established the State Community Corrections Board, which serves in an advisory capacity to the DOC director.

OCC staff are responsible for Statewide implementation and monitoring of local community corrections programs run by the advisory boards. The advisory boards are responsible for developing comprehensive corrections plans, identifying treatment resources available in the community, and requesting funding for other services needed to provide alternatives to incarceration of nonviolent jail-bound or prison-bound offenders (see Exhibits 1 and 2, presented as supplemental information). The comprehensive corrections plans and budgets prepared by the advisory boards are approved annually by the local boards of commissioner of the county or counties represented by the advisory board.

During fiscal year 2003-04, OCC reimbursed the advisory boards a total of approximately \$28.1 million to support the following local community corrections programs:

- OCC reimbursed 47 local advisory boards representing 73 counties approximately \$12.3 million for their comprehensive corrections plans and services. These comprehensive corrections plans and services supported nearly 300 community-based programs. These programs included cognitive behavioral programming, work crews, community service, day reporting, education, electronic monitoring, employment services, mental health treatment, pretrial services, substance abuse treatment, and other needed services identified by the individual advisory boards.
- OCC reimbursed 36 advisory boards approximately \$14.7 million to fund 955 beds in probation residential centers throughout the State. These centers provide residential treatment to nonviolent offenders as an alternative to jail

and prison incarceration. Advisory boards are reimbursed \$43 per day for each felony offender residing in a probation residential center.

- OCC reimbursed 36 advisory boards \$783,118 for drunk driver jail reduction and community treatment programs beginning in January 2004. OCC provides \$43.50 per day reimbursement to advisory boards for up to 5 days to assess and house eligible drunk drivers who have been convicted but not yet sentenced by the court. OCC also reimburses advisory boards for treatment programs and other sanctions in lieu of incarceration.

In addition, the county jail reimbursement program was reassigned to OCC in 2005. This program reimbursed counties for certain felony offenders, such as nonviolent habitual offenders, who were sentenced to jail instead of prison. Advisory boards are reimbursed \$43.50 per day for each offender.

OCC had expenditures of approximately \$1.1 million for central office program administration for fiscal year 2003-04 and employed 11 staff as of May 31, 2005.

Audit Objective, Scope, and Methodology and Prior Audit Follow-Up

Audit Objective

The objective for our performance audit* of the Office of Community Corrections (OCC), Department of Corrections (DOC), was to assess the effectiveness* of OCC's monitoring of local community corrections programs.

Audit Scope

Our audit scope was to examine the program and other records of the Office of Community Corrections and selected community corrections advisory boards funded by the Office of Community Corrections. 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.

Supplemental information was provided by DOC and is presented in Exhibits 1 and 2. Our audit was not directed toward expressing an opinion on this information and, accordingly, we express no opinion on it.

Audit Methodology

Our audit procedures, performed from April through July 2005, included examination of records for the period October 1, 2002 through May 31, 2005.

To establish our audit objective and to gain an understanding of OCC's responsibilities, we conducted a preliminary review of its operations. This included a review of statutory requirements, State Community Corrections Board meeting minutes, and OCC annual and biannual reports to the Legislature; discussions with OCC staff regarding their functions and responsibilities; and examination of program records. We also reviewed DOC's 2001 internal audit report of the Office of Community Corrections.

To assess the effectiveness of OCC's monitoring of local community corrections programs, we reviewed procedures and tested records for reimbursing local community corrections programs. We interviewed OCC staff and tested their procedures regarding

* See glossary at end of report for definition.

monitoring of both expenditures and program utilization. We tested program records to verify that OCC conducted financial reviews of local community corrections programs in accordance with its operating procedure. In addition, we reviewed OCC's process for verifying probation residential center expenditures.

We conducted site visits of three local community corrections programs. On a test basis, we verified the eligibility of offenders receiving community-based sanctions and services through the comprehensive corrections plans and services programs, probation residential centers, and drunk driver jail reduction and community treatment programs. In addition, we verified that offenders sentenced to probation residential centers were not enrolled for more than the maximum days allowed. We evaluated the accuracy of OCC's data used for monitoring the local programs by comparing selected Community Corrections Information System data retained by OCC with counties' information systems and offender file records located at the local community corrections program offices. We tested the accuracy of selected program expenditures by tracing them to supporting invoices, payroll records, and other documentation to confirm the reasonableness of the expenditures.

Prior Audit Follow-Up

Our December 1992 performance audit of the Office of Community Corrections, Department of Corrections (#4711192), had 19 recommendations. In our follow-up review of the Office of Community Corrections, Department of Corrections (#4711192F), released in February 1994, we followed up the 9 audit recommendations related to material findings. OCC had complied with 6 of the prior audit recommendations and was in the process of complying with the other 3.

Within the scope of this audit, we followed up the remaining 10 prior audit recommendations and the 3 recommendations that OCC was in the process of complying with at the time of our follow-up review. In total, OCC complied with 14 of the 19 audit recommendations and 5 recommendations were no longer applicable.

COMMENT

EFFECTIVENESS OF MONITORING

COMMENT

Audit Objective: To assess the effectiveness of the Office of Community Corrections' (OCC's) monitoring of local community corrections programs.

Conclusion: We concluded that OCC's monitoring of local community corrections programs was effective. Our report does not include any reportable conditions related to this audit objective.

SUPPLEMENTAL INFORMATION

DEPARTMENT OF CORRECTIONS
Office of Community Corrections
Summary of Program Expenditures and New Enrollees by Community Corrections Advisory Board
For Fiscal Year 2003-04

Community Corrections Advisory Board	Comprehensive Plans and Services Programs (a)		Drunk Driver Jail Reduction and Community Treatment Programs (b)		Probation Residential Services Programs (c)		Total Reimbursed Expenditures
	Reimbursed Expenditures	Total New Enrollees	Reimbursed Expenditures	Total New Enrollees	Reimbursed Expenditures	Total New Enrollees	
Alleghen	\$ 50,448	57	\$		\$ 70,692	13	\$ 121,140
Barry	88,901	74			14,491		103,392
Bay	127,903	500	3,051	1	85,613	28	216,567
Berrien	192,981	618			519,275	203	712,256
Branch		15				3	0
Calhoun	208,028	1,176	21,179	20	352,729	162	581,936
Cass	76,129	177	7,393	6		48	83,522
Central Upper Peninsula	81,194	260					81,194
Clinton	75,955	455	2,175	12			78,130
Eastern Upper Peninsula	126,830	291		1			126,830
Eaton	148,274	435	8,772	1	135,407	48	292,453
Genesee	416,904	653	1,011	1	1,127,718	474	1,545,633
Huron	38,805	82					38,805
Ingham	269,443	207	18,198		391,842	107	679,483
Ionia	49,467	34	5,539			1	55,006
Isabella	98,604	198	4,693	3	25,929	8	129,226
Jackson	194,949	1,081	35,604	16	133,687	59	364,240
Kalamazoo	388,055	2,184	957	19	1,160,398	456	1,549,410
Kent	749,184	1,633	33,267	60	1,333,043	459	2,115,494
Lenawee	41,922	2			119,282		161,204
Livingston	163,437	358	37,887	4	99,588	32	300,911
Macomb	604,652	2,918	41,463	47	440,664	291	1,086,779
Marquette	70,945	93			21,500	1	92,445
Mason	55,899	365	3,991	13			59,891
Mecosta	63,088	502					63,088
Midland	132,743	204	22,045	4	55,642	36	210,430
Monroe	171,644	777			318,501	112	490,145
Montcalm	93,735	175	14,389	18		11	108,124
Muskegon	232,900	782			607,139	196	840,039
Northern Michigan	175,545	746	15,392	1	41,882	5	232,819
Northwest Michigan	392,157	2,413	16,748	14	112,015	44	520,920
Oakland	1,451,799	15,538	166,469	110	1,573,800	579	3,192,068
Osceola	51,263	525					51,263
Ottawa	201,730	1,129	13,197	15	49,428	17	264,356
Saginaw	283,331	1,710	42,771	41	929,639	219	1,255,740
Sanilac	61,552	181					61,552
Shiawassee	52,874	33	565	1	8,213		61,652
St. Clair	156,233	415	22,972	110	481,944	167	661,149
St. Joseph	102,945	79			503,616	14	606,561
Sunrise Side	106,324	23			53,664	7	159,988
Thirteenth Circuit	180,709	708	46,440	29	146,974	61	374,123
Thirty-Fourth Circuit	148,192	198	5,793		35,733	5	189,717
Thumb Regional	179,300	548	13,993	4	52,460	17	245,753
Tri-County Regional	119,626	559					119,626
Van Buren	118,555	332	8,686	3	181,847	11	309,088
Washtenaw	322,545	507	13,787	7	341,264	18	677,596
Wayne	2,839,939	932	7,830	28	3,152,588	1,374	6,000,357
West Central Upper Peninsula	292,620	832			11,782	6	304,402
Total	\$ 12,250,259	43,714	\$ 636,257	589	\$ 14,689,988	5,292	\$ 27,576,504

- (a) Comprehensive corrections plans and services programs included reimbursement for the following: community service, education, employment and training, intensive supervision, mental health treatment, pretrial services, substance abuse treatment, case management, other miscellaneous programs, and administrative expenses.
- (b) Drunk driver jail reduction and community treatment programs included reimbursement for treatment services and in-patient residential services.
- (c) Probation residential services programs included reimbursement for in-patient residential services.

Source: Office of Community Corrections.

DEPARTMENT OF CORRECTIONS
Office of Community Corrections
Summary of New Enrollees and Successful Completion by Community Corrections Advisory Board
For Fiscal Year 2003-04

Community Corrections Advisory Board	Comprehensive Plans and Services Programs (a)		Drunk Driver Jail Reduction and Community Treatment Programs (b)		Probation Residential Services Programs (c)	
	Total New Enrollees	Percent Successfully Completed	Total New Enrollees	Percent Successfully Completed	Total New Enrollees	Percent Successfully Completed
Allegan	57	70.2%			13	61.5%
Barry	74	86.5%				
Bay	500	71.7%	1	100.0%	28	78.6%
Berrien	618	83.6%			203	53.2%
Branch	15	n/a			3	n/a
Calhoun	1,176	66.8%	20	95.0%	162	70.4%
Cass	177	89.6%	6	100.0%	48	81.3%
Central Upper Peninsula	260	98.8%				
Clinton	455	94.7%	12	100.0%		
Eastern Upper Peninsula	291	89.4%	1	100.0%		
Eaton	435	78.8%	1	100.0%	48	60.4%
Genesee	653	71.3%	1	100.0%	474	64.6%
Huron	82	82.9%				
Ingham	207	46.4%			107	56.1%
Ionia	34	63.5%			1	100.0%
Isabella	198	76.9%	3	66.7%	8	62.5%
Jackson	1,081	58.2%	16	100.0%	59	55.9%
Kalamazoo	2,184	92.4%	19	63.2%	456	54.4%
Kent	1,633	68.2%	60	85.0%	459	52.5%
Lenawee	2	n/a				
Livingston	358	92.7%	4	100.0%	32	84.4%
Macomb	2,918	85.8%	47	72.3%	291	79.0%
Marquette	93	91.4%			1	100.0%
Mason	365	61.3%	13	84.6%		
Mecosta	502	85.7%				
Midland	204	80.1%	4	100.0%	36	80.6%
Monroe	777	97.6%			112	72.3%
Montcalm	175	63.8%	18	72.2%	11	100.0%
Muskegon	782	73.7%	0		196	60.7%
Northern Michigan	746	91.0%	1	100.0%	5	60.0%
Northwest Michigan	2,413	83.9%	14	100.0%	44	81.8%
Oakland	15,538	92.2%	110	86.4%	579	75.6%
Osceola	525	83.7%				
Ottawa	1,129	71.8%	15	100.0%	17	52.9%
Saginaw	1,710	84.5%	41	90.2%	219	46.6%
Sanilac	181	84.3%				
Shiawassee	33	75.2%	1	100.0%		
St. Clair	415	84.2%	110	99.1%	167	74.9%
St. Joseph	79	74.4%			14	57.1%
Sunrise Side	23	45.7%			7	85.7%
Thirteenth Circuit	708	94.1%	29	100.0%	61	83.6%
Thirty-Fourth Circuit	198	91.4%			5	40.0%
Thumb Regional	548	89.2%	4	50.0%	17	76.5%
Tri-County Regional	559	80.8%				
Van Buren	332	80.7%	3	100.0%	11	45.5%
Washtenaw	507	86.9%	7	n/a	18	72.2%
Wayne	932	48.9%	28	68.0%	1,374	63.7%
West Central Upper Peninsula	832	80.0%			6	83.3%
Total New Enrollees	43,714		589		5,292	
Average Successful Completion Rate		84.5%		88.2%		64.3%

(a) Comprehensive corrections plans and services programs included reimbursement for the following: community service, education, employment and training, intensive supervision, mental health treatment, pretrial services, substance abuse treatment, case management, other miscellaneous programs, and administrative expenses.

(b) Drunk driver jail reduction and community treatment programs included reimbursement for treatment services and in-patient residential services.

(c) Probation residential services included reimbursement for in-patient residential services.

n/a = New enrollees have not yet completed the program.

Source: Office of Community Corrections.

GLOSSARY

Glossary of Acronyms and Terms

DOC	Department of Corrections.
effectiveness	Program success in achieving mission and goals.
OCC	Office of Community Corrections.
performance audit	An economy and efficiency audit or a program audit that is designed to provide an independent assessment of the performance of a governmental entity, program, activity, or function to improve public accountability and to facilitate decision making by parties responsible for overseeing or initiating corrective action.

