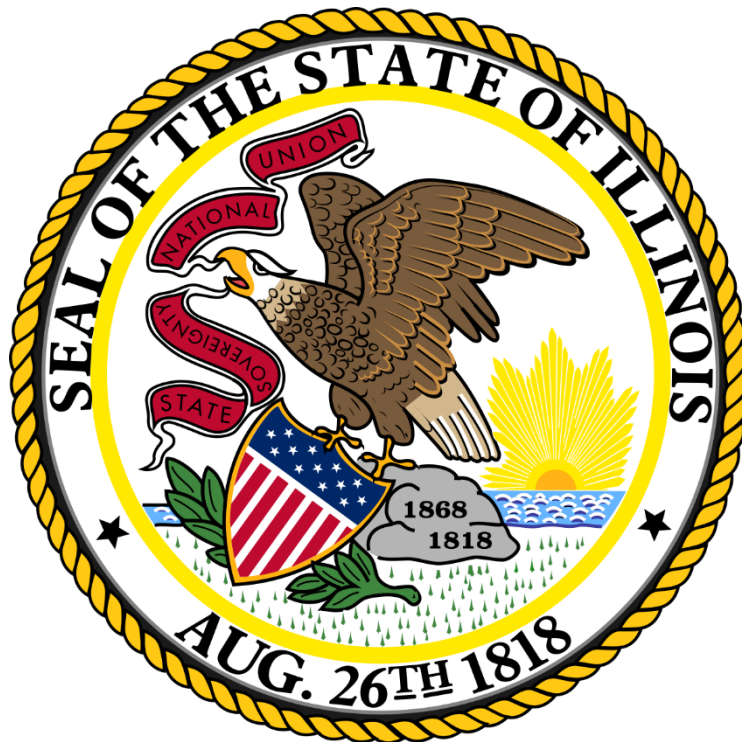


# LEGISLATIVE AUDIT COMMISSION



Review of  
Prisoner Review Board  
Two Years Ended June 30, 2020

622 Stratton Office Building  
Springfield, Illinois 62706  
217/782-7097

## **REVIEW #4543: Prisoner Review Board - FY19-20 Compliance**

### **REVIEW: 4543 PRISONER REVIEW BOARD TWO YEARS ENDED JUNE 30, 2020**

#### **FINDINGS/RECOMMENDATIONS – 17**

**PARTIALLY IMPLEMENTED – 7  
IMPLEMENTED – 10  
ACCEPTED– All**

#### **REPEATED RECOMMENDATIONS – 5**

#### **PRIOR AUDIT FINDINGS/RECOMMENDATIONS – 6**

This review summarizes the auditors' report on the Prisoner Review Board for the two years ended June 30, 2020, filed with the Legislative Audit Commission on November 30, 2021. The auditors conducted a compliance examination in accordance with state law and Government Auditing Standards.

Mission Statement The Illinois Prisoner Review Board's (PRB) mission is to function under statutory authority as a quasi-judicial body with a primary focus on public safety. It further acts as a check and balance on other state and local institutions. The Board imposes release conditions for incarcerated individuals who are exiting penal facilities, revokes and restores good conduct credits from individuals in custody, and conducts hearings to determine whether alleged Parole Violators have violated conditions of Parole. The Illinois Prisoner Review Board also notifies victims and their families when an individual in custody is going to be released from custody. The Board makes confidential recommendations to the Governor relative to clemency petitions.

#### Program Goals and Objectives

- For crimes that occurred prior to 1978, ensure that only deserving individuals in custody are released into society.
- Review each releasee file and place certain conditions to ensure a releasee is thoroughly supervised and participates in appropriate programs.
- Notify victims, family members, and interested parties of the release of an individual in custody.
- Protect victims by notification of release from incarceration of an individual in custody.
- Conduct parole, mandatory supervised release, good conduct revocation, and clemency hearings, all of which are mandated by law.
- To have the budget dollars available to be able to meet the hearing mandates.
- Make well-founded confidential clemency recommendations to the Governor.
- Ensure that all clemency recommendations made to the Governor by the Board are based on current and accurate information.

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During the audit period, Craig Findley was Chairman. Edith Crigler is the current chair.

The primary administrative office of the PRB is at 319 East Madison, Suite A in Springfield.

### Appropriations and Expenditures

	FY19	FY20	FY21	FY22 Est
<b>Approp/Expend</b>	<b>\$2,474,000</b>	<b>\$2,429,900</b>	<b>\$2,177,800</b>	<b>\$3,411,200</b>
<b>Average full-time headcount</b>	<b>28</b>	<b>39</b>	<b>36</b>	<b>36</b>

Source: Comptroller's Public Accountability Report

### Key Performance Indicators

	FY19	FY20	FY21	FY22 Est
<b>Parole Hearings Conducted</b>	<b>50</b>	<b>45</b>	<b>50</b>	<b>50</b>
<b>Good conduct revocation hearing held</b>	<b>1,854</b>	<b>1,699</b>	<b>325</b>	<b>425</b>
<b>Mandatory Supervised release revocation hearings</b>	<b>7,133</b>	<b>6,810</b>	<b>4,505</b>	<b>5,500</b>
<b>All other hearings conducted</b>	<b>13,119</b>	<b>6,935</b>	<b>14,949</b>	<b>17,000</b>
<b>Clemency hearings conducted</b>	<b>450</b>	<b>659</b>	<b>1,403</b>	<b>4,000</b>
<b>Cannabis Clemency</b>	<b>NA</b>	<b>11,017</b>	<b>0</b>	<b>4,000</b>
<b>Victims notified upon release of individuals in custody</b>	<b>315</b>	<b>298</b>	<b>118</b>	<b>230</b>
<b>Hearings to consider modification of release conditions</b>	<b>3,148</b>	<b>2,748</b>	<b>559</b>	<b>600</b>
<b>Parole requests grants</b>	<b>14</b>	<b>9</b>	<b>15</b>	<b>10</b>
<b>Good conduct credits approved *</b>	<b>1,785</b>	<b>1,091</b>	<b>560</b>	<b>0*</b>
<b>Cost per hearing</b>	<b>\$61.64</b>	<b>\$66.58</b>	<b>\$63.20</b>	<b>\$81.28</b>

Source: Comptroller's Public Accountability Report

Notes: Good conduct credits and revocation hearings will taper off as this element ends. Cannabis clemency hearings will begin again in FY22. None were held in FY21; and overall hearings increased as efforts were made to decrease population in congregate facilities. While transfers

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from county jails to reception centers were paused, hearings were also conducted at the county level instead due to COVID related circumstances.

### **Cash Receipts**

PRB usually has minimal receipts for miscellaneous recoveries such as jury duty and paid fees for photocopying under FOIA. These types of receipts are expected to fluctuate due to the nature of the processed receipts. In FY20 there were also small prior year refunds when a vendor is paid incorrectly or for when duplicate payments are returned. The total cash receipts in FY20 were \$8,871, mostly for prior year refund of \$8,370.

PRB did not have any significant variations in receipts for FY19. The total cash receipts in FY19 were \$30.

### **Property and Equipment**

The ending balance of equipment was \$589,700 in FY19 and \$669,000 in FY20.

### **Emergency Purchases**

The Illinois Procurement Code (30 ILCS 500/) states, "It is declared to be the policy of the state that the principles of competitive bidding and economical procurement practices shall be applicable to all purchases and contracts...." The law also recognizes that there will be emergency situations when it will be impossible to conduct bidding. It provides a general exemption when there exists a threat to public health or public safety, or when immediate expenditure is necessary for repairs to state property in order to protect against further loss of or damage to state property, to prevent or minimize serious disruption in critical state services that affect health, safety, or collection of substantial state revenues, or to ensure the integrity of state records; provided, however that the term of the emergency purchase shall not exceed 90 days. A contract may be extended beyond 90 days if the chief procurement officer determines additional time is necessary and that the contract scope and duration are limited to the emergency. Prior to the execution of the extension, the chief procurement officer must hold a public hearing and provide written justification for all emergency contracts. Members of the public may present testimony.

Notice of all emergency procurement shall be provided to the Procurement Policy Board and published in the online electronic Bulletin no later than five business days after the contract is awarded. Notice of intent to extend an emergency contract shall be provided to the Procurement Policy Board and published in the online electronic Bulletin at least 14 days before the public hearing.

The Legislative Audit Commission receives quarterly reports of all emergency purchases from the Office of the Auditor General. The Legislative Audit Commission is directed to review the purchases and to comment on abuses of the exemption.

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The PRB did not have any emergency purchases during this audit report.

### Current Board

Name	Expire	Since	Affiliation	Appoint By		County
<b>Bohland, Jared</b>	1/18/2027	5/3/2021	Republican	Governor	Member	Macon
<b>Coates, Matthew</b>	1/18/2027	7/1/2022	Democrat	Governor	Member	Mclean
<b>Crigler, Edith</b>	1/16/2023	10/28/2011	Democrat	Governor	Chair	Cook
<b>Daniels, Lisa</b>	1/16/2023	7/5/2018	Democrat	Governor	Member	Cook
<b>Globokar, Julie</b>	1/20/2025	7/5/2022	Democrat	Governor	Member	Cook
<b>Heaton, Rodger</b>	1/20/2025	5/1/2022	Republican	Governor	Member	Cook
<b>Miller, Lee Ann</b>	1/18/2027	9/2/2021	Republican	Governor	Member	Gallatin
<b>Shelton, Donald</b>	1/16/2023	9/20/2012	Republican	Governor	Member	Sangamon
<b>Shoffner, Robin</b>	1/18/2027	5/1/2022	Democrat	Governor	Member	Cook
<b>Terrones, Carmen</b>	1/20/2025	6/27/2022	Democrat	Governor	Member	Cook
<b>Tupy, Kenneth</b>	1/16/2023	5/3/2021	Republican	Governor	Member	Sangamon
<b>VACANT</b>	1/20/2025		Other	Governor	Member	None
<b>VACANT</b>	1/18/2027		Other	Governor	Member	None
<b>VACANT</b>	1/20/2025		Other	Governor	Member	None
<b>VACANT</b>	1/16/2023		Other	Governor	Member	None

Source: State of Illinois Appointments website as of September 1, 2022.

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### Accountants' Findings and Recommendations

Condensed below are the 17 findings and recommendations included in the audit report. Of these, five are repeated from the previous audit. The following recommendations are classified on the basis of information provided by the Prisoner Review Board, via electronic mail received May 2, 2022.

- 1. The auditors recommend the Board take action to strengthen its internal controls over recording and reporting its state property and equipment transactions. The auditors also recommend the Board implement a corrective action plan to complete a full inventory to identify and correct its accumulated property and equipment errors (Repeated since 2014).**

#### **FINDING:** *(Property Control Weaknesses)*

During testing, auditors noted the following:

- The Board's Agency Reports of State Property (C-15) for FY19 Fourth Quarter and FY20 First, Second, and Third quarters were inaccurate. Equipment purchased during FY19 which should have been reported on the FY19 Fourth Quarter C-15 was instead reported on the FY20 First Quarter C-15. In addition, while the Board originally indicated there were no deletions or transfers-out of equipment during the examination period, it came to our attention that equipment items were transferred to CMS Surplus during the examination period.

Due to these conditions, the accountants were unable to conclude whether the Board's population records were sufficiently precise and detailed under the Attestation Standards promulgated by the American Institute of Certified Public Accountants (AT-C § 205.35) to test the Board's equipment.

*Even given the population limitation noted above which hindered the ability of the accountants to conclude whether selected samples were representative of the population as a whole, the accountants performed testing and noted the following:*

- During forwards testing of equipment, 2 of 9 (22%) equipment items, totaling \$34,200, were found in a different location than indicated on the Board's property listing.
- During backwards testing of equipment, 1 of 7 (14%) equipment items tested, totaling \$5,120, did not have a location listed on the Board's property listing.
- During backwards testing of equipment, 1 of 7 (14%) equipment items tested, totaling \$14,551, was found in a different location than indicated on the Board's property listing.

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- Items noted as obsolete and needing transferred to surplus during the prior examination period, totaling \$374, were still located at the Board's office. In addition, the Board does not maintain a listing of obsolete equipment.
- During forwards testing of equipment, 3 of 9 (33%) equipment items, totaling \$24,384, were not tagged as property of the state.
- While touring the Board's office, auditors noted one item, totaling \$5,120, was not tagged as the property of the State of Illinois nor was the item included on the Board's property listing.
- For 2 of 2 (100%) equipment (vehicle) additions tested, totaling \$39,670, the equipment was not added to the Board's property listing within 30 days of receipt. The equipment was added to the Board's property listing 72 days late.
- During review of the Board's property listing as of June 30, 2020, auditors noted 56 equipment items, totaling \$172,786, were listed as being assigned to Board Members and employees who were not serving for or employed by the Board during the examination period.
- Items listed as discrepancies on the Board's FY18 and FY19 Inventory Certifications still appear on the Board's property listing as of June 30, 2020. As a result, the Board's property records are overstated by \$1,037.
- One item, totaling \$5,056, was scrapped during the previous examination period but had not been removed from the Board's property listing. The item was still listed on the Board's property listing as of June 30, 2020, resulting in the Board's property records being overstated by \$5,056.
- Twenty-six items were noted as having been transferred to the CMS' Surplus during the examination period, but had not been removed from the Board's property listing as of June 30, 2020. As a result, the Board's property records are overstated by \$21,264.
- During review of the FY18 and FY19 Inventory Certifications submitted by the Board to the CMS, we noted each certification had missing items noted; however, the Board did not submit a discrepancy report to the CMS with the certifications.
- During review of equipment vouchers, for 1 of 3 (33%) equipment vouchers tested, the purchased equipment did not appear on the FY20 annual certification of inventory sent to the CMS.

In the prior examination, Board management indicated these issues were due to oversight and human error. In the current examination, Board management indicated the deficiencies noted above were the result of staff shortage and competing priorities. In addition, the Board indicated it has been unable to transfer equipment due to the current

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COVID-19 pandemic, as CMS did not accept surplus equipment for a significant period of time during the pandemic.

### **BOARDS RESPONSE:**

Recommendation accepted.

### **UPDATED RESPONSE:**

Partially Implemented: The Board relies upon the Public Safety Shared Services (PSSS) for property control processes. With that said, the Board has also hired an additional staff member, Storekeeper I, to assist with the overseeing of the agency's inventory. Once the staff member has been properly trained, it will allow for them to assist in strengthening our internal controls over recording and reporting of state property and equipment transactions.

## **2. The auditors recommend the Board implement internal controls to provide assurance:**

- 1. vouchers are timely approved,**
- 2. approval date of vouchers is documented,**
- 3. vouchers are assigned the correct detail object code,**
- 4. the receipt date is documented for all invoices received by the Board**
- 5. all required interest is paid in a timely manner, and**
- 6. expenditure signature authority is properly assigned and documented (Repeated since 2014).**

### **FINDING:** *(Voucher Processing Weaknesses)*

The Prisoner Review Board did not exercise adequate controls over voucher processing.

During testing of non-payroll expenditure vouchers, auditors noted the following:

- 116 of 185 (63%) vouchers tested, totaling \$419,165, were approved between 1 and 282 days beyond the 30-day requirement.
- 2 of 176 (1%) vouchers tested, totaling \$4,805, had file balancing reports that were not complete. As a result auditors were unable to determine if the voucher was approved timely.
- 22 of 176 (13%) vouchers tested, totaling \$82,485, were not assigned the correct detail object code.
- 3 of 176 (2%) vouchers tested, totaling \$93,823, did not have a received date. Therefore, auditors could not determine whether the voucher was approved timely or if interest needed to be vouchered.

During testing of vouchers that accrued interest, auditors noted the following:



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- 16 of 176 (9%) vouchers tested failed to be processed timely, which accrued interest on the vouchers. Interest, totaling \$1,572, on the vouchers was not paid by the Board.
- The Board stated it holds all prompt payment interest vouchers until the end of the fiscal year in an effort to ensure that an appropriate balance is available to cover principal payments first and foremost. All vouchers, including interest vouchers, should be paid as soon as possible.

During testing of the Board's expenditure signature authorization cards, auditors noted the Board had inadequate controls over the Board's signature authority for approving vouchers, and obtained the Board's expenditure signature authorization cards from the Office of Comptroller and noted four individuals of a total of 13 (31%) with signature authority, were not identified by the Board as personnel with signature authority. After inquiry of the four individuals with the Board, the Board was unable to provide adequate documentation that these four employees should, in fact, have signature authority. While the Board stated that these individuals should have had signature authority, none of these individuals were mentioned in the narratives or walkthroughs provided to or conducted by the auditors and the Board did not provide any documentation to show these individuals should have authority.

During the prior examination, Board management indicated these issues were due to human error and oversight. During the current examination, Board management indicated these issues were due to competing priorities of staff, vouchers being held to ensure that an appropriate balance was available to cover principal payments first and foremost.

Failure to establish and maintain adequate internal control over voucher processing represents noncompliance with state laws and regulations and increases the likelihood that errors or other irregularities could occur and not be detected in a timely manner by employees in the normal course of performing their assigned duties. In addition, failure to pay interest is noncompliance with the State Prompt Payment Act. Finally, failure to maintain adequate internal control over signature authorization cards could lead to improper authorization of expenditures.

### **BOARDS RESPONSE:**

Recommendation accepted.

### **UPDATED RESPONSE:**

Implemented: The Board continues to remind Board Members and staff of the importance of timely submissions of travel vouchers. The agency also began 2020 with a new accounting system and a learning curve, along with the national pandemic. Our staff has now been properly trained and is working to ensure timely processing of vouchers.

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3. The auditors recommend the Board ensure contractual agreements and the associated contract obligation documents are properly and accurately completed. The auditors also recommend the Board review the reconciliations prepared on behalf of the Board by the Department of Corrections' fiscal staff. Additionally, they recommend the Board implement a way to create a complete and accurate population of contractual agreements. Finally, they recommend the Board ensure all interagency agreements entered into are properly completed prior to the effective date of the agreement.

### **FINDING:** *(Inadequate Controls over Contractual Services and Interagency Agreements)*

During testing, auditors noted the following:

- The population of contracts provided by the Board could not be reconciled to the Comptroller's Agency Contract Report (SC-14).
- The Department of Corrections' fiscal staff perform reconciliations of the Board's internal records to the Comptroller's monthly Agency Contract Report (SC-14) and Obligation Activity Report (SC-15). The Board has no involvement in the process, nor does the Board review the monthly reconciliations.

Due to this condition, auditors were unable to conclude whether the Board's population records were sufficiently precise and detailed under the Attestation Standards promulgated by the American Institute of Certified Public Accountants (AT-C § 205.35) to test the Board's contracts.

*Even given the population limitation noted above which hindered the ability of the accountants to conclude whether selected samples were representative of the population as whole, the accountants performed testing and noted the following:*

- For one of five (20%) contracts selected for testing, the contract did not include the date of the Chief Legal Counsel's signature.
- For four of five (80%) contracts selected for testing, the Contract Obligation Documents (COD) were not properly completed. The maximum contract amount and annual contract amount indicated on the COD differs from the maximum and annual contract amount stated within the related contract.
- One of two (50%) interagency agreements the Board entered into during the period was signed 175 days after the effective date of the agreement.

Board management indicated the deficiencies noted above were the result of employee and management oversight. Failure to maintain adequate controls over contractual services represents noncompliance and may result in inaccurate reporting. Additionally, in order to assess whether an agreement is reasonable, appropriate, and sufficiently documents the responsibilities of the appropriate parties, the agreement needs to be approved prior to the effective date.

### **BOARDS RESPONSE:**

Recommendation accepted.

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### **UPDATED RESPONSE:**

Implemented: The Board has addressed this finding by issuing a corrective action plan. The plan includes, but not limited to, working with the Shared Services on the reconciliation process, ensuring the contracts are signed and filed in a timely manner.

- 4. The auditors recommend the Board timely prepare reconciliations as required by the SAMS Manual and maintain adequately detailed expenditure records accurately reflecting expenditures made by the Board.**

### **FINDING:** *(Inadequate Controls over Reconciliations)*

During testing of the Board's monthly reconciliations, auditors noted the following:

- Four of four (100%) monthly reconciliations of the Board's records to the Comptroller's Agency Contract Report (SC14) tested were not completed.
- One of four (25%) monthly reconciliations of the Board's records to the Comptroller's Obligation Activity Report (SC15) tested was not completed.
- Two of four (50%) monthly reconciliations of the Board's records to the Comptroller's SC15 tested were performed 5 to 70 days late.
- Two of four (50%) monthly reconciliations of the Board's records to the Comptroller's Object Expense/Expenditures by Quarter Report (SA02) were not completed.
- Four of four (100%) monthly reconciliations of the Board's records to the Comptroller's Appropriation Transfer Report (SB03) were not completed.
- Two of two (100%) monthly reconciliations of the Board's records to the Comptroller's Cash Report (SB05) were not completed.

During testing of the Board's expenditure records, auditors were unable to reconcile the Board's expenditure records to the Office of Comptroller's records. Specifically, auditors noted an overstatement of \$994 for FY19 and an understatement of \$978,109 for FY20.

Board management indicated the issues noted above were due to staff turnover and employee error.

### **BOARDS RESPONSE:**

Recommendation accepted.

### **UPDATED RESPONSE:**

Partially Implemented: The Board is working with the Shared Services to ensure that adequate controls over the monthly reconciliations.

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- 5. The auditors recommend the Board establish controls over reconciliations and conversion of data during system development projects, such as the ERP program.**

### **FINDING:** *(Inadequate Controls over ERP Transition)*

On January 1, 2020, the Board implemented the State of Illinois' ERP program as its business process management system for tracking assets, contracts, obligations, and vouchers.

As part of the Board's transition to the ERP program, it converted data from the legacy systems. In order to determine if the data had converted correctly, we requested the Board's documentation and reconciliation. However, the Board stated a reconciliation of data converted and the opening balances to its expenditures, contract obligations, and overall remaining budget was not conducted.

Furthermore, auditors requested the Board's approval to transition to the ERP program. However, the Board did not provide documentation of its acceptance.

Board management indicated it believes DoIT was responsible for ensuring the accuracy of converted data.

The Board's lack of due diligence resulted in a lack of assurance over the accuracy of the data and possible data errors.

### **BOARDS RESPONSE:**

Recommendation accepted. DoIT has adopted a new project management software program to allow for better tracking of Information Technology projects. Going forward, the Board management and the Department of Corrections Internal Audit staff will be involved in the approval process including the move to production through workflows within the project management program.

### **UPDATED RESPONSE:**

Partially Implemented: The Board is working to hire additional staffing to assist with conversions of data and new programs.

- 6. The auditors recommend the Board, in conjunction with the Department of Corrections, implement measures to achieve compliance with the provisions of the Act (Repeated since 2018).**

### **FINDING:** *(Noncompliance with the Illinois Crime Reduction Act of 2009)*

During testing, auditors noted the following:

- The Board, in conjunction with the Department of Corrections, did not implement an evidence-based programming system. Thus, the Board did not adopt policies,

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rules, and regulations that resulted in at least 25% of supervised individuals being supervised in accordance with evidence-based practices.

- The Board, in conjunction with the Parole Division of the Department of Corrections, did not provide its employees with intensive and ongoing training and professional development services to support the implementation of evidence-based practices.
- The Board did not design, implement, or make public a system to evaluate the effectiveness of evidence-based practices.
- The Board did not annually submit to the Sentencing Policy Advisory Council a comprehensive report on the success of implementing evidence based practices.

In the prior examination, Board management indicated risk and needs assessments are utilized by the Board in all instances where a risk and needs assessment is available and has been conducted or otherwise provided by the Department of Corrections, which is tasked with administration of the assessment procedures. During the current examination, Board management indicated that the Department of Corrections has not fulfilled its obligations to implement an evidence-based programming; thus, preventing the Board from fulfilling its obligations.

Noncompliance with the Act impedes the Board's ability to adopt new strategies and policies that may result in the reduction in recidivism rates and the successful local reintegration of offenders.

### **BOARDS RESPONSE:**

Recommendation accepted. The Department of Corrections has adopted and implemented the Ohio Risk Assessment System (ORAS). Once the ORAS has been fully implemented, the assessments will follow the individual in custody from intake into the Department of Corrections' system through to the end of his/her parole sentence. The Board will work closely with the Department of Corrections to ensure the ORAS is considered during the creation of parole board orders for the individuals in custody being released on parole.

### **UPDATED RESPONSE:**

Partially Implemented: The Board has continued to work with the Illinois Department of Corrections with the risk-and-need tools, to ensure compliance with the provisions of the Act.

## **7. The auditors recommend the Board appoint two members to serve on the Task Force for Transitional Housing for Sex Offenders.**

**FINDING:** *(Failure to Appoint Members to Task Force for Transitional Housing for Sex Offenders)*

During testing, auditors noted the Board did not appoint two members to serve on the Task Force for Transitional Housing for Sex Offenders during the examination period.

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Board management stated it does not believe it has a responsibility to appoint members until the Task Force impanels. However, it is our opinion that if no members are appointed to the Task Force, no one has the ability to call a session of the Task Force. Additionally, the Board is statutorily required to appoint two members regardless of a meeting being called.

Failure to appoint adequate members to the Task Force represents noncompliance with the applicable statute. It also represents a lack of meeting of the Task Force which means offenders with sexual crimes are being released to the general public instead of transitional housing as no one has studied the implementation, cost, placement, and effectiveness of such transitional housing as should be completed by the Task Force.

### **BOARDS RESPONSE:**

Recommendation accepted. The Board agrees the members for the Task Force for Transitional Housing for Sex Offenders (task force) were not appointed, due to the fact that the task force was not called for a meeting during the examination period. In the event the task force is called for a meeting, the Board will ensure members are appointed. The Board would like to point out that the task force has not met for several years and is aware that it may be repealed in the upcoming Spring of 2022 legislative session.

### **UPDATED RESPONSE:**

Implemented. The Board will appoint two members of the Board to serve on the Task Force if the Task Force be called for a meeting.

## **8. The auditors recommend the Board work with the Governor's Office to fill the vacancy and to make appointments to address the expired terms.**

### **FINDING:** *(Board Membership)*

The Prisoner Review Board was not seated in accordance with the requirements set forth in the Unified Code of Corrections.

During testing, auditors noted the following:

- The Board had 1 vacancy of the required 15 members (7%) as of June 30, 2020. The vacancy noted was to be filled by an appointee selected by the Governor.
- The Board had 3 of the required 15 members (20%) serving on an expired term.

Board management indicated the vacancy and the expired terms noted above are due to the Governor not making the necessary appointment.

### **BOARDS RESPONSE:**

Recommendation accepted. Board management indicated that the vacancy is due to a comprehensive vetting process by the Governor's Office to ensure that qualified people are appointed to the Board. The Board also notes that the Illinois Compiled Statutes specifically states that the member shall serve until a successor is appointed, see 730

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ILCS 5/3-3-1(c). Therefore, the three Board Members were authorized by the legislature to serve as Board Members.

### **UPDATED RESPONSE:**

Partially Implemented: The Board continues to work with the Governor's office to fill the vacancies within the Board.

9. **The auditors recommend the Board implement controls to provide assurance:**
1. **vehicles receive required maintenance in a timely manner,**
  2. **maintenance records are complete and accurate,**
  3. **vehicle mileage records are carefully reviewed for errors and discrepancies,**
  4. **vehicle mileage is monitored and compared to the breakeven point to assess the need for the vehicle,**
  5. **inventory records contain all required information,**
  6. **charge tickets are properly completed by employees, and**
  7. **vehicle cards are disposed of when the vehicle is surplus (Repeated since 2016).**

### **FINDING:** *(Operation of State Vehicles Weaknesses)*

#### Vehicle Maintenance Testing

During testing of maintenance records for state vehicles, auditors noted the following:

- For 3 of 6 (50%) vehicles tested, the Board could not provide support for oil changes required during the period. The vehicle met the mileage requirement to have at least one oil change.
- Three of 6 (50%) vehicles tested did not have routine oil changes performed within the mileage or time intervals required by CMS. Two of the 3 vehicles were over 10 years old during the period. The other vehicle was under nine years old during the period. The oil change overages ranged from 353 to 8,922 miles beyond the allowed interval. One of the 3 vehicles had two instances of untimely oil changes noted during the examination period. The other two vehicles only had one instance noted during the examination period.
- For 4 of 6 (67%) vehicles tested, the Board could not provide support for tire rotations required during the period.
- Two of 6 (33%) vehicles tested did not have required tire rotation performed within the mileage or time intervals required by CMS. The tire rotation overages ranged from 2,459 to 3,028 miles over. Each vehicle only had one instance of untimely tire rotations during the period.

During testing to determine whether vehicles received an annual inspection, auditors noted the following:

- Two of 6 (33%) vehicles tested did not receive an annual inspection as required by CMS during FY19.

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- Two of 6 (33%) vehicles tested did not receive an annual inspection as required by CMS during FY20.

### Vehicle Records

During testing of vehicle records of State vehicles, auditors noted the following:

- The Board provided a listing of all vehicles under the Board during the examination period. The listing was missing the date purchased for each vehicle and the date returned to CMS, where applicable.
- One of 20 (5%) vehicles noted on the Board's FY20 listing had ending mileage which was less than the beginning mileage resulting in negative 7,291 miles being driven within FY20.
- In 16 of 40 (40%) instances for 10 of 20 (50%) vehicles tested, the Board's vehicles had unreasonable mileage given the vehicles' specific breakeven points. The vehicles' mileage ranged from 1,647 to 12,725 miles under the vehicles' specific breakeven points.

### Operation of Auto Vouchers

During detail testing of operation of auto vouchers, auditors noted the following:

- Three of 24 (13%) operation of auto vouchers tested, totaling \$11,517, had charge tickets/invoices that did not include the employee's signature.
- Seven of 11 (64%) operation of auto vouchers tested, totaling \$801, included payment for gas and car washes on vehicles that had been surplused on April 29, 2019.

In the prior examination, Board management indicated these issues were due to minimal staff support and human error. In the current examination, Board management indicated these issues were due to employee error.

### **BOARDS RESPONSE:**

Recommendation accepted. The Board will work to ensure a complete list of vehicles used by Board personnel is maintained properly, with the required information as needed. The Board will also remind personnel and Board Members of the importance of completing routine vehicle maintenance and inspections. In addition, the Board will emphasize the importance of submitting completed vouchers with proper signatures along with support. With regard to the breakeven mileage of the Board's individually assigned vehicles, the COVID-19 restrictions limited the need for travel to other areas for meetings and hearings. In addition, Board members carpool whenever possible to reduce the travel expenses charged to the state.

### **UPDATED RESPONSE:**

Partially Implemented: The Board has hired a Storekeeper I to assist with the day-to-day oversight of the agency fleet and to ensure that all state vehicles are receiving the adequate maintenance.



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10. The auditors recommend the Board strengthen its internal controls to ensure:
1. performance evaluations are provided in a timely manner,
  2. the use of leave time is pre-approved in accordance with Board policies, and
  3. payroll expenditures are approved only by individuals authorized to do so.

They also recommend the Board enhance its controls over the process for preparing and reviewing the Form I-9 (Repeated since 2018).

### **FINDING:** *(Inadequate Controls over Personal Services)*

During testing, auditors noted the following:

- Four of 7 (57%) employees selected for testing did not receive an employee performance evaluation timely. The evaluations were performed between 11 and 311 days late.
- For 2 of 7 (29%) employees selected for testing, there is no evidence to support that vacation time was approved by the employee's supervisor prior to the employee taking the time off.
- For 5 of 5 (100%) employees who worked overtime during the examination period, there is no evidence to support that overtime was approved by the employee's supervisor prior to the employee working the overtime.

It is the Board's policy that prior approval must be obtained for vacation time and overtime. Chapter II of the Board's Personnel Policies notes that employees should schedule vacation time as soon in advance as possible.

- For 1 of 51 (2%) payroll vouchers tested, totaling \$8,850, the voucher was signed on behalf of an individual who does not have signature authority to approve payroll vouchers for the Board.
- For 2 of 3 (67%) employees who commenced employment with the Board during the examination period, the employees did not complete and sign Section 1 of the Employment Eligibility Verification Form (Form I-9) within the required timeframe. The Form I-9 was completed 1 and 2 days late.
- For 1 of 3 (33%) employees who commenced employment with the Board during the examination period, the employer did not complete Section 2 of the Form I-9 within the required timeframe. The Form I-9 was completed 9 days late.
- For 1 of 3 (33%) employees who commenced employment with the Board during the examination period, the employer did not complete Section 2 of the Form I-9.

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In the prior examination, Board management indicated these issues were due to minimal staff support, human error, and oversight. In the current examination, Board management indicated the deficiencies noted above were due to employee oversight and competing priorities of Board employees.

### **BOARDS RESPONSE:**

Recommendation accepted.

### **UPDATED RESPONSE:**

Implemented: The Board has reviewed the personnel files and has assigned the task to the Human Resource department to oversee that the evaluation are completed timely. The Board has worked with Shared Services to ensure that only authorized personnel approve payroll expenditures.

- 11. The auditors recommend the Board accurately prepare and timely file the Board's Reports with the Secretary of State and the Governor. Further, they recommend the Board – within 30 days after the release of this report – file a corrected report for FY19 with the Secretary of State and the Governor in accordance with the Illinois State Auditing Act (30 ILCS 5/3-2.2(b)).**

### **FINDING:** *(Inadequate Controls over Agency Workforce Reports)*

During testing, auditors noted the following:

- The Board's FY19 Agency Workforce Report (Report) was inaccurate. More specifically, the total number of employees was inaccurate. As a result, other inaccuracies may exist within the report.
- The Board did not timely submit its FY19 Report to the Governor and Secretary of State. The report was submitted 49 and 50 days late, respectively.
- The Board did not re-file its FY16 Report timely. The report was refiled 312 days after the release of the prior audit report.

Board management indicated the deficiencies noted above were due to competing priorities and employee oversight.

### **BOARDS RESPONSE:**

Recommendation accepted. The Board will work to ensure the Agency Workforce Reports are accurately prepared and timely filed with the Office of the Secretary of State and the Office of the Governor.

### **UPDATED RESPONSE:**

Implemented: The Board will ensure that reports are filed timely and accurately.

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- 12. The auditors recommend the Board ensure all required Form TA-2 reports are timely filed with the Commission. They also recommend the Board ensure travel vouchers are timely submitted and document the date of submission.**

**FINDING:** *(Inadequate Controls over Travel)*

During testing of TA-2 reports, auditors noted the following:

- Three of four (75%) TA-2 reports were not timely filed with the Legislative Audit Commission (Commission). The reports were filed between 3 and 102 days late.

During detail testing of travel vouchers, auditors noted the following:

- 36 of 60 (60%) vouchers tested, totaling \$3,109, were not date stamped when received by the Board.
- 11 of 60 (18%) vouchers tested, totaling \$791.56, were submitted between 4 and 156 days late after the 60-day accounting requirement.

Board management indicated the deficiencies noted above were due to a shortage of staff and employee oversight.

**BOARDS RESPONSE:**

Recommendation accepted.

**UPDATED RESPONSE:**

Implemented: The Board will work to ensure all TA-2 reports are filed timely. The Board has also reminded members and staff of filing travel vouchers within a timely manner.

- 13. The auditors recommend the Board take action to establish and maintain appropriate internal controls over its receipts by:**

- 1. maintaining adequate records of receipts received directly by the Board,**
- 2. establishing a proper segregation of duties over its receipts,**
- 3. ensuring the receipt date is documented for all receipts received by the Board,**
- 4. timely depositing receipts into the State Treasury, and**
- 5. collecting repayments only for items for which it is authorized to do so**

**FINDING:** *(Inadequate Controls over Revenues)*

The Board outsources receipt processing to the Public Safety Shared Services Center (Shared Services). During testing, auditors noted the following:

- The Board does not maintain adequate records of receipts received by the Board and forwarded to Shared Services for processing and deposit. While most receipts are received by Shared Services, some are received by the Board. The Board does not maintain records of these receipts.

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- The Board did not maintain adequate segregation of duties over its receipt processing. One individual at Shared Services has custody, authorization, and recordkeeping responsibilities.
- For 2 of 2 (100%) refund receipts tested, totaling \$4,638, the date of receipt was not documented. As a result, we were unable to determine if the Board deposited the refund receipts timely in accordance with the State Officers and Employees Money Disposition Act (30 ILCS 230/2).
- During the prior examination period, auditors noted one employee received erroneous payments totaling \$5,525 after her date of resignation. During the current examination period, repayment was received by the Board; however, the Board also collected repayment for items for which it was not authorized to do so. Specifically, the Board also collected repayment for the federal income tax withholdings, state income tax withholdings, deferred compensation, and flexible spending deductions previously withheld. As a result, the Board received an overpayment of \$1,428.

### **BOARDS RESPONSE:**

Recommendation accepted.

### **UPDATED RESPONSE:**

Partially Implemented: The Board continues to work with staff and Shared Services to ensure receipts are accurately dated and maintained when received by the Board along with timely depositing of such.

- 14. The auditors recommend the Board timely prepare and submit its annual reports to the State Library and Governor's Office. They also recommend the Board inform the State Library in writing of the person, persons, or positions responsible for distribution of publications of the Board.**

### **FINDING:** *(Failure to Timely Prepare and Submit Required Reports)*

As of June 30, 2020, the Board had not prepared or submitted an annual report for either Calendar Year 2018 or Calendar Year 2019. At the end of the examination period, the reports were 485 and 120 days overdue, respectively. The Board published its annual reports on its website on February 1, 2021, for both Calendar Year 2018 and Calendar Year 2019. The State Library and the Governor's office were not provided copies of the annual report.

The Board had not informed the State Library in writing of the person, persons, or positions responsible for distribution of publications of the Board.

Board management indicated the issues noted above were due to competing priorities of staff and a shortage of staff.

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### **BOARDS RESPONSE:**

Recommendation accepted.

### **UPDATED RESPONSE:**

Partially Implemented: The Board has informed the State Library of who the responsible position will be for distribution of the publications. The Board has also hired additional staff to assist with the preparation and finalizing of the reports.

### **15. The auditors recommend the Board develop and approve an identity protection policy as required by the Identity Protection Act.**

#### **FINDING:** *(Failure to Comply with the Identity Protection Act)*

During examination auditors noted the Board had not issued an identity-protection policy. Board management indicated it believed the policy was the responsibility of the Department of Innovation and Technology (DoIT), as the Board relies solely on the DoIT for information technology support.

Board management further indicated it utilizes the DoIT's policy.

These policies and procedures help ensure prompt notification of security breaches to all involved parties in an effort to minimize the potential impact and costs resulting from identity thefts.

### **BOARDS RESPONSE:**

Recommendation accepted.

### **UPDATED RESPONSE:**

Partially Implemented: The Board is working with DoIT to develop an identity protection policy as required by the Identity Protection Act.

### **16. The auditors recommend the Board:**

- 1. perform a comprehensive risk assessment to identify and ensure adequate protection of information (i.e. confidential or personal information) most susceptible to attack;**
- 2. classify its data to identify and ensure adequate protection of information;**
- 3. evaluate and implement appropriate controls to reduce the risk of attack;**
- 4. develop a formal, comprehensive, adequate, and communicated security program (policies, procedures, and processes) to manage and monitor the regulatory, legal, environmental, and operational requirements;**
- 5. establish policies and procedures to ensure the proper disposal of confidential, sensitive, and personally-identifiable information;**
- 6. establish cybersecurity roles and responsibilities; and**

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### 7. establish controls over its external service provider to ensure they met the Board's security requirements.

#### **FINDING:** *(Inadequate Cybersecurity Programs and Practices)*

As a result of the Board's mission it has four primary responsibilities: 1) review, adjudication, and enforcement of behavioral rules for offenders, 2) parole reviews and decisions, 3) hearing and confidential reports and recommendations to the Governor regarding clemency requests, and 4) protection of the rights and concerns of the victims. As such, the Board maintains confidential information related to offenders and victims.

During our examination of the Board's cybersecurity programs and practices, auditors noted the Board:

- Had not performed a comprehensive risk assessment to identify and ensure adequate protection of information (i.e. confidential or personal information) most susceptible to attack.
- Had not classified its data to identify and ensure adequate protection of information.
- Had not evaluated and implemented appropriate controls to reduce the risk of attack.
- Had not developed a formal, comprehensive, adequate, and communicated security program (policies, procedures, and processes) to manage and monitor the regulatory, legal, environmental, and operational requirements.
- Had not established cybersecurity roles and responsibilities.
- Had not established controls over its external service provider to ensure they met the Board's security requirements.
- Had not developed policies and procedures ensuring the proper disposal of confidential, sensitive, and personally-identifiable information.

Board management indicated it believed DoIT had the responsibility to ensure its cybersecurity.

#### **BOARDS RESPONSE:**

Recommendation accepted.

#### **UPDATED RESPONSE:**

Partially Implemented: The Board is working with DoIT to perform a comprehensive risk assessment to ensure all measures have been taken to protect data.

### 17. The auditors recommend the Board implement the necessary controls to ensure report components prepared by the Board are complete and accurate.

#### **FINDING:** *(Inadequate Controls over Report Component)*

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The Prisoner Review Board did not have adequate internal controls to demonstrate the Analysis of Operations report component (report component) within the Board's Compliance Examination Report was complete and accurate.

During the course of this examination, auditors noted the Board's internal controls were inadequate to both (1) prepare the report component and (2) demonstrate the report component Board management prepared was complete and accurate. Specifically, auditors noted the Analysis of Operations prepared by the Board appeared to omit disclosures, including (1) key financial, program, and statistical elements, including comparative elements from the fiscal year immediately preceding the examination period, (2) management's analysis of the meaning of certain key financial, program, and statistical elements, including the prioritized goals and priorities that were to have been reviewed and analyzed during each fiscal year and reported to the Office of Comptroller for preparation of the Public Accountability Report as required by the Civil Administrative Code of Illinois (State Budget Law)(15 ILCS 20/50-25), and (3) caseload statistics, with classifications appropriate for the Board's operations, for each fiscal year under examination along with comparative amounts from the fiscal year immediately preceding the examination period.

### **BOARDS RESPONSE:**

Recommendation accepted.

### **UPDATED RESPONSE:**

Partially Implemented: The Board will work to provide complete and accurate information as required.

## **Headquarters Designations**

The State Finance Act requires all state agencies to make semiannual headquarters reports to the Legislative Audit Commission. Each state agency is required to file reports of all its officers and employees for whom official headquarters have been designated at any location other than that at which official duties require them to spend the largest part of their working time.

As of July 20, 2022, the PRB had 14 employees assigned to locations others than official headquarters.