

Legislative Audit Division

Report Summary

Department of Corrections

Financial-Compliance Audit For the Two Fiscal Years Ended June 30, 2004 Audit # 04-15

This financial-compliance audit report contains the results of our audit of the Department of Corrections for the two fiscal years ended June 30, 2004. We issued an unqualified opinion on the financial schedules contained in this report for fiscal years 2002-03 and 2003-04. This means the reader can rely on the financial information presented and the supporting detailed information on the state's accounting records.

This report contains four recommendations. The recommendations relate to controls over accounts receivable and compliance with state law and policy regarding probation and parole officer training, contracts, and non-treasury cash account reconciliations.

The prior audit report contained seven recommendations. The department implemented five recommendations, did not implement one recommendation, and one recommendation is no longer applicable due to a change in state law.

The listing below serves as a means of summarizing the recommendations contained in the report, the department's response thereto, and a reference to the supporting comments.

Recommendation #1 We recommend the department:

- A. Work with DPHHS to record appropriate adjusting entries on the accounting system.
- B. Establish controls over accounts receivable to ensure balances on the accounting records are accurate. Page 8.

Department Response: Concur. See page B-3.

Recommendation #2 We recommend the department implement controls to ensure probation and parole officers receive the training required by state law and department policy. Page 9.

Department Response: Concur. See page B-4.

Recommendation #3 We recommend the department:

- A. Implement and enforce contracting policy to ensure contracts are signed in a timely manner.
- B. Comply with state law and department policies and procedures for bidding contracts exceeding \$5,000. Page 11.

Department Response: Concur. See page B-4.

Recommendation #4 We recommend the department strengthen non-treasury cash account controls and improve compliance with state policy by performing timely account reconciliations. Page 12.

Department Response: Concur. See page B-5.