

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS

HENRY C. HILL CORRECTIONAL CENTER

LIMITED SCOPE COMPLIANCE EXAMINATION

For the Two Years Ended June 30, 2006

Performed as Special Assistant Auditors
For the Auditor General, State of Illinois

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
HENRY C. HILL CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2004

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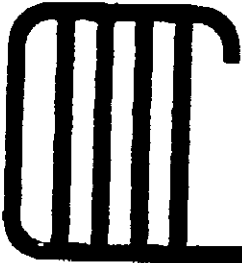
STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
HENRY C. HILL CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2006

CENTER OFFICIALS

Warden (8/1/05 – Present)	Mr. Frank Shaw
Warden (6/1/04 – 7/31/05)	Mr. Donald A. Hulick
Assistant Warden - Programs (6/1/04 – Present)	Ms. Michele Pulley
Assistant Warden – Operations (8/1/05 – Present)	Mr. Stephen B. Wright
Assistant Warden - Operations (6/1/04 – 7/31/05)	Mr. Frank Shaw
Business Office Administrator	Mr. William Smith

The Center is located at:

600 Linwood Road
P.O. Box 1327
Galesburg, IL 61401



Illinois
 Department of
Corrections

Rod R. Blagojevich
 Governor

Roger E. Walker Jr.
 Director

Hill Correctional Center / 600 Linwood Road / P.O. Box 1327 / Galesburg, IL 61401 / Telephone: (309) 343-4212 / TDD: (800) 526-0844

James Williams & Company
 Certified Public Accountants
 223 West Jackson Blvd., Suite 520
 Chicago, IL 60606

October 13, 2006

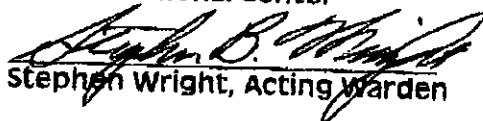
Ladies and Gentlemen:

We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the Agency. We are responsible for, and we have established and maintained an effective system of, internal controls over compliance requirements. We have performed an evaluation of the Agency's compliance with the following assertions during the two-year period ended June 30, 2006. Based on this evaluation, we assert that during the year(s) ended June 30, 2005, and June 30, 2006, the Agency has materially complied with the assertions below:

- A. The agency has obligated, expended, received and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The agency has obligated, expended, received and used public funds of the State in accordance with any limitations, restrictions, conditions or mandatory directions imposed by law upon such obligation, expenditure, receipt or use.
- C. The agency has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. The State revenues and receipts collected by the agency are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate and in accordance with law.
- E. The money or negotiable securities or similar assets handled by the agency on behalf of the State or held in trust by the agency have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate and in accordance with law.

Yours very truly,

Hill Correctional Center


 Stephen Wright, Acting Warden


 William G. Smith, Business Administrator

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
HENRY C. HILL CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2006

COMPLIANCE REPORT

SUMMARY

The limited scope compliance testing performed during this examination was conducted in accordance with *Government Auditing Standards* and in accordance with the Illinois State Auditing Act.

ACCOUNTANTS' REPORT

The Independent Accountants' Report on State Compliance, on Internal Control Over Compliance and on Supplementary Information for State Compliance Purposes relates only to those chapters of the "Audit Guide for Performing Financial Audits and Compliance Attestation Examinations of Illinois State Agencies" (*Audit Guide*) which are identified in the report as having compliance testing performed.

SUMMARY OF FINDINGS

<u>Number of</u>	<u>This Report</u>	<u>Prior Report</u>
Findings	1	0
Repeated findings	0	0
Prior recommendations implemented or not repeated	0	0

Details of findings are presented in a separately tabbed report section.

SCHEDULE OF FINDINGS

CURRENT FINDINGS

<u>Item No.</u>	<u>Page</u>	<u>Description</u>
06-1	9	Non Maintenance of Record File Material

EXIT CONFERENCE

The finding and recommendation appearing in this report were discussed with Department and Center personnel. Responses to the finding were provided by Mary Ann Bohlen, Supervisor of Central Accounting, in a letter dated January 17, 2007. Center management waived having an exit conference per a letter dated December 13, 2006.



JAMES WILLIAMS & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT ACCOUNTANTS' REPORT ON STATE COMPLIANCE,
ON INTERNAL CONTROL OVER COMPLIANCE, AND ON
SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES**

Honorable William G. Holland
Auditor General
State of Illinois

Compliance

As Special Assistant Auditors for the Auditor General, we performed a limited scope compliance examination of the State of Illinois Department of Corrections - Henry C. Hill Correctional Center's compliance with the requirements listed below, as more fully described in the *Audit Guide* for performing Financial Audits and Compliance Attestation Engagements of Illinois State Agencies (Audit Guide) as adopted by the Auditor General, during the two years ended June 30, 2006. The management of the State of Illinois Department of Corrections – Henry C. Hill Correctional Center is responsible for compliance with these requirements. Our responsibility is to express an opinion on the State of Illinois Department of Corrections – Henry C. Hill Correctional Center's compliance based on our examination.

- A. The State of Illinois Department of Corrections – Henry C. Hill Correctional Center has obligated, expended, received, and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The State of Illinois Department of Corrections – Henry C. Hill Correctional Center has obligated, expended, received, and used public funds of the State in accordance with any limitations, restrictions, conditions or mandatory directions imposed by law upon such obligation, expenditure, receipt or use.
- C. The State of Illinois Department of Corrections – Henry C. Hill Correctional Center has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. The State revenues and receipts collected by the State of Illinois Department of Corrections – Henry C. Hill Correctional Center are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate and in accordance with law.
- E. Money or negotiable securities or similar assets handled by the State of Illinois Department of Corrections – Henry C. Hill Correctional Center on behalf of the State or held in trust by the State of Illinois Department of Corrections – Henry C. Hill Correctional Center have been properly and legally administered and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

Our limited scope compliance examination of the Center was limited to the following areas of the *Audit Guide*:

- Chapter 8 – Personal Services Expenditures
- Chapter 9 – Contractual Services Expenditures
- Chapter 11 – Commodities Expenditures
- Chapter 18 – Appropriations, Transfers and Expenditures
- Chapter 22 – Review of Agency Functions and Planning Program
- Chapter 30 – Auditing Compliance With Agency Specific Statutory Mandates

The areas of the *Audit Guide* not examined at the Center have had procedures performed on a Department-wide basis through the compliance examination of the Department's General Office, and accordingly, any findings from the results of those procedures have been included in the Department of Corrections – General Office compliance report. We have also performed certain procedures with respect to the accounting records of the Center to assist in the performance of the Auditor General's financial statement audit of the entire Department of Corrections for the year ended June 30, 2006. The result of these additional procedures have been communicated to the Department of Corrections-General Office auditors.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants; the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the Illinois State Auditing Act (Act); and the *Audit Guide* as adopted by the Auditor General pursuant to the Act; and, accordingly, included examining, on a test basis, evidence about the State of Illinois Department of Corrections – Henry C. Hill Correctional Center's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Center's compliance with specified requirements.

In our opinion, the State of Illinois Department of Corrections – Henry C. Hill Correctional Center complied, in all material respects, with the aforementioned requirements during the two years ended June 30, 2006. However, the results of our procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with criteria established by the *Audit Guide*, issued by the Illinois Office of the Auditor General and which are described in the accompanying Schedule of findings as finding 06-1.

There were no immaterial findings relating to instances of noncompliance that have been excluded from this report.

Internal Control

The management of the State of Illinois Department of Corrections – Henry C. Hill Correctional Center is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws and regulations. In planning and performing our limited scope compliance examination, we considered the State of Illinois Department of Corrections – Hill Correctional Center's internal control over compliance with the aforementioned requirements in

order to determine our examination procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the *Audit Guide*, issued by the Illinois Office of the Auditor General. We have also performed certain procedures with respect to the accounting records of the Center to assist in the performance of the Auditor General's financial statement audit of the entire Department of Corrections, for the year ended June 30, 2006. The results of these additional procedures have been communicated to the Department of Corrections – Genreal Office Auditors.

Our consideration of internal control over compliance with the aforementioned requirements would not necessarily disclose all matters in internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws and regulations that would be material in relation to one or more of the aforementioned requirements being examined may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving internal control over compliance that we consider to be material weaknesses. However, the results of our procedures disclosed other matters involving internal control which are required to be reported in accordance with criteria established by the *Audit Guide*, issued by the Illinois Office of the Auditor General and which are described in the accompanying Schedule of Findings as finding 06-1.

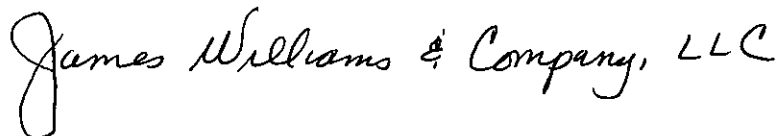
There were no immaterial findings relating to internal control deficiencies that have been excluded from this report.

Supplementary Information for State Compliance Purposes

Our examination was conducted for the purpose of forming an opinion on compliance with the requirements listed in the first paragraph of this report. The accompanying supplementary information as listed in the table of contents as Supplementary Information for State Compliance Purposes is presented for purposes of additional analysis. We have applied certain limited procedures as prescribed by the *Audit Guide*, as adopted by the Auditor General, to the 2006 and 2005 Supplementary Information for State Compliance Purposes, except for information on the Schedule of Changes in State Property, Comparative Schedule of Cash Receipts and Deposits, Schedule of Changes in Inventories, Employee Overtime, Shared Resources, Annual Cost Statistics and Service Efforts and Accomplishments on which we did not perform any procedures. However, we do not express an opinion on the supplementary information.

We have not applied procedures to the 2004 Supplementary Information for State Compliance Purposes, and accordingly, we do not express an opinion thereon.

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, Center and Department management, and is not intended to be and should not be used by anyone other than these specified parties.



Chicago, Illinois
October 13, 2006

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
HENRY C. HILL CORRECTIONAL CENTER
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2006

Current Findings

06-1. Finding: The Center did not maintain a record of file material copied by outside personnel who accessed the Master Record File of inmates.

Our review of the Record's Office log of inmate files reviewed disclosed that seven (7) inmate files were reviewed during the two years under audit and that Record Office management did not maintain a record of any file material copied.

The Unified Code of Corrections (ILCS 730 5/3-5-1(b)) states the Department shall maintain a master record file on each person committed and shall keep a record of all outside personnel who access the files, the files reviewed, any file material copied, and the purpose of the access.

Center management stated that they were not aware of the requirement to keep a record of file material copied.

Failure to maintain a record of all file material copied is in violation of State statute. (Finding Code 06 – 1)

Recommendation: We recommend the Center comply with the State statute and maintain a record of file material copied

Agency Response: Recommendation implemented. The facility maintained a record of all outside personnel who had access to the inmate files. Copies were only made by bonded IDOC staff. However, in order to comply with the audit recommendation, a notation of any copies made will be placed in the log by the staff making the copies.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
HENRY C. HILL CORRECTIONAL CENTER
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2006

Prior Findings Not Repeated

There were no findings noted during the Limited Scope Compliance Examination for the two years ended June 30, 2004.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
HENRY C. HILL CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES
SUMMARY
For the Two Years Ended June 30, 2006

Supplementary Information for State Compliance Purposes presented in this section of the report includes the following:

Fiscal Schedules and Analysis:

- Schedule of Appropriations, Expenditures and Lapsed Balances
- Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances
- Description of Locally Held Funds
- Schedule of Locally Held Funds
- Schedule of Locally Held Funds – Cash Basis (Not Examined)
- Schedule of Changes in State Property (Not Examined)
- Comparative Schedule of Cash Receipts and Deposits (Not Examined)
- Analysis of Significant Variations in Expenditures
- Analysis of Significant Lapse Period Spending
- Schedule of Changes in Inventories (Not Examined)

Analysis of Operations

- Center Functions and Planning Program
- Average Number of Employees
- Employee Overtime (Not Examined)
- Inmate Commissary Operation
- Shared Resources (Not Examined)
- Annual Cost Statistics
 - Costs Per Year Per Inmate (Not Examined)
 - Ratio of Employees to Inmates (Not Examined)
 - Cell Square Feet Per Inmate (Not Examined)
 - Food Services (Not Examined)
 - Medical and Clergy Service Contracts (Not Examined)
- Service Efforts and Accomplishments (Not Examined)

The accountants' report on the Supplementary Information for State Compliance Purposes presented in the Compliance Report Section states the auditors have applied certain limited procedures as prescribed by the *Audit Guide*, as adopted by the Auditor General to the 2006 and 2005 Supplementary Information for State Compliance Purposes, except for information on the Schedule of Changes in State Property, Comparative Schedule of Cash Receipts and Deposits, Schedule of Changes in Inventories, Annual Cost Statistics and Service Efforts and Accomplishments on which they did not perform any procedures. However, the auditors do not express an opinion on the supplementary information. The auditors have not applied procedures to the 2004 Supplementary Information for State Compliance Purposes, and accordingly, do not express an opinion thereon.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
HENRY C. HILL CORRECTIONAL CENTER
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	APPROPRIATIONS NET OF TRANSFERS	EXPENDITURES THROUGH JUNE 30, 2006	LAPSE PERIOD		TOTAL EXPENDITURES 14 MONTHS ENDED AUGUST 31, 2006	BALANCES LAPSED AUGUST 31, 2006
			EXPENDITURES JULY 1 TO AUGUST 31, 2006	EXPENDITURES JULY 1 TO AUGUST 31, 2006		
PUBLIC ACT 94-0015						
GENERAL REVENUE FUND - 001						
Personal services	\$ 15,861,000	\$ 15,070,567	\$ 770,447	\$ 15,841,014	\$ 19,986	
Employee retirement contributions paid by employer	204,400	204,305	-	204,305	95	
Student, member and inmate compensation	315,400	298,808	16,497	315,305	95	
State contributions to State Employees' Retirement System	1,235,700	1,174,109	60,217	1,234,326	1,374	
State contributions to Social Security	1,172,800	1,115,219	57,546	1,172,765	35	
Contractual services	5,611,400	5,025,406	585,832	5,611,238	162	
Travel	10,500	7,321	3,083	10,404	96	
Travel and allowances for committed, paroled and discharged prisoners	38,400	36,938	1,445	38,383	17	
Commodities	2,078,400	1,998,905	79,434	2,078,339	61	
Printing	14,000	13,970	30	14,000	-	
Equipment	15,900	15,877	-	15,877	23	
Telecommunications services	27,900	27,835	56	27,891	9	
Operation of automotive equipment	53,400	50,006	3,379	53,385	15	
Total - Fiscal Year 2006	\$ 26,639,200	\$ 25,039,266	\$ 1,577,966	\$ 26,617,232	\$ 21,968	

Note: The information reflected in this schedule was taken from the Center's records and reconciled to records of the State Comptroller.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
HENRY C. HILL CORRECTIONAL CENTER
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2005

	APPROPRIATIONS NET OF TRANSFERS	EXPENDITURES THROUGH JUNE 30, 2005	LAPSE PERIOD		TOTAL EXPENDITURES 14 MONTHS ENDED AUGUST 31, 2005	BALANCES LAPSED AUGUST 31, 2005
			EXPENDITURES JULY 1 TO AUGUST 31, 2005	EXPENDITURES JULY 1 TO AUGUST 31, 2005		
PUBLIC ACT 93-0842 & 93-0681						
GENERAL REVENUE FUND-001						
Personal services	\$ 15,984,200	\$ 15,202,993	\$ 767,638	\$ 15,970,631	\$ 13,569	
Employee retirement contributions paid by employer	31,723	31,723	-	31,723	-	
Student, member and inmate compensation	332,700	295,311	26,378	321,689	11,011	
State contributions to State Employees' Retirement System	2,484,600	2,359,270	120,373	2,479,643	4,957	
State contributions to Social Security	1,143,200	1,084,999	55,538	1,140,537	2,663	
Contractual services	4,816,100	4,171,367	459,521	4,630,888	185,212	
Travel	10,600	7,685	2,391	10,076	524	
Travel and allowances for committed, paroled and discharged prisoners	34,000	32,693	1,189	33,882	118	
Commodities	2,479,200	2,368,208	109,066	2,477,274	1,926	
Printing	10,700	9,819	312	10,131	569	
Equipment	5,000	-	-	-	5,000	
Telecommunications services	46,300	38,182	7,454	45,636	664	
Operation of automotive equipment	45,500	43,632	627	44,259	1,241	
Total - Fiscal Year 2005	\$ 27,423,823	\$ 25,645,882	\$ 1,550,487	\$ 27,196,369	\$ 227,454	

Note: The information reflected in this schedule was taken from the Center's records and reconciled to records of the State Comptroller.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
HENRY C. HILL CORRECTIONAL CENTER
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
FOR THE FISCAL YEARS ENDED JUNE 30,

	FISCAL YEAR		
	2006	2005	2004
	P.A. 94-0015	P.A. 93-0842 & 93-0681	P.A. 93-0091
GENERAL REVENUE FUND - 001			
Appropriations (net of transfers)	\$ 26,639,200	\$ 27,423,823	\$ 28,128,400
EXPENDITURES			
Personal services	\$ 15,841,014	\$ 15,970,631	\$ 15,074,801
Employee retirement contributions paid by employer	204,305	31,723	773,422
Student, member and inmate compensation	315,305	321,689	328,679
State contributions to State Employees' Retirement System	1,234,326	2,479,643	1,347,449
State contributions to Social Security	1,172,765	1,140,537	1,113,719
Contractual services	5,611,238	4,630,888	4,631,446
Travel	10,404	10,076	9,069
Travel and allowances for committed, paroled and discharged prisoners	38,383	33,882	42,150
Commodities	2,078,339	2,477,274	2,699,085
Printing	14,000	10,131	16,413
Equipment	15,877	-	108,128
Telecommunications services	27,891	45,636	46,762
Operation of automotive equipment	53,385	44,259	67,979
Total Expenditures	<u>\$ 26,617,232</u>	<u>\$ 27,196,369</u>	<u>\$ 26,259,102</u>
LAPSED BALANCES	<u>\$ 21,968</u>	<u>\$ 227,454</u>	<u>\$ 1,869,298</u>

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
HENRY C. HILL CORRECTIONAL CENTER
DESCRIPTION OF LOCALLY HELD FUNDS
FOR THE TWO YEARS ENDED JUNE 30, 2006

The locally held funds of the Center are grouped into two fund categories. These are nonappropriated funds with the exception of the Travel and Allowance Revolving Fund, which is an appropriated fund. The funds are not held in the State Treasury and are described as follows:

1. Governmental Funds

General Revenue Fund

The Travel and Allowance Revolving Fund is a cash imprest fund located at the Center and is used to provide travel and allowances for discharged residents/inmates. The Travel and Allowance Revolving Fund is replenished from the Center's General Revenue Fund appropriation on a monthly basis upon submission of a duly authorized voucher.

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. Most Centers maintain four special revenue funds.

The Employees' Commissary Fund and Residents' Commissary Fund are used to maintain stores for selling food, candy, tobacco, health and beauty aids and other personal items. The residents' commissary sells solely to residents and the employees' commissary sells to employees. Profits derived from Commissary Funds' sales are allocated 60% to pay the wages and benefits of employees who work at the commissaries and 40% to either the Residents' Benefit Fund for sales from the Residents' Commissary or the Employees' Benefit Fund for sales from the Employees' Commissary.

Residents' Benefit Fund and Employees' Benefit Fund are used to provide entertainment and recreational activities for residents and employees. The Employees' Benefit Fund is also used to provide travel expense reimbursement for correctional officers while travel vouchers are being processed. During the fiscal year 2006, the accounting and expenditure processing of the Residents' Benefit Fund were transferred to the Department of Corrections General Office.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
HENRY C. HILL CORRECTIONAL CENTER
DESCRIPTION OF LOCALLY HELD FUNDS
FOR THE TWO YEARS ENDED JUNE 30, 2006

2. Fiduciary Fund

Agency Fund

An agency fund is used to account for assets held as agent for others. The Center maintains one such fund, the Residents' Trust Fund which is a depository for the residents' money. The Residents' Trust Fund is used to account for the receipts and disbursements of the resident's individual accounts.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
HENRY C. HILL CORRECTIONAL CENTER
SCHEDULE OF LOCALLY HELD FUNDS
June 30, 2006

	Employees' Commissary Fund	Residents' Commissary Fund	Employees' Benefit Fund	Residents' Benefit Fund
REVENUES				
Income from Sales	\$ 50,411	\$ 1,351,219	\$ 20,219	\$ -
Investment Income	587	3,715	249	3,891
Miscellaneous	-	-	-	-
Entry Fees	-	-	315	-
Raffle	-	-	-	-
Religious and Fraternal	-	-	-	-
Transfer of Unclaimed and Dormant Funds	-	-	-	-
Advances Made on Behalf of State - Repaid	-	-	-	-
Inmate Account Receipts	-	-	-	-
Other	-	-	-	6,583
Total Revenues	<u>50,998</u>	<u>1,354,934</u>	<u>20,783</u>	<u>10,474</u>
EXPENDITURES				
Purchases	46,631	1,097,657	16,147	-
General and Administrative	1,972	9,684	185	17,632
Contractual	-	-	3,958	72,404
Sponsored Events	-	-	-	-
Advances Made on Behalf of State	-	-	-	-
Non-operating Expenses	-	-	-	-
Equipment	-	142	629	228
Donations	-	-	-	-
Inmate Account Disbursements	-	-	-	-
Awards and Grants	-	-	367	-
Other	-	580	-	-
Total Expenditures	<u>48,603</u>	<u>1,108,063</u>	<u>21,286</u>	<u>90,264</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,395</u>	<u>246,871</u>	<u>(503)</u>	<u>(79,790)</u>
OTHER FINANCING SOURCES				
Transfers In	-	-	958	103,305
Transfers (Out)	(2,395)	(246,871)	-	0
Total Other Financing Sources	<u>(2,395)</u>	<u>(246,871)</u>	<u>958</u>	<u>103,305</u>
Net Change in Fund Balance	-	-	455	23,515
Fund Balance July 1, 2005	-	-	15,077	221,521
Fund Balance June 30, 2006	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,532</u>	<u>\$ 245,036</u>

Note: Schedule is presented on the accrual basis of accounting.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
HENRY C. HILL CORRECTIONAL CENTER
SCHEDULE OF LOCALLY HELD FUNDS
June 30, 2005

	Employees' Commissary Fund	Residents' Commissary Fund	Employees' Benefit Fund	Residents' Benefit Fund
REVENUES				
Income from Sales	\$ 60,097	\$ 1,269,895	\$ 17,745	\$ 60,990
Investment Income	246	1,402	71	1,167
Miscellaneous	-	-	-	-
Entry Fees	-	-	5,382	-
Raffle	-	-	-	-
Religious and Fraternal	-	-	-	-
Transfer of Unclaimed and Dormant Funds	-	-	-	-
Advances Made on Behalf of State - Repaid	-	-	-	-
Inmate Account Receipts	-	-	-	-
Other	-	-	-	-
Total Revenues	<u>60,343</u>	<u>1,271,297</u>	<u>23,198</u>	<u>62,157</u>
EXPENDITURES				
Purchases	55,361	1,012,913	17,145	77,997
General and Administrative	479	8,481	150	71,120
Contractual	-	-	1,729	-
Sponsored Events	-	-	-	-
Advances Made on Behalf of State	-	-	-	-
Non-operating Expenses	-	-	-	-
Equipment	-	3,383	-	585
Donations	-	-	-	-
Inmate Account Disbursements	-	-	-	-
Awards & Grants	-	-	6,597	877
Other	260	257	-	-
Total Expenditures	<u>56,100</u>	<u>1,025,034</u>	<u>25,621</u>	<u>150,579</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>4,243</u>	<u>246,263</u>	<u>(2,423)</u>	<u>(88,422)</u>
OTHER FINANCING SOURCES				
Transfers In	-	-	1,697	100,329
Transfers (Out)	(4,243)	(246,263)	-	-
Total Other Financing Sources	<u>(4,243)</u>	<u>(246,263)</u>	<u>1,697</u>	<u>100,329</u>
Net Change in Fund Balance	-	-	(726)	11,907
Fund Balance July 1, 2004	-	-	15,803	209,614
Fund Balance June 30, 2005	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,077</u>	<u>\$ 221,521</u>

Note: Schedule is presented on the accrual basis of accounting.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
HENRY C. HILL CORRECTIONAL CENTER
SCHEDULE OF LOCALLY HELD FUNDS - CASH BASIS (NOT EXAMINED)
TRAVEL AND ALLOWANCE REVOLVING FUND / RESIDENTS' TRUST FUND
FOR THE YEARS ENDED JUNE 30

	2005		2006	
	Travel and Allowance Rev. Fund	Residents' Trust Fund	Travel and Allowance Rev. Fund	Residents' Trust Fund
Balance - July 1	\$ 4,474	\$ 107,750	\$ -	\$ 58,681
Receipts				
Investment Income	-	1,824	-	4,557
Inmate Account Receipts	-	1,687,887	-	1,803,403
Appropriations from General Revenue Fund	16,245	-	3,089	-
TOTAL RECEIPTS	<u>16,245</u>	<u>1,689,711</u>	<u>3,089</u>	<u>1,807,960</u>
Disbursements				
Inmate Account Disbursements	-	1,736,956	-	1,688,937
Disbursements for released inmates	20,719	-	3,089	-
TOTAL DISBURSEMENTS	<u>20,719</u>	<u>1,736,956</u>	<u>3,089</u>	<u>1,688,937</u>
Fund Transfers				
Fund Transfers In	-	-	-	-
Fund Transfers (Out)	-	(1,824)	-	(4,557)
TOTAL TRANSFERS	<u>-</u>	<u>(1,824)</u>	<u>-</u>	<u>(4,557)</u>
Balance - June 30	<u>\$ -</u>	<u>\$ 58,681</u>	<u>\$ -</u>	<u>\$ 173,147</u>

Note: Schedule is presented on the cash basis of accounting

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
HENRY C. HILL CORRECTIONAL CENTER
SCHEDULE OF CHANGES IN STATE PROPERTY (NOT EXAMINED)
FOR THE YEARS ENDED JUNE 30,

	2006					2005				
	Land	Buildings	Equipment	Land Improvements	Total	Land	Buildings	Equipment	Land Improvements	Total
Balance, beginning	\$ 462,130	\$ 37,927,242	\$ 3,418,374	\$ 199,497	\$ 42,007,243	\$ 462,130	\$ 37,648,929	\$ 3,619,740	\$ 199,497	\$ 41,930,296
Additions:										
Purchases	-	-	18,819	-	18,819	-	86,200	12,962	-	99,162
Transfers-in:	-	-	-	-	-	-	-	-	-	-
Intra-agency	-	-	29,645	-	29,645	-	-	33,006	-	33,006
Inter-agency	-	-	-	-	-	-	-	-	-	-
Capital Development Board	-	-	-	-	-	-	192,113	-	-	192,113
Employees' Commissary	-	-	-	-	-	-	-	-	-	-
Fund	-	-	-	-	-	-	-	-	-	-
Residents' Benefit Fund	-	-	-	-	-	-	-	-	-	-
Employees' Benefit Fund	-	-	-	-	-	-	-	-	-	-
Donations	-	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	488	-	488
Total Additions	-	-	48,464	-	48,464	-	278,313	46,456	-	324,769
Deductions:										
Transfers-out:										
Inter-agency	-	-	45,160	-	45,160	-	-	128,073	-	128,073
Intra-agency	-	-	-	-	-	-	-	-	-	-
Scrap property	-	-	55,780	-	55,780	-	-	115,456	-	115,456
Surplus property	-	-	-	-	-	-	-	4,293	-	4,293
Condemned and lost property	-	-	-	-	-	-	-	-	-	-
Adjustment	-	-	-	-	-	-	-	-	-	-
Total Deductions	-	-	100,940	-	100,940	-	-	247,822	-	247,822
Balance, ending	\$ 462,130	\$ 37,927,242	\$ 3,365,898	\$ 199,497	\$ 41,954,767	\$ 462,130	\$ 37,927,242	\$ 3,418,374	\$ 199,497	\$ 42,007,243

Note: Center management indicated the balances at June 30, 2006 and 2005 have been reconciled to the property reports submitted to the Office of the Comptroller

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
HENRY C. HILL CORRECTIONAL CENTER
COMPARATIVE SCHEDULE OF CASH RECEIPTS AND DEPOSITS (NOT EXAMINED)
FOR THE FISCAL YEAR ENDED JUNE 30,

	FISCAL YEAR		
	2006	2005	2004
RECEIPTS			
Jury Duty and Telephone Reimbursement	\$ 131	\$ 335	\$ 118
Inmate Restitution	10,465	28,204	1,299
Postage	-	-	13,984
Funeral Furlough	-	-	3,607
Medical Services	-	-	6,285
Miscellaneous	1,470	547	4,249
TOTAL RECEIPTS	\$ 12,066	\$ 29,086	\$ 29,542
REMITTANCES			
General Revenue Fund - 001	\$ 1,601	\$ 882	\$ 1,166
Department of Corrections Fund - 523	10,465	28,204	28,376
TOTAL RECEIPTS REMITTED DIRECTLY TO STATE TREASURER	\$ 12,066	\$ 29,086	\$ 29,542
DEPOSITS			
Receipts recorded by Center	\$ 1,601	\$ 882	\$ 1,166
Add: Deposits in transit - Beginning of year	1,712	1,456	1,014
Deduct: Deposits in transit - End of year	(331)	(1,712)	(1,456)
DEPOSITS RECORDED BY THE STATE COMPTROLLER	\$ 2,982	\$ 626	\$ 724

Note: The Deposits reconciliation section of this schedule is a reconciliation of the Center's General Revenue Fund receipts to the Comptroller's General Revenue Fund deposits only. The Comptroller's records do not provide a detail breakdown of deposits into the Department of Corrections Reimbursement Fund #523 by Center.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
HENRY C. HILL CORRECTIONAL CENTER
ANALYSIS OF VARIATIONS IN EXPENDITURES
FOR THE TWO YEARS ENDED JUNE 30, 2006

Fiscal Year 2006

A comparative schedule of significant variations in expenditures (20% or more) for the fiscal years ended June 30, 2006 and June 30, 2005 are shown below:

<u>EXPENDITURE ITEM</u>	<u>FISCAL YEAR ENDED JUNE 30</u>		<u>INCREASE(DECREASE)</u>	
	<u>2006</u>	<u>2005</u>	<u>AMOUNT</u>	<u>%</u>
State Paid Retirement Contribution	\$ 204,305	\$ 31,723	\$ 172,583	544%
State Employee Retirement	\$ 1,234,326	\$ 2,479,642	\$(1,245,316)	(50)%
Contractual Services	\$ 5,611,238	\$ 4,630,888	\$ 980,350	21%
Printing	\$ 14,000	\$ 10,131	\$ 3,869	38%
Equipment	\$ 15,877	\$ -	\$ 15,877	100%
Telecommunication	\$ 27,891	\$ 45,636	\$ (17,445)	(39)%
Operation of Auto Equipment	\$ 53,385	\$ 44,259	\$ 9,126	21%

Center management provided the following explanations for the significant variations identified above.

State Paid Retirement Contribution

The increase in state paid retirement contributions of \$172,583 was the result of funds charged to the line item appropriation through December 31, 2005 only. Subsequent payments were charged to the personal service line item.

State Employee Retirement

The decrease in expenditures for state employee retirement of \$1,245,316 resulted from a decrease in the retirement rate from 16.1% in FY 2005 to 7.8% in FY 2006.

Contractual Services

The increase in contractual service expenditures of \$980,350 was primarily due to increases in the waste disposal contract and health care contracts of approximately \$206,000 and \$600,000 from FY 2005 to FY 2006.

Printing

The increase in printing expenditures of \$3,869 was due to the purchase of copy paper to replenish stock borrowed from another facility.

Equipment

The increase in equipment expenditures of \$15,877 resulted from the Legislature appropriating funds in FY 2006, while none were appropriated in FY 2005. The Center expended funds for equipment repairs not able to be done in the prior year.

Telecommunication

The decrease in telecommunication expenditures of \$17,445 was the result of revolving fund expenditures for FY 2006 of approximately \$10,000 not paid until FY 2007. Additionally, telephone repairs of approximately \$8,000 in 2005 were not repeated in FY 2006.

Operation of Auto Equipment

The increase in auto equipment expenditures were the result of major repairs deferred in FY 05, made in FY 2006.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
HENR C. HILL CORRECTIONAL CENTER
ANALYSIS OF VARIATIONS IN EXPENDITURES
FOR THE TWO YEARS ENDED JUNE 30, 2006

Fiscal Year 2005

A comparative schedule of significant variations in expenditures (20% or more) for the fiscal years ended June 30, 2005 and June 30, 2004 are shown below:

<u>EXPENDITURE ITEM</u>	<u>FISCAL YEAR ENDED JUNE 30</u>		<u>INCREASE (DECREASE)</u>	<u>%</u>
	<u>2005</u>	<u>2004</u>	<u>AMOUNT</u>	
State Paid Retirement Contribution	\$ 31,723	\$ 773,422	\$ (741,699)	(96)%
State Employee Retirement	\$ 2,479,642	\$ 1,347,449	\$1,132,193	84%
Travel/Allowance, Prisoners	\$ 33,883	\$ 42,150	\$ (8,267)	(20)%
Printing	\$ 10,131	\$ 16,413	\$ (6,282)	(38)%
Equipment	\$ -	\$ 108,128	\$ (108,128)	(100)%
Operation of Auto Equipment	\$ 44,259	\$ 67,979	\$ (23,720)	(35)%

Center management provided the following explanations for the significant variations identified above.

State Paid Retirement Contribution

In FY 2005 the Legislature approved payment of State paid retirement from the personal services appropriation line item. As a result, expenditures in FY 2005 reflect only amounts charged to State paid retirement while the balance is reported under personal services.

State Employee Retirement

The increase in state employee retirement expenditures of \$1,132,193 is the result of an increase in the rate of paid from 13.4% in FY 2004 to 16.1% in FY 2005.

Travel/Allowance, Prisoners

The decrease in travel/allowance, prisoners of \$8,267 was the result of closing the travel and allowance imprest fund. The account was totally disbursed without being replenished.

Printing

The decrease in printing of \$6,282 was the result of a reduction in the annual appropriation and a reduction in printing orders during FY 2005.

Equipment

The legislature did not provide funding for the equipment appropriation in FY 2005. As a result, there were no expenditures.

Operation of Auto Equipment

The decrease in operation of auto equipment of \$23,720 resulted from the deferral of major repairs and fuel purchases until FY 2006.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
HENRY C. HILL CORRECTIONAL CENTER
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
FOR THE TWO YEARS ENDED JUNE 30, 2006

Our review of lapse period expenditures for the two fiscal years ended June 30, 2006 disclosed the following appropriation line items with significant (20% or more) lapse period expenditures, as scheduled below:

<u>EXPENDITURE ITEM</u>	<u>Fiscal Year Ended June 30, 2006</u>		<u>PERCENTAGE</u>
	<u>TOTAL EXPENDITURES</u>	<u>LAPSE PERIOD EXPENDITURES</u>	
Travel	\$10,404	\$3,083	30%

<u>EXPENDITURE ITEM</u>	<u>Fiscal Year Ended June 30, 2005</u>		<u>PERCENTAGE</u>
	<u>TOTAL EXPENDITURES</u>	<u>LAPSE PERIOD EXPENDITURES</u>	
Travel	\$10,076	\$2,391	24%

Center management provided the following explanations for the significant lapse period expenditures identified above.

Travel

The lapse period expenditures for fiscal years 2006 and 2005 were the result of funds not being allocated by the Department of Corrections budget services until July and August to pay for travel incurred prior to June 30.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
HENRY C. HILL CORRECTIONAL CENTER
SCHEDULE OF CHANGES IN INVENTORIES (NOT EXAMINED)
TWO YEARS ENDED JUNE 30, 2006

	Balance July 1, 2005	Additions	Deletions	Balance June 30, 2006
GENERAL REVENUE FUND				
General Stores	\$ 62,707	\$ 312,893	\$ 323,503	\$ 52,097
Mechanical Stores	246	3,809	3,796	259
Resident Clothing	13,065	228,784	215,432	26,417
Officers' Clothing	-	-	-	-
Kitchen Stores	173,704	1,542,761	1,631,137	85,328
Postage	3,022	16,500	16,130	3,392
Gasoline Storage	3,109	32,656	34,436	1,329
Surplus Inventory	-	-	-	-
	<u>\$ 255,853</u>	<u>\$ 2,137,403</u>	<u>\$ 2,224,434</u>	<u>\$ 168,822</u>

LOCAL FUNDS

Employees' Commissary Fund	\$ 4,115	\$ 44,751	\$ 46,480	\$ 2,386
Residents' Commissary Fund	63,585	1,116,834	1,096,400	84,019
	<u>\$ 67,700</u>	<u>\$ 1,161,585</u>	<u>\$ 1,142,880</u>	<u>\$ 86,405</u>

	Balance July 1, 2004	Additions	Deletions	Balance June 30, 2005
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GENERAL REVENUE FUND

General Stores	\$ 51,016	\$ 339,717	\$ 328,026	\$ 62,707
Mechanical Stores	372	3,239	3,365	246
Resident Clothing	21,201	287,414	295,550	13,065
Officers' Clothing	-	-	-	-
Kitchen Stores	112,062	1,842,445	1,780,803	173,704
Postage	1,387	18,700	17,065	3,022
Gasoline Storage	5,481	16,569	18,941	3,109
Surplus Inventory	10,190	-	10,190	-
	<u>\$ 201,709</u>	<u>\$ 2,508,084</u>	<u>\$ 2,453,940</u>	<u>\$ 255,853</u>

LOCAL FUNDS

Employees' Commissary Fund	\$ 2,891	\$ 56,395	\$ 55,171	\$ 4,115
Residents' Commissary Fund	31,148	1,044,213	1,011,776	63,585
	<u>\$ 34,039</u>	<u>\$ 1,100,608</u>	<u>\$ 1,066,947</u>	<u>\$ 67,700</u>

Note: The inventory balances at June 30 were reconciled to the records of the Center.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
HENRY C. HILL CORRECTIONAL CENTER
ANALYSIS OF OPERATIONS
FOR THE TWO YEARS ENDED JUNE 30, 2006

CENTER FUNCTIONS

The Henry C. Hill Correctional Center (Center) located at 600 Linwood Road, Galesburg, Illinois, is a Level Two Center of the Illinois Department of Corrections (Department). The Center, which opened in October 1986, is designed to house 896 adult male inmates and was established to help alleviate the overcrowded conditions of the Department's facilities.

The inmate population was 1,806 and 1,795 at May 31, 2006 and 2005, respectively.

The Unified Code of Corrections (730 ILCS 5/1 (et seq.)) mandates the Department to "accept persons committed to it by the courts of this State for care, custody, treatment and rehabilitation." Consistent with the authorizing legislation the primary function of the Center is to maintain custody and control of incarcerated individuals under a level of security, which will provide a safe and secure environment for inmates, staff, visitors and the community.

Within this framework, the Department offers the inmates a variety of programs designed to return them to the community with skills to make them useful and productive citizens. These programs include GED classes, vocational training and Junior College level academic courses offered by Carl Sandburg College and Correctional School District #428. In addition, the Department strives to create a healthful environment by providing a variety of services such as medical, dental, religious, counseling and library services as well as recreation programs.

As a secondary function, the Center attempts to provide inmates with meaningful programs and work assignments, and encourages maximum participation in these programs by inmates. Operational and program systems are designed to increase the ability of inmates to accept responsibility and make decisions while utilizing resources in a prudent and efficient manner.

Mr. Roger E. Walker, Jr. is the Director of the Department of Corrections. The Department maintains its Central Office in Springfield.

Mr. Donald A. Hulick served as warden from June 1, 2004 to August 1, 2005. Frank Shaw was appointed warden for the Center on August 1, 2005.

PLANNING PROGRAM

The Center has developed goals and objectives, coordinated by the Department, with respect to its functions and programs. The Center also implements policies and procedures designed to achieve the goals and objectives that have been established for the entire Department. These goals and objectives include administrative, services to inmates, research

and evaluation, staff development, developing and monitoring policies and procedures, expanding programs, developing cost efficient strategies, to enhance operations and others.

AUDITORS EVALUATION

The Center has established formal written goals and objectives, which appear to be adequate in meeting the operating requirements of the Center and the Department. The Warden along with Center management monitor the progress of achieving the goals and objectives and are updated on a regular basis on the Center's progress.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
HENRY C. HILL CORRECTIONAL CENTER
AVERAGE NUMBER OF EMPLOYEES
FOR THE YEARS ENDED JUNE 30,

AVERAGE NUMBER OF EMPLOYEES

The following table, prepared from Center records, presents the average number of employees, by function, for the past three years.

	<u>Fiscal Year</u>		
	<u>2006</u>	<u>2005</u>	<u>2004</u>
Administrative	4	4	5
Business office and stores	15	15	14
Clinical services	12	15	13
Work Camp	-	-	-
Recreation	3	3	3
Maintenance	9	8	9
Utilities	-	-	-
Laundry	1	1	-
Correctional Officers	241	245	236
Dietary	14	15	13
Medical/Psychiatric	1	2	2
Religion	1	1	1
Records	4	5	4
Secretary/Clerical Misc.	4	4	6
	<hr/>	<hr/>	<hr/>
Total	<u>309</u>	<u>318</u>	<u>306</u>

EMPLOYEE OVERTIME (NOT EXAMINED)

Certain employees are eligible for overtime if the hours worked during a day exceed the employees standard work hours. Correctional Officers receive a ¼ hour of overtime for each day they stand for roll call. The roll call overtime is paid at straight time for all but Correctional Lieutenants who receive 1 ½ times normal pay.

Overtime is to be distributed as equally as possible among employees who normally perform the work in the position in which the overtime is needed. An employees' supervisor must approve any overtime. In most cases, except for roll call, employees are compensated at 1-½ times their normal hourly rate for overtime hours worked. Employees have the opportunity to be compensated either in pay for the overtime or receive compensatory time off.

The following table, prepared from Department records presents the paid overtime and earned compensatory time incurred during fiscal year 2006 and 2005.

	<u>2006</u>	<u>2005</u>
Paid overtime hours worked during fiscal year	5,709	10,452
Value of overtime hours worked during fiscal year	\$ 220,304	\$ 371,720
Compensatory hours earned during fiscal year	8,955	9,971
Value of compensatory hours earned during fiscal year	\$ 224,870	\$ 236,326
Total paid overtime hours and earned compensatory hours during fiscal year	14,664	20,423
Total value of paid overtime hours and earned compensatory hours during fiscal year	\$ 445,174	\$ 608,046

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
HENRY C. HILL CORRECTIONAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF OPERATIONS
FOR THE YEARS ENDED JUNE 30, 2006

INMATE COMMISSARY OPERATION

The Center operates a commissary for the benefit of the inmates. The commissary purchases goods from outside vendors and then retails the items to the inmates. The commissary purchases goods at wholesale prices where possible. Effective January 1, 2004 the Unified Code of Corrections, 730 ILCS 5/3-7-2a, was amended to change the mark-up of cost on the goods purchased for resale in the commissary. Effective January 1, 2004 the selling price for all goods shall be sufficient to cover the cost of the goods and an additional charge of up to 35% for tobacco products and up to 25% for non-tobacco products.

The financial transactions of the Inmate commissary are recorded in the Residents' Commissary Fund. A summary of the financial activity of the Residents' Commissary Fund for the years ended June 30, 2006 and 2005 are presented on pages 18 and 19 of this report.

As part of our testing, 25 inmate commissary products were selected and their sale price recomputed to determine compliance with the Unified Code of Corrections regarding the statutorily required mark-up. Our tests did not reveal any instances of noncompliance.

SHARED RESOURCES (NOT EXAMINED)

- A. During the two years under audit, the Center's Business Manager and Advanced Accountant provided support services to the business office at East Moline Correctional Center. They were paid from Hill Correctional Center's personal services appropriation while devoting approximately 5% and 10% of time and service, respectively, to East Moline Correctional Center.
- B. Beginning on 12/12/05 through June 30, 2006, the Assistant Warden of Operations was temporarily assigned to Hill Correctional Center from East Moline Correctional Center. The Assistant Warden was paid from the East Moline Correctional Center's personal services appropriation while devoting 100% of time and service to Hill Correctional Center.

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
HENRY C. HILL CORRECTIONAL CENTER
ANNUAL COST STATISTICS
FOR THE YEARS ENDED JUNE 30,

COSTS PER YEAR PER INMATE (NOT EXAMINED)

Comparative costs of inmate care, prepared from Center records for the fiscal year ended June 30, are shown below:

	<u>2006</u>	<u>Fiscal Year</u> <u>2005</u>	<u>2004</u>
Rated population	896	896	896
Inmate population (as of May 31)	1,788	1,772	1,803
Average number of inmates	1,800	1,802	1,770
Expenditures from appropriations	\$26,617,232	\$27,196,369	\$26,259,102
Less-equipment and capital improvements	<u>15,877</u>	<u>-</u>	<u>108,128</u>
Net expenditures	<u>\$26,601,355</u>	<u>\$27,196,369</u>	<u>\$26,150,974</u>
Net inmate cost per year	<u>\$ 14,779</u>	<u>\$ 15,092</u>	<u>\$ 14,775</u>

Net expenditures for computing net inmate cost per year represent total expenditures from appropriations less equipment expenditures divided by average number of inmates.

The rated population and inmate population noted above was taken from the Illinois Department of Corrections' quarterly reports to the State legislature.

STATE OF ILLINOIS
 DEPARTMENT OF CORRECTIONS
 HENRY C. HILL CORRECTIONAL CENTER
 ANNUAL COST STATISTICS
 FOR THE YEARS ENDED JUNE 30, 2006

RATIO OF EMPLOYEES TO INMATES (NOT EXAMINED)

The following comparisons are prepared from Center records for the fiscal year ended June 30:

	<u>2006</u>	<u>2005</u>	<u>2004</u>
Average number of employees	309	318	306
Average number of correctional officers	241	245	236
Average number of inmates	1,800	1,802	1,770
Ratio of employees to inmates	1 to 5.8	1 to 5.7	1 to 5.8
Ratio of correctional officers to inmates	1 to 7.5	1 to 7.4	1 to 7.5

CELL SQUARE FEET PER INMATE (NOT EXAMINED)

The following comparisons are from a report issued by the Department of Corrections to the State legislature:

	<u>2006</u>	<u>2005</u>	<u>2004</u>
Approximate Square Foot Per Inmate	32	32	31

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
HENRY C. HILL CORRECTIONAL CENTER
ANNUAL COST STATISTICS
FOR THE YEARS ENDED JUNE 30,

FOOD SERVICES (NOT EXAMINED)

The following table, prepared from the Center records, summarizes the number of meals served and the average cost per meal.

	<u>Fiscal Year</u>		
	<u>2006</u>	<u>2005</u>	<u>2004</u>
Breakfast	339,136	346,227	656,799
Lunch	594,039	569,112	582,104
Dinner	588,060	563,481	528,097
1:00 a.m. meal	-	-	2,600
Staff meals	42,340	43,800	31,200
Vocational School Meals	<u>21,629</u>	<u>20,975</u>	<u>15,600</u>
 Total Meals Served	 <u>1,585,164</u>	 <u>1,543,595</u>	 <u>1,816,404</u>
 Food Cost	 <u>\$1,542,761</u>	 <u>\$1,842,445</u>	 <u>\$ 1,953,213</u>
 Cost Per Meal	 <u>\$.97</u>	 <u>\$ 1.19</u>	 <u>\$ 1.08</u>

In 2004 breakfast was provided to inmates in their cells. In 2005 & 2006 approximately half of all inmates ate breakfast when served in the cafeteria.

MEDICAL AND CLERGY SERVICE CONTRACTS (NOT EXAMINED)

The following table, prepared from Center records, summarizes what was paid to vendors for medical and clergy contractual services for fiscal years 2006 and 2005.

	<u>Fiscal Year</u>		
	<u>2006</u>	<u>2005</u>	<u>2004</u>
Medical Services:			
Wexford Health Sources, Inc.	\$4,196,471	\$3,168,752	\$3,116,143
Health Professionals Ltd.	1,889,330		-
Secure Pharmacy Plus, Inc.	<u>-</u>	<u>-</u>	<u>148,408</u>
	<u>\$6,085,801</u>	<u>\$3,168,752</u>	<u>\$3,264,551</u>
Clergy Services:			
Cheder Labavitch	<u>\$ -0-</u>	<u>\$ 1,157</u>	<u>\$ 1,172</u>

STATE OF ILLINOIS
DEPARTMENT OF CORRECTIONS
HENRY C. HILL CORRECTIONAL CENTER
SERVICE EFFORTS AND ACCOMPLISHMENTS
FOR THE TWO YEARS ENDED JUNE 30, 2006

MANAGEMENT ACCOMPLISHMENTS

During the period, Henry C. Hill Correctional Center, a Level 2 Secure Medium institution, several changes were made during the fiscal year which have impacted the safety and security of staff and inmates while being able to continue to operate the facility more efficiently.

Security enhancements included a modified movement procedure that resulted in the reduction of inmate movement, and a reduction in the number of mass line movements within the facility. A new call pass program was put in place to move inmates in groups and limit individual movement.

With the implementation of the touch screen door security system, previously issued individual cell door keys have been removed.

Correctional sergeants are assigned to monitor walk through metal detectors in order to segregate inmates on the spot in the event that the alarm is activated.

A program to rotate inmates that have remained in their job assignments for six months or more was instituted to reduce the chance of staff becoming too familiar with the inmate workers.

Inmates housed at Hill CC are screened for STG before determining job assignment and housing unit placement.

Hill's budgeted headcount for FY05 was 325. As of June 30th, 2005, the facility headcount was 318 with a C/O headcount of 245. The budgeted headcount for FY06 was 303. As of June 30th, 2006, the facility headcount was 309 with a C/O headcount of 241.

At the end of Fiscal year 2005, Hill CC had five employees on the list of employees activated for Operation Enduring Freedom. At the end of fiscal year 2006, Hill had three employees on the list of employees activated for Operation Enduring Freedom.

Upgrading the facility continues to be a priority. The Dietary department received new fryers, and the pots and pans room received new stainless steel coverings on the walls and other improvements. New cable for the TV system in Housing Unit R-4 was installed. Shower rehabilitation continues using in-house funds.

Utility expenses continue to be a concern. Natural gas, electricity and water rates continue to increase. Management continues to encourage utility conservation. The repair of the Vocational Building chiller, in addition to replacement of chillers in the Dietary vegetable preparation room, will reduce the electrical consumption.

Improvements to the Gun Range included roofing, siding, and painting.

SERVICE PROGRAMS

Chaplaincy services have approximately 650 participants in weekly religious services for nine different religious groups. The volunteers are a vital part of the IDOC mission to provide religious services, and are a compliment to the Chaplaincy's programming. Our goal is to have volunteers for every religious group.

Health Care Educational Programs continue to be a priority at Hill Correctional Center. A comprehensive list of Warden's Bulletins are issued covering a wide range of programs from managing stress to cold and flu information.

Education Department programs through School District # 428 continue to be a success with a 78% passing rate on the GED examinations for FY2005.