



STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF COUNTY AUDIT
SUITE 1500
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May 27, 2008

The Honorable George Little, Commissioner, Department of Correction
The Honorable Macie Roberson, Lake County Mayor
The Honorable Danny Tippit, Lake County Sheriff

To the Commissioner, County Mayor, and Sheriff:

Our office recently completed a review of Lake County's participation in the County Correctional Incentive Program for the year ended June 30, 2006.

The finding and recommendation and the summary of adjustments to costs and days, as a result of our review, are presented in detail in the enclosed report. The following is a summary of the results of our review:

Our review discovered a net of four underreported felon days. This resulted in an underpayment of \$140 to the county for the year ended June 30, 2006. Since this underpayment was after the final cost settlement, the adjustment should be made in subsequent monthly payments.

Please contact me if you have any questions regarding our review of Lake County's participation in the County Correctional Incentive Program.

Sincerely,

James R. Arnette, Director

cc: Judith Lambert, Judicial Cost Accountant

**LAKE COUNTY, TENNESSEE
REPORT ON THE REVIEW OF THE
COUNTY CORRECTIONAL INCENTIVE PROGRAM
FOR THE YEAR ENDED JUNE 30, 2006**

This report reviews Lake County's participation in the County Correctional Incentive Program for the year ended June 30, 2006.

As a result of our review, we discovered a net of four underreported felon days. This resulted in an underpayment of \$140 to the county for the year ended June 30, 2006. Since this underpayment was after the final cost settlement, an adjustment should be made in subsequent monthly payments.

The objectives of the review were:

1. to determine if prisoners were properly listed on the State Prisoner (Convicted Felon) Reports,
2. to determine if inmates were accurately reported on the Correction Facility Summary Reports, and
3. to recommend appropriate actions to correct any deficiencies.

SCOPE OF THE REVIEW

In performing our review, we tested the proper classification of convicted felons as reported on the State Prisoner Reports to ensure accurate reporting. Testwork included tracing information from the reports to the actual case files to verify the listed offenses, trial dates, and incarceration periods.

Furthermore, we evaluated procedures related to the counting and reporting of the total inmate population as reported on the Correction Facility Summary Reports. We also performed tests on selected days to determine that the number of prisoners reported agreed with counts of prisoners actually incarcerated at the facility.

FINDING AND RECOMMENDATION

The finding and recommendation, as a result of our review, is presented below. We reviewed this finding and recommendation with management to provide an opportunity for their response. Officials offered oral responses to the finding and recommendation; however, these oral responses have not been included in this report.

FINDING 1 TOTAL FELON DAYS WERE NOT ACCURATELY DETERMINED AND REPORTED

Lake County did not accurately count and assess the total felon days as reported to the state on the State Prisoner (Convicted Felon) Reports. We discovered that the county overreported two felon days and underreported six felon days (net of four underreported

felon days). The net effect of these errors resulted in an underpayment of \$140 to the county.

RECOMMENDATION

Management should ensure that felon days are reported accurately to the Tennessee Department of Correction on the State Prisoner (Convicted Felon) Reports.

**LAKE COUNTY, TENNESSEE
SUMMARY ADJUSTMENTS
FOR THE YEAR ENDED JUNE 30, 2006**

The following is a summary of adjustments made to the felon days as settled in the desk review by the Tennessee Department of Correction. The adjustments, as a result of our review, are discussed in detail in the Finding and Recommendation section.

	<u>Felon Days</u>
As Settled in the 2006 Desk Review	10,466
Adjustments from Field Review:	
Overreported Felon Days	(2)
Underreported Felon Days	<u>6</u>
Total Adjusted Days	<u><u>10,470</u></u>

Our review discovered a net of four underreported felon days that resulted in an underpayment of \$140 to Lake County based on their maximum rate of reimbursement of \$35 per inmate day. Since this underpayment was after the final cost settlement, an adjustment should be made in subsequent monthly payments.