STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF COUNTY AUDIT
SUITE 1500
JAMES K. POLK STATE OFFICE BUILDING
NASHVILLE, TENNESSEE 37243-1402
PHONE (615) 401-7841

June 13, 2011

The Honorable Derrick D. Schofield, Commissioner, Department of Correction
The Honorable George Clark, Houston County Mayor
The Honorable Darrell Allison, Houston County Sheriff

To the Commissioner, County Mayor, and Sheriff:

Our office recently completed a review of Houston County Jail's participation in the County Correctional Incentive Program for the year ended June 30, 2009.

The finding and recommendation and the summary of adjustments to 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:

1. Felon days were not accurately determined and reported on the monthly State Prisoner (Convicted Felon) Report.

2. As a result of our review, we discovered 1,007 overreported felon days. The net effect of these adjustments resulted in an overpayment of $35,245 to Houston County. Since this overpayment was after the final cost settlement, an adjustment should be made in subsequent monthly payments.

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

Sincerely,

James R. Arnette, Director

cc: Judith Lambert, Judicial Cost Accountant

HOUSTON COUNTY, TENNESSEE
REPORT ON THE REVIEW OF THE
COUNTY CORRECTIONAL INCENTIVE PROGRAM
FOR THE YEAR ENDED JUNE 30, 2009

This report reviews Houston County Jail's participation in the County Correctional Incentive Program for the year ended June 30, 2009.

As a result of our review, we discovered 1,007 overreported felon days. The net effect of these adjustments resulted in an overpayment of $35,245 to Houston County. Since this overpayment 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 evaluated procedures related to the counting and reporting of the total inmate population as reported on the Correction Facility Summary Reports and the Final Cost Settlement Report. We also performed testwork on selected days to determine that the number of prisoners reported on the cost reports agreed with counts of prisoners actually incarcerated at the facility.

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

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; however, management did not provide a response for inclusion in this report.

FINDING 1 TOTAL FELON DAYS WERE NOT ACCURATELY DETERMINED AND REPORTED

Houston County did not accurately count and assess the total felon days as reported to the state on the State Prisoner (Convicted Felon) Reports. As a result, we could not determine if Houston County had properly reported felon days for the year. We reviewed 25 inmate files for proper reporting. Of the 25 files examined, we discovered that Houston County had overreported 1,007 felon days.

RECOMMENDATION

Management should ensure that felon days are reported accurately to the Tennessee Department of Correction on the State Prisoner (Convicted Felon) Reports. Houston County should review all of the State Prisoner (Convicted Felon) Reports for 2009 and forward.

HOUSTON COUNTY, TENNESSEE
SUMMARY OF ADJUSTMENTS
FOR THE YEAR ENDED JUNE 30, 2009

The following is a summary of adjustments made to the 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.

	Felon Days
As Settled in the 2009 Desk Review	4,045
Overreported Felon Days	(1,007)
Total Adjusted Days	3,038

We discovered 1,007 felon days were overreported. The net effect of these adjustments resulted in an overpayment of $35,245 to Houston County since the county's rate of reimbursement is $35 per inmate day. Since this overpayment was after the final cost settlement, an adjustment should be made in subsequent monthly payments.