



Marion County Community Corrections

Internal Audit Report

Audited Entity: Marion County Community Corrections (PA – 2019 – 65)
Fieldwork Completion Date: May 31, 2020
Date of Report: November 5, 2020

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EXECUTIVE SUMMARY

WHY WE DID THIS AUDIT

This audit was initiated based on an annual risk assessment of the City-County enterprise and deemed necessary by the Director of the Office of Audit and Performance (OAP).

BACKGROUND SUMMARY

Marion County Community Corrections (MCCC) is overseen by a Community Corrections Advisory Board (Advisory Board) as specified in the Indiana Code (IC) §11-12-2-2(a). The Advisory Board appoints the MCCC Director subject to the approval of the City-County Council. MCCC's mission is to improve the lives of citizens in Marion County through community supervision, as an alternative to incarceration, utilizing evidence-based practices and comprehensive case management.

MCCC serves approximately 4,300 clients divided into two, distinct populations: (1) those awaiting trial and (2) those serving an executed sentence. Marion Superior Court assigns some defendants to pre-trial monitoring instead of sentencing them to jail or prison while awaiting trial; or sentences those convicted to electronic monitoring, home detention, or work release instead of jail or prison. MCCC accepts cases from Marion Superior Court, as well as transfer cases from other counties.

OBJECTIVES AND SCOPE SUMMARY

The key objective of this engagement is to provide management with reasonable assurances that MCCC activities covered in this audit are valid, properly approved, adequately documented, and compliant with City-County policies and applicable laws and regulations. The scope of the audit was limited to activities that occurred during the period January 1, 2017, through December 31, 2018.

The objectives of the audit were to evaluate the sufficiency of internal controls regarding:

- Expenses
- Information Security and Physical Security
- Electronic Monitoring/Home Detention
- Standard Operating Procedures (SOP)
- Contract Compliance
- Client Complaints

WHAT WE FOUND

The table below summarizes the findings and the relative risk rating of each. The risk ratings are based on the potential impact and likelihood of each associated risk.

Finding Summary	Risk Rating
Insufficient Insurance Coverage	High
Field Visits Not Compliant with Electronic Monitoring Standards	High
Inconsistent Quarterly Vendor Reviews	Moderate
No Privacy in Client Interviews (Repeat Finding)	Moderate
Unsigned Case Plans	Moderate
Incomplete Staff Training Records	Low
Insufficient Active File Security	Low

WHAT WE RECOMMEND

OAP recommends that MCCC enhance, implement, and adhere to internal controls to:

- Ensure each professional service contract includes sufficient insurance coverage and is compliant with the minimum insurance coverage requirements.
- Ensure compliance with its own minimum client contact standards and those outlined by the Indiana Risk Assessment System (IRAS).
- Ensure vendor contract reviews are routinely and consistently performed.
- Implement a temporary process designed to ensure the clients' privacy is maintained.

Note: See findings and recommendations beginning on page 10 for more detail.

This report and other OAP audit reports may be accessed on our website: <http://www.indy.gov/OAP>

INTRODUCTION

Pursuant to the Revised Code of the Consolidated City-County Sec. 202-303, The Office of Audit and Performance (OAP) has conducted an internal review of Marion County Community Corrections (MCCC). The audit was conducted in accordance with Generally Accepted Government Auditing Standards (GAGAS). These standards require OAP to plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for the findings and conclusions based on the audit objectives. The control and procedural deficiencies considered to be significant are also disclosed herein. Any perceived weaknesses or findings reported by external agencies are not disclosed in this report.

AUDIT OBJECTIVE, SCOPE, AND METHODOLOGY

The MCCC audit covers the period of January 1, 2017, through December 31, 2018. The purpose of this engagement is to provide management with reasonable assurance that activities reviewed are effective and to evaluate whether the activities are compliant with the City of Indianapolis – Marion County (City-County) policies, established procedures, and applicable laws and regulations. Key objectives of the audit were to evaluate (A) expenses approval; (B) information security and physical safety; (C) effectiveness of the electronic monitoring/home detention program; (D) the existence and efficiency of SOP; (E) contract compliance; and (F) client complaints.

In the review of MCCC operations, OAP collected and analyzed data to determine if:

1. MCCC was compliant with the primary terms of contractual agreements.
 - a. Reviewed Eight (8) contractual agreements for compliance with City-County policy, which included determining whether required insurance coverage was being maintained throughout the life of the contract.
 - b. Discussed the internal controls process with management and the Office of Finance and Management's (OFM) Purchasing Division, then sampled transactions associated with selected contracts.
 - c. Analyzed various documents to ensure quarterly vendor reviews were being conducted by MCCC.
 - d. Analyzed documents required by terms of contractual agreements, such as vendor record retention policies, disaster recovery plans, and service availability reports.
2. MCCC was compliant with its internal controls, as outlined in MCCC policies and procedures, as well as various City-County policies, and if sufficient controls were in place.
 - a. Reviewed various policies and procedures. OAP then analyzed various processes for compliance including safeguarding of files, training requirements, case plans and related case files, and client account adjustments.
 - b. Analyzed various documents, including 17 invoice samples associated with contractual payments, and 70 routine expense payments samples.
3. MCCC was compliant with applicable state and local laws and regulations.
 - a. Reviewed various Indiana statutes governing correctional facilities.
 - b. Analyzed various documents associated with the required reporting.
4. The appropriate adjustments are reflected on clients' accounts and whether the fees charged are properly aligned with policy, based on an analysis of 19,462 transactions.
 - a. Analyzed client user fees and frequency of client account adjustments using MCCC transaction records.
5. Client complaints are managed appropriately.
 - a. Reviewed MCCC's policies and procedures regarding client grievances and discussed client complaint process with MCCC management.
 - b. Reviewed all available formal grievances submitted by clients during the audit period.
6. MCCC has sufficient safeguards in place for physical safety and document security.
 - a. Reviewed policies and procedures regarding physical safety at MCCC facilities and observed the security process at MCCC's main office.

- b. Observed the locations and safeguards in place for physical documents maintained by MCCC.
- 7. The electronic monitoring/home detention program is carried out effectively and in accordance with MCCC policies and procedures.
 - a. Analyzed case plans and case file system notes for a sample of 25 MCCC clients.
 - b. Analyzed the annual training hours obtained by a sample of 25 MCCC staff.

Areas identified as non-conforming are listed in the Findings and Recommendations section of this report.

BACKGROUND

As previously stated in the executive summary, MCCC is established by the Revised Code of the Consolidated City-County Chapter 283 Article I and is overseen by a Community Corrections Advisory Board (“Advisory Board”) as specified in IC §11-12-2-2(a). The Advisory Board consists of several officeholders or their designees (e.g., the County Sheriff or the Sheriff’s designee) and several appointments made by the City-County Council. Members of the Advisory Board appointed by the City-County Council are appointed for a term of four years, while ex officio members serve only while holding the office or position that makes them eligible. The Advisory Board appoints the MCCC Director, subject to the City-County Council’s approval.

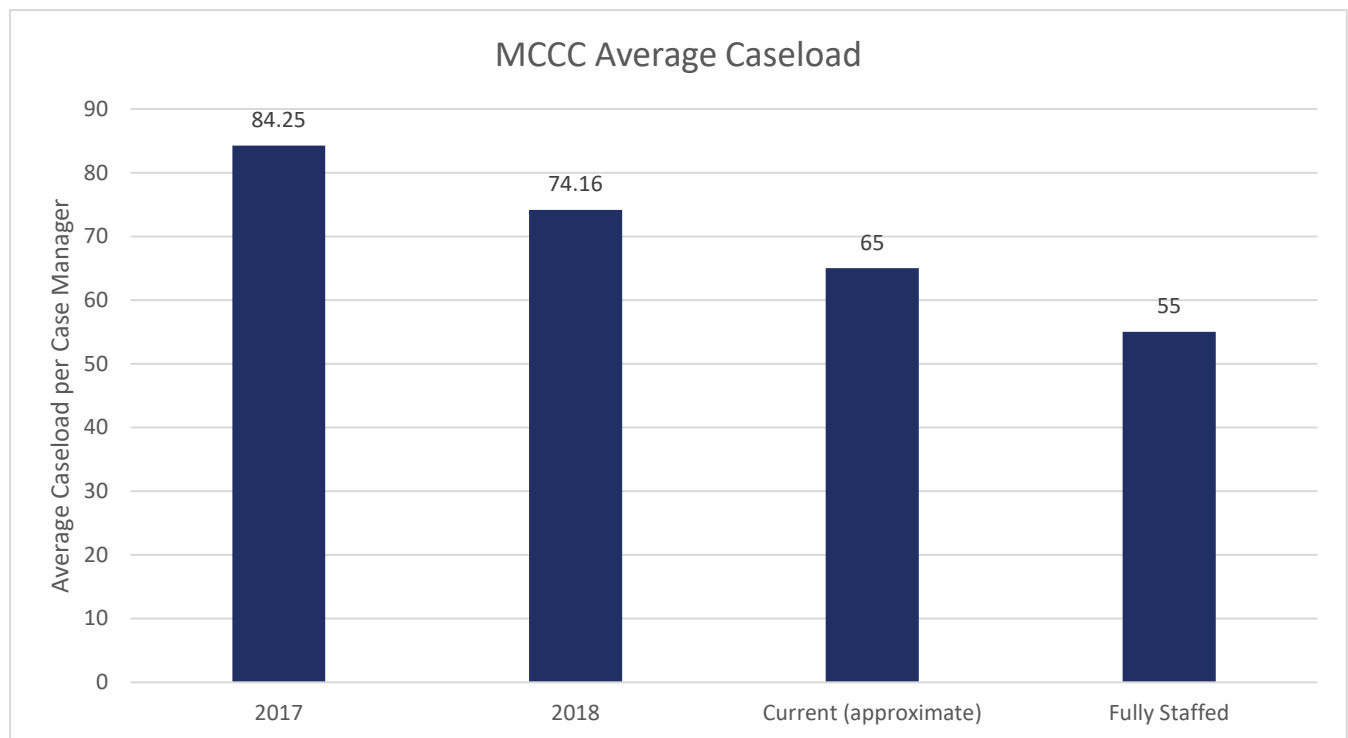
MCCC’s stated vision is to be a role model in criminal justice reform by enhancing public safety through the use of comprehensive services that promote positive thinking and behavioral change in those under community supervision. MCCC’s mission is to improve the lives of citizens in Marion County through community supervision, as an alternative to incarceration, utilizing evidence-based practices and comprehensive case management. MCCC serves approximately 4,300 clients divided into two, distinct populations: (1) those awaiting trial and (2) those serving an executed sentence. The Court assigns people to MCCC while they are awaiting trial, also known as Pre-Trial Monitoring; or in lieu of sentencing them to jail or prison - Electronic Monitoring/Home Detention or Work Release.

Clients assigned to Pre-Trial or Electronic Monitoring are required to wear secured Global Positioning Satellite (GPS) technology and transmitters to allow for continuous physical monitoring. This technology allows clients to be placed on Home Detention, where, while on home confinement, they: (1) are not permitted to leave the home except for medical emergency; (2) are permitted to continue working (or searching for employment), and/or attend religious services; or (3) are placed on GPS monitoring only with no other restriction. In addition to GPS technology, the Court may place a client with MCCC on electronic alcohol monitoring.

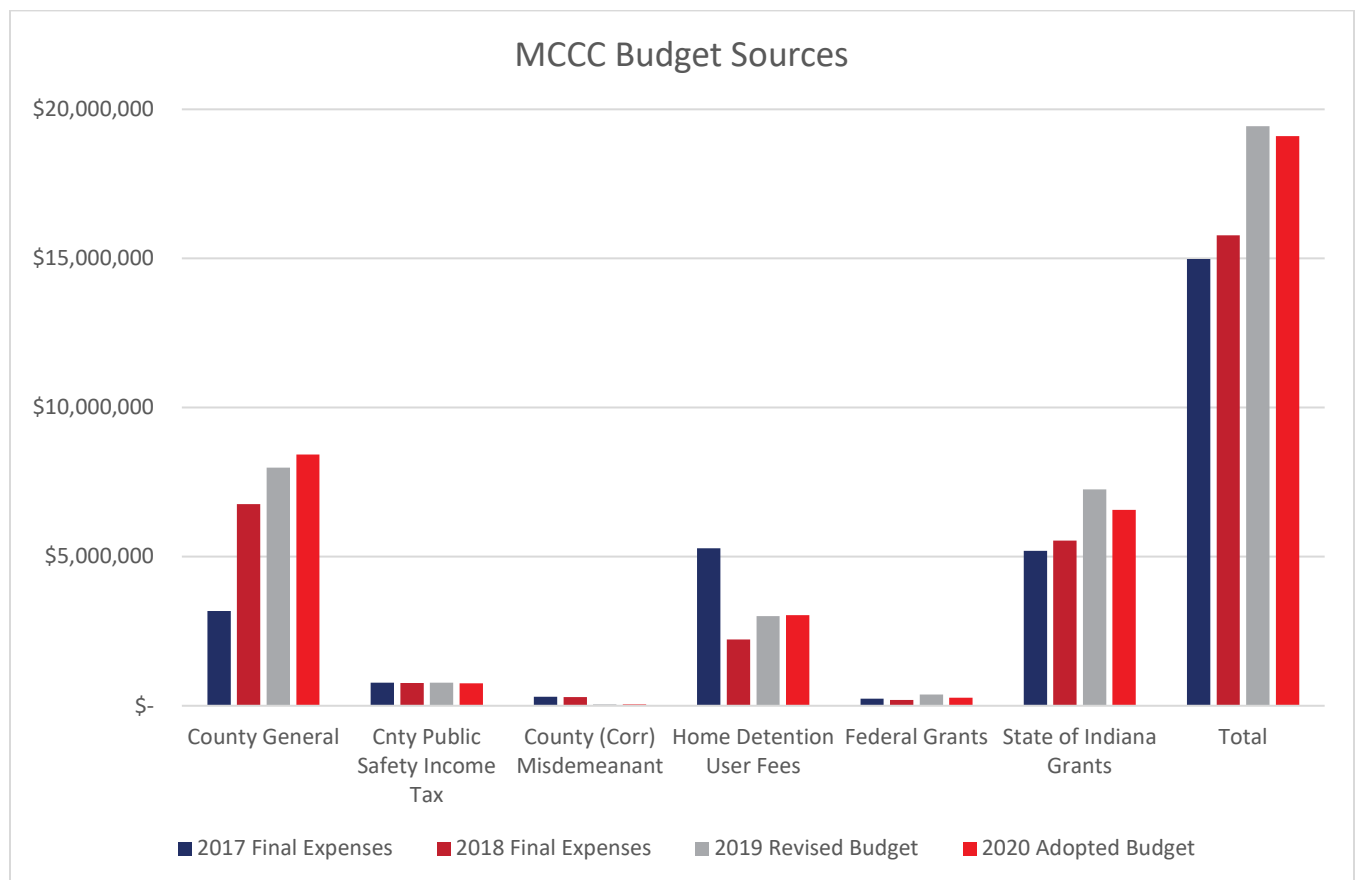
To determine the appropriate level of client supervision, MCCC establishes each client’s risk level or likelihood to re-offend. For this task, MCCC employs the Indiana Risk Assessment System (IRAS). Using an overall risk score and identified criminogenic needs, MCCC places clients into appropriate Evidence Based Programs such as résumé and career planning; substance abuse treatment; conflict resolution; or parenting and life skills.

MCCC operates two facilities for male and female residents assigned to work release. In October 2007, MCCC opened the Duvall Residential Center (DRC). With a capacity of 350 beds, DRC provides housing and services for male work release residents. Because DRC is a work release center, residents are required to be employed or seeking employment to be admitted into DRC. If a resident is not employed, MCCC works with the resident to find employment and/or assist with work crews. All DRC residents are also eligible for the same programming opportunities as those placed on Electronic Monitoring. To serve female residents, MCCC maintains a long-standing contractual relationship with Craine House. Craine House provides approximately the same programming and work release opportunities as those provided at DRC for up to 35 females. Craine House also provides an environment where residents with preschool age children may live with their children. Additional programs like parenting classes, daycare, and children’s support services are offered at Craine House.

In 2016, the Advisory Board approved Track Group to provide MCCC's client electronic tracking and monitoring services. Additionally, to assist with MCCC's caseload, Track Group employs case managers who manage many of the GPS/Home Monitoring program clients with lower risk ratings. When fully staffed, MCCC would have an average caseload ratio of 55 to 1. At the beginning of 2017, MCCC had an average caseload size of 120. According to MCCC, the increase in staffing levels began in 2017. MCCC had 66 case managers by the end of 2017, with an average caseload of 84.25 over the course of the year. By the end of 2018, MCCC had 67 case managers and an average caseload of 74.16 over the course of the year. MCCC currently has an average caseload of approximately 65. The graph below compares the average caseload for the years 2017 and 2018 to the current approximation, and the caseload when MCCC is fully staffed.



MCCC's budget was increased during the audit period from \$14,977,047 in 2017 to \$15,774,538 in 2018.¹ MCCC's annual budget is comprised of the following funding sources:

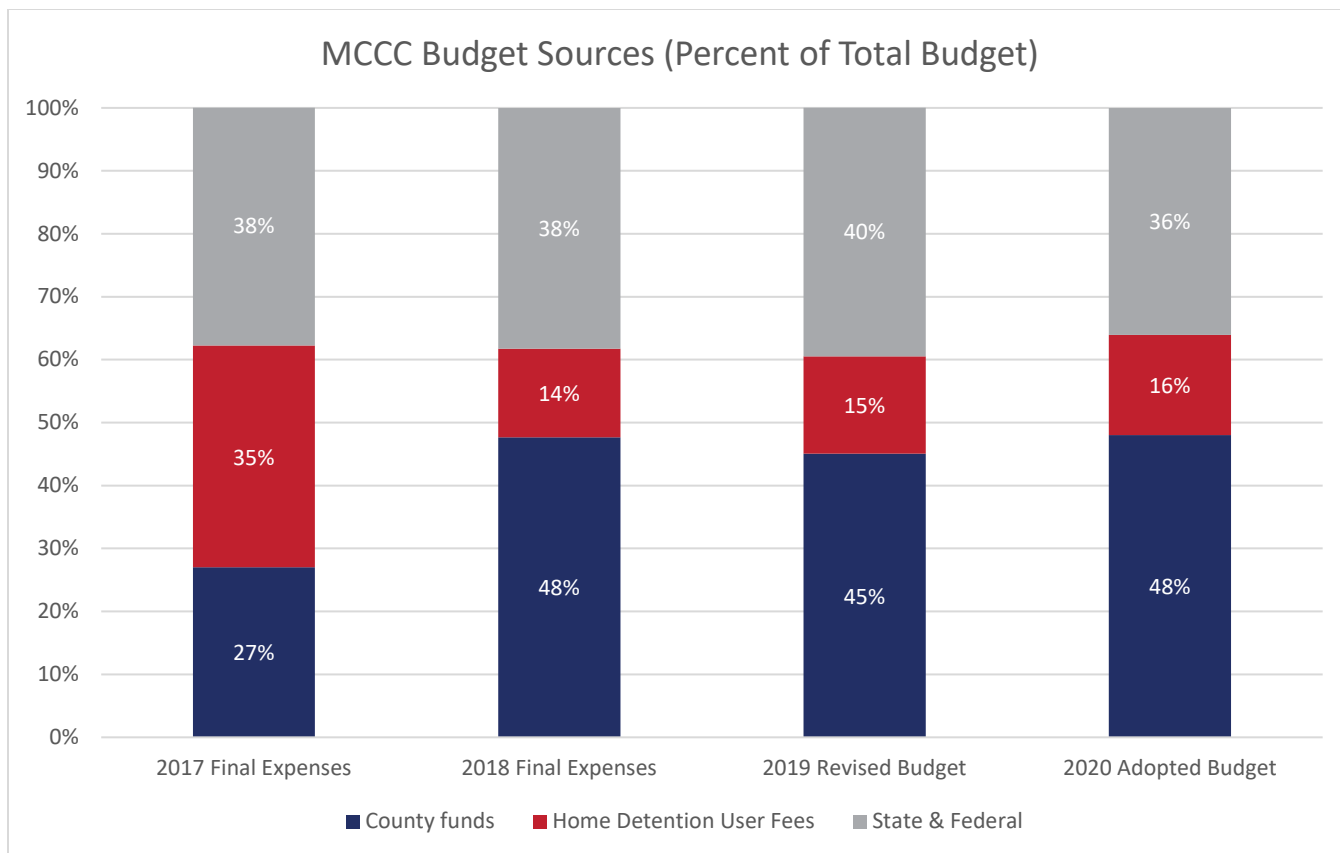


The MCCC budget is sourced primarily from the County General fund, Home Detention user fees, and State grants. Other funding sources are the County Public Safety Income Tax, the County Misdemeanant fund (a state fund established by IC 11-12-6-6 to provide funding for county jails, community-based programs, and other correctional facilities), and federal grants.

Further analysis was conducted on MCCC's budget sources from 2017-2020. The six (6) budget sources as shown in the graph above were regrouped into three categories – County funds (which groups together all budget sources originating at the county level), State and Federal (which groups together the budget sources from the state and federal level), as well as Home Detention user fees – and graphed according to year. The County funds category includes the County General fund and the County Public Safety Income Tax². The State and Federal funds category includes both Federal grants and State of Indiana grants, as well as the County Misdemeanant fund established by the state. The results are demonstrated in the graph below.

¹ Indianapolis-Marion County 2020 Adopted Budget Book, p. 72

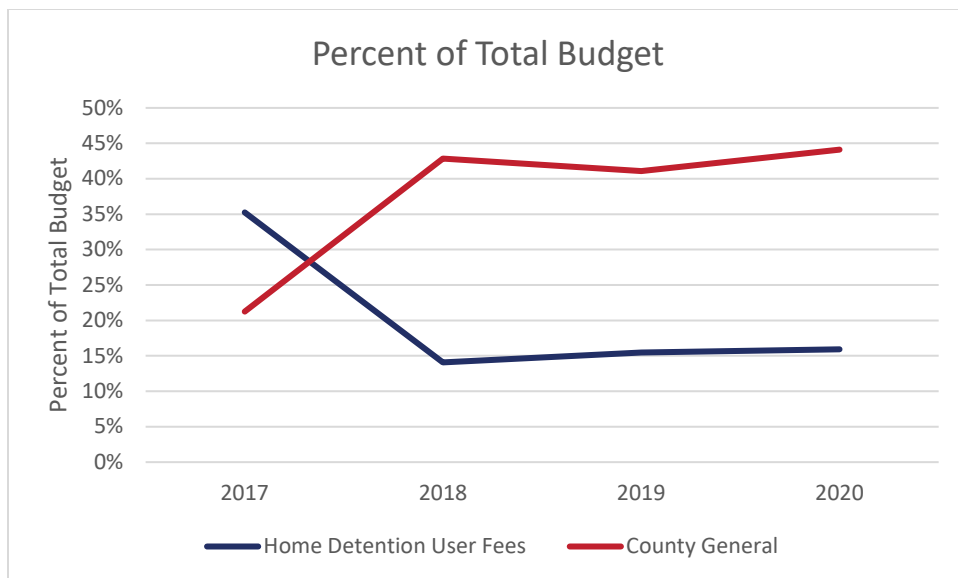
² Through a public safety local option income tax, the state allows Indiana counties to raise money to help cover the cost of police, courts, emergency medical services, jails, law enforcement training, inmate health care costs and pension payments for firefighters, police or other public safety personnel.



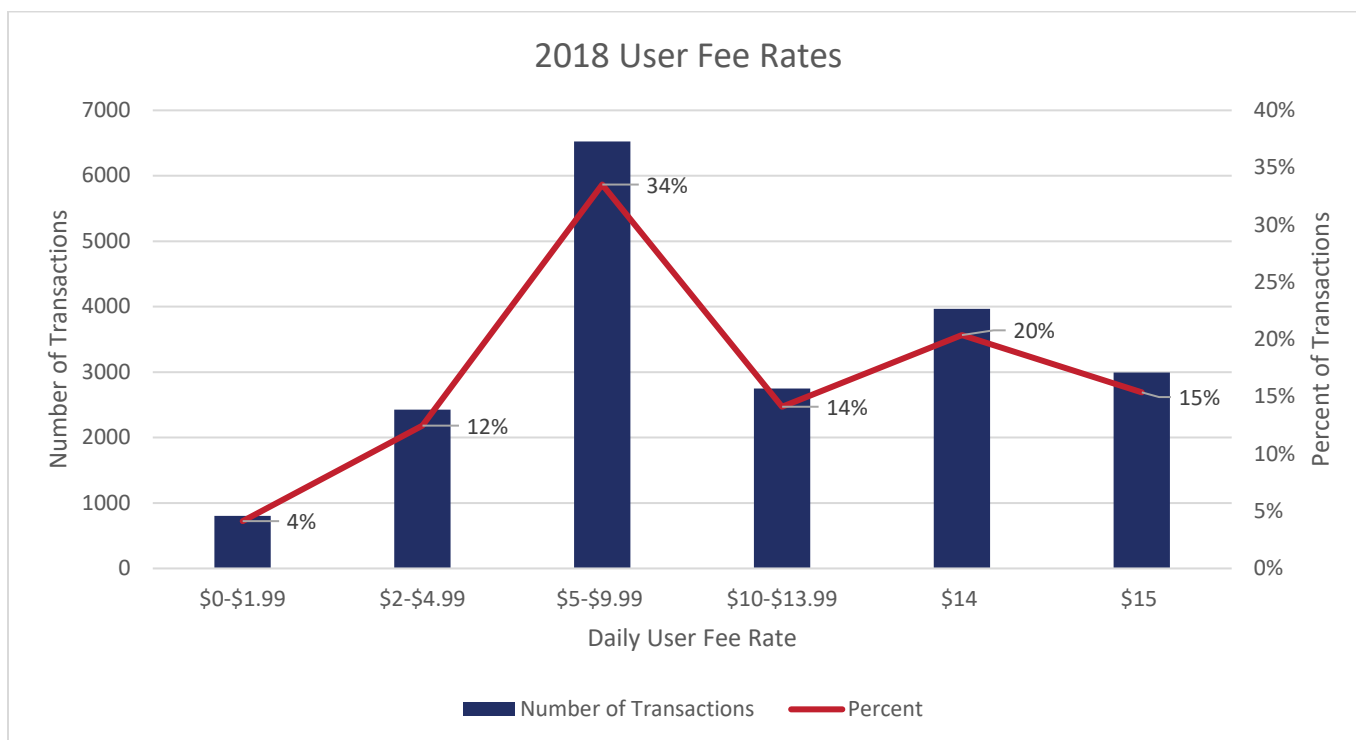
Clients are charged user fees to partially defray costs associated with electronic monitoring equipment, court functions, and services utilized while participating in an MCCC program. Clients enrolled in the GPS/Home Monitoring program pay a base rate of \$14 per day. Work Release clients pay \$15 per day. Some clients' fees are reduced or eliminated based upon a determination of economic hardship. The source of the client's income is also considered. For example, if a client receives social security/disability payments, his or her fees may be further reduced or eliminated. Over the course of the two-year audit period in 2017 through 2018, MCCC reduced the reliance on user fees in relation to the overall budget by 21%.³

A stated goal of MCCC's management is to reduce the amount of user fees charged to clients. During the audit period, OAP analysis showed that the percentage of MCCC's budget funded by user fees dropped from approximately 35% in 2017 to 14% in 2018. For the following two years (2019 and 2020), user fees continue to support approximately 15-16% of MCCC's total budget. Conversely, the County General Fund has increased as a percent of the total budget, from approximately 21% in 2017 to approximately 43% in 2018. For the following years of 2019 and 2020, the County General Fund continued to account for approximately 41-44% of MCCC's total budget. Across the period spanning 2017-2020, only the County General Fund and Home Detention User Fees significantly changed as a proportion of the overall MCCC budget. The graph below demonstrates the decrease in reliance on user fees, and the inversely proportional increase in reliance on the County General Fund to make up the difference.

³ From 35% in 2017 to 14% in 2018

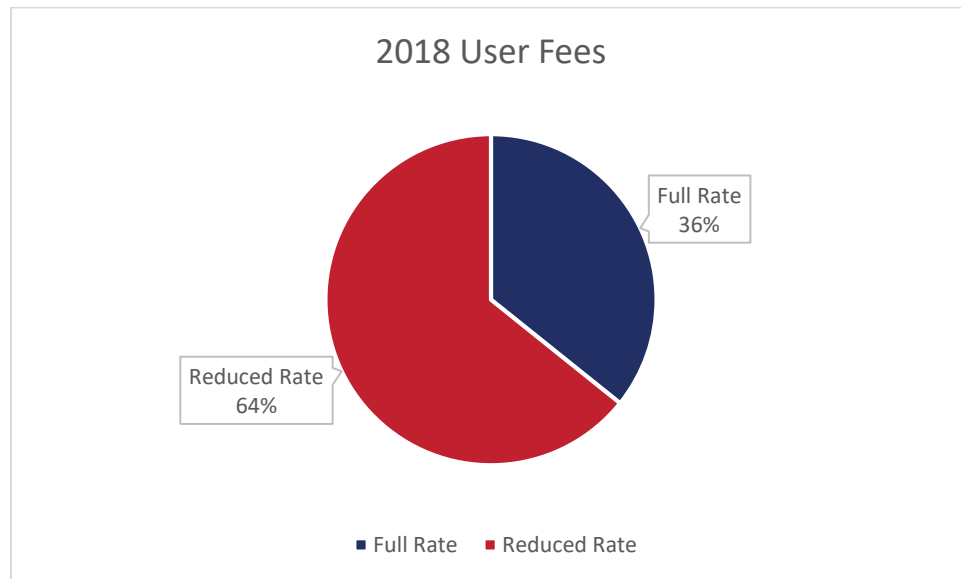


As a result of determinations of economic hardship, approximately half (50%) of MCCC's clients paid user fee rates less than \$10 per day in 2018. 19,462 user transactions from MCCC's accounting software records were analyzed by OAP. In July of 2017, MCCC transitioned to new accounting software (Financial App), which has helped address the shortcomings of its predecessor⁴. The graph below shows the cumulative transaction distribution of 2018 user fees over the rate ranges on the x-axis. The bars on the graph show the number of transactions for each rate range, while the line shows the percent of total transactions for each rate range.



⁴ In OAP's 2015 audit report of MCCC, it was noted the accounting software used by MCCC at the time, "Informer", was limited in capabilities, and resulted in excessive adjustments to customer accounts.

The chart below shows that overall, 64% of the user fee rates associated with each transaction in 2018 were reduced from the original, baseline rate⁵.



OAP's audit of MCCC resulted in seven (7) identified findings, and (3) observations or discussion items. While the audit findings covered a variety of topics, common themes include staff shortages and turnover, and insufficient recordkeeping. For example, staff shortages contributed to field visits not being as frequent as required, and turnover for the contract manager position contributed to vendor reviews not being carried out on a quarterly basis. Insufficient recordkeeping contributed to case plans being unsigned and staff training records being incomplete. It is important to note that MCCC has already begun improving in these areas, with average caseloads for case managers drastically decreasing compared to the start of the audit period in 2017, and several identified findings have already been corrected or are currently being corrected. The seven (7) identified findings are assigned a risk rating of Low, Medium, or High, based on an assessment of potential impact and the likelihood of occurrence for each associated risk.

⁵ The baseline rate for clients enrolled in Home Detention is \$14, while the baseline rate for clients in Work Release is \$15. Fees are reduced based on applications for economic hardship.

Finding Risk Rating:

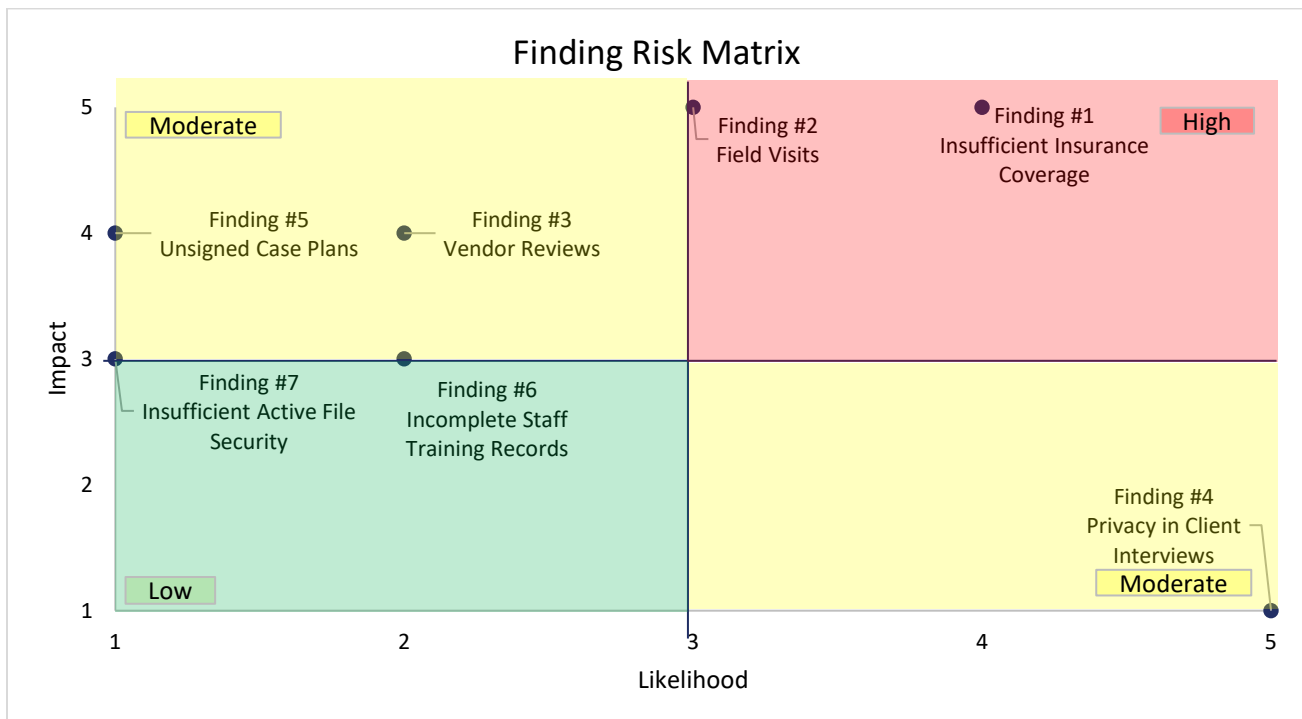
To assist management in understanding the potential impact of the audit findings, they have been categorized by level of risk. The Risk levels take into account the potential impact and likelihood of occurrence for each corresponding risk (reputational, financial, compliance, operational, and strategic), whether it applies to merely the individual business unit or the entire City-County enterprise. Risk likelihood is the probability the risk will materialize if no action is taken. Risk Impact is the expected loss resulting from a materialized risk. The finding risk matrix below reflects the potential risk related to each finding that is identified in this report.

Finding Risk Rating	
Risk Has a High Impact and High Likelihood	
High	Sufficient policies and procedures, preventative, detective, and mitigating controls do not exist; reputation or financial status is at risk. The business unit is not in compliance with policies, laws, and regulations.
Risk Has a High Impact and Low Likelihood, or Low Impact and High Likelihood	
Moderate	Policies and procedures exist but adherence is inconsistent. Preventative and detective controls do not exist, but some level of mitigating controls exist in the business unit. Compliance with laws and regulations is inconsistent.
Risk Has a Low Impact and Low Likelihood	
Low	Policies and procedures exist but were not adhered to on an exception basis. Preventative controls do not exist, but detective and mitigating controls exist. The remote possibility of inappropriate activity.

Finding Risk Matrix:

The Finding Risk Matrix rates both the potential impact and likelihood of risk associated with each identified audit finding. Impact and likelihood are both rated on a scale of one to five for each finding, and then plotted on a risk matrix. Green areas on the risk matrix represent a relatively low risk, while red areas represent a relatively high risk.

The respective findings are found on page 13 of this report. Each has been rated on the following risk matrix:



Marion County Community Corrections Audit Findings and Recommendations:

Insufficient Insurance Coverage and No Separate Certificate of Insurance for Vendors with Multiple Contracts		Reference
Finding	<p>The analysis of Certificate of Insurance as performed by OAP revealed:</p> <ol style="list-style-type: none"> 1) A separate Certificate of Insurance is not always issued to vendors with multiple professional service contracts. 2) Two vendors with multiple professional service contracts did not have sufficient insurance coverage throughout the audit period. 3) Unique identifiers were not always referenced on the Certificate of Insurance, to indicate which professional service contract the Certificate of Insurance pertained. <p>The absence of a unique identifier for each certificate permitted certain vendors to use the same Certificate of Insurance to support multiple contracts. In some instances, certain vendors with multiple contracts did not renew their Certificate of Insurance, resulting in the absence of required insurance coverage for the remainder of the contract term.</p>	1
Criteria	<p>The business unit is responsible for ensuring compliance with the requirements as stated in each contract, this includes verification that the Certificate of Insurance meets City-County requirements, System for Award Management (SAM) research is performed, and amendments to the contract, when applicable, are authorized.</p> <p>A Certificate of Insurance serves as evidence a policy has been issued and outlines the type(s) of coverage being provided by the carrier as well as the corresponding amount(s). The certificate holder provides the certificate to document compliance with the minimum insurance coverage requirements stipulated in its respective professional service contract with the City-County enterprise. All City-County professional service contracts require vendors to provide a Certificate of Insurance and update it when the insurance coverage is renewed.</p> <p>A vendor with multiple City-County professional service contracts may have a single insurance policy, however, separate Certificates of Insurance must specifically outline the coverage required for each of the individual contracts. Example: Vendor A has two professional service contracts (A-1 and A-2) with a single insurance policy covering both contracts. Vendor A is required to have two Certificates of Insurance, each of which specifies the respective insurance coverage required for each contract based on the service being provided or the risk.</p>	Risk Rating: High
Recommendation		
<p>We recommend MCCC management enhance its internal control procedures to ensure each vendor maintains, for the duration of the contract term, sufficient insurance coverage as required by the professional service contract. Further, internal control procedures should be implemented to require every Certificate of Insurance include a unique identifier referencing the specific professional service contract for which it provides coverage. The enhanced internal controls should ensure the respective Certificates of Insurance are appropriately maintained and readily available upon request.</p>		

The City of Indianapolis and Marion County Purchasing Manual establishes, and OFM's Purchasing division⁶ confirms, that responsibility for ensuring vendors maintain sufficient insurance coverage, for the duration of the contract, lies with the management of the contracting City-County agency, office, or department. Yet, the lines can become blurred because OFM's Purchasing division may assist various business units in this process. As a result, it is critical MCCC management clearly define its role and implement an internal review process to ensure the Certificate of Insurance coverage is adequate, and equal to or exceeds the amount stated in the respective contract before submitting the Certificate of Insurance to OFM's Purchasing division. Copies of all Certificates of Insurance should be maintained in a designated or centralized location by MCCC.

Management Response

MCCC has implemented a process by which a Certificate of Insurance (COI) will be provided for each contract submitted to OFM's Purchasing division, including identifiers that will be added to each COI. The entire contract package, including COIs, will be maintained on MCCC's Shared drive for management to confirm all required documents are included. The MCCC finance department will also enhance internal controls by which this will be tracked to ensure compliance. It is important to note that one of the relevant vendors from the audit period no longer has multiple contracts with MCCC, and MCCC expects to receive separate COIs for each contract with the other relevant vendor by 10/31/2020.

Implementation Date

October 31, 2020

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⁶ IC Sec. 202-204 establishes the Purchasing division, stating "The office of finance and management shall include a purchasing division, which shall be the purchasing agency, as the term is defined and used in IC 5-22, for the city and county, and for each of their respective departments, divisions, offices, and agencies."

Field Visits Not Compliant with Electronic Monitoring Standards		Reference
Finding	<p>Based on the analysis performed on a sample of client's field visits as noted in the case management database, OAP was able to determine that the minimum contact standards required with each client by the assigned Case Managers were not met as it relates to field visits for clients on electronic monitoring.</p> <p>In some instances, there were more than 60 days between the field visits, whereas the standards required a field visit every 30 or 45 days. Documentation was not provided to indicate the client's frequency of field visits had been reduced.</p> <p><i>Note: With Supervisory approval, the level of supervision may be increased or decreased if circumstances justify the change.</i></p>	2
Criteria	<p>The minimum contact standards for each client is determined based on the Indiana Risk Assessment System (IRAS) scores. This includes the minimum contact standards for clients on Electronic Monitoring and those who are in an authorized residential facility.</p> <p>In accordance with these standards, clients are required to report for office visits, and case managers are required to conduct field visits (to the client's residence and/or place of employment) at a frequency based on the client's IRAS risk level or score. The minimum contact standards for office visits range from once every 30 days to once every 60 days, while the standards for field visits range from once every 30 days to zero (low risk) required visits.</p> <p>Field visits serve as a secondary form of contact between office visits and may involve verifying the client's residence, education, and employment. Field visits may also be used to examine the equipment for tampering and ensuring the client is remaining compliant with the terms of the program. Both office visits and field visits detail is maintained in the current case management database.</p> <p><i>Note: Office visits are where the bulk of case management occurs, and includes completion of a risk assessment, developing a case plan, providing interventions, making program/treatment referrals, verifying contact information, employment/school information, and ensuring compliance with court-ordered conditions.</i></p>	Risk Rating: High
Recommendation		
<p>We recommend MCCC management enhance its internal control procedures to ensure compliance with its standards of minimum contact and those outlined by IRAS. This would include the implementation of a process for tracking and recording the dates of both field visits and office visits, in relation to the minimum contact standards. An enhanced process for tracking and recording these visits will assist case managers and supervisors in ensuring minimum contact standards are being met.</p>		
Management Response		
<p>MCCC strives to meet field visit contact standards; however, there are several factors that can prohibit meeting this goal. Staff shortages, caseload sizes, and the need for the field team to cover security operations at Duvall Residential Center due to facility safety factors. All can negatively impact compliance with the minimum field contact standards being met. If the minimum contact standards cannot be met for any reason, MCCC Field team staff will add a note in the SRS case management system providing the reason for the inability to meet the requirement.</p>		
Implementation Date		
January 1, 2021		

Inconsistent Quarterly Vendor Reviews									Reference	
Finding	Vendor’s Review and the required reporting were not consistently carried out on a quarterly basis during the audit period. The vendors provide various services and equipment needed for MCCC’s operations.								3	
Criteria	According to MCCC SOP under the “Reviews and Reports” section, the Contract Manager shall conduct regular site visits, scope of work reviews, file reviews, and submit a minimum of one formal, written report per quarter within five (5) business days of completing a vendor review. The table below shows the result of OAP’s analysis of the Vendor’s review by MCCC:								Risk Rating: Moderate	
	Vendor	2017 - Q1	2017 - Q2	2017 - Q3	2017 - Q4	2018 - Q1	2018 - Q2	2018 - Q3		2018 - Q4
	Track Group	Yes	Yes	No	No	Yes	No	Yes		No
	Protection Plus	No	No	No	No	No	No	No		No
	Quality Correction Care (QCC)	No	No	No	No	Yes	No	Yes		No
	PACE	Yes	Yes	No	No	Yes	No	Yes		No
	Fall Creek Counseling	Yes	Yes	No	No	Yes	No	Yes		No
	Craine House	Yes	Yes	No	No	Yes	No	Yes		No
	Aramark	Yes	Yes	No	No	Yes	No	Yes		No
	Luna Language Services	No	No	No	No	No	No	No		No
Recommendation										
We recommend MCCC management implement and adhere to internal controls procedures designed to ensure the vendor’s review is routinely and consistently performed. This includes timely issuance of the required reports and management oversight to ensure compliance with MCCC’s SOP.										
Examples of requirements are as follows: The MCCC Contract Manager should complete at least one (1) vendor review each month, with each of the above vendors being reviewed at least once every quarter, to stay in compliance with MCCC’s internal policy. To ensure the reviews are being performed, there should be a periodic review by management, report information should be included in MCCC Board presentations, and MCCC should consider cross-training other staff on the vendor review process.										
Management Response										
Due to staffing levels, an action plan was created to cover areas that were in need. As part of the plan, several of the staff were temporarily assigned to other duties. All vendor audits were suspended for the 3 rd & 4 th quarters of 2017, as no major performance issues were identified during that time and the Contract Manager maintained contact with each vendor.										
MCCC will implement an informal vendor review monthly or bimonthly and the Contract Manager and CFO will have quarterly meetings to discuss the review of each vendor. MCCC is also working on a plan to have all financial staff cross-trained with at least one other finance position to maintain consistency in processes. The goal was to have the cross-training completed by the third quarter of 2020, but due to the COVID-19 pandemic, the loss of some staff, and the implementation of teleworking, this will likely not be completed until the end of 2020.										
Implementation Date										
December 31, 2020										

Client Interviews No Privacy		Reference
Finding	Verbal discussions or interviews between Case Managers and clients lack sufficient privacy to ensure the subject matter discussed remains confidential.	4
Criteria	<p>Under MCCC's Contact Standards for individuals sentenced to electronic monitoring and a specified residential center, each Case Manager is required to schedule an appointment with his or her respective client at various intervals based on the client's level of risk.</p> <p>During walkthroughs of the MCCC's primary facility, it was observed there is a limited amount of space available for Case Managers to meet with their clients during scheduled appointments. It is during these appointments that confidential sharing of information takes place between the Case Managers and their clients. Because of the limitation of space at this location, all discussions do not take place behind closed doors or in an area where access is limited to just the Case Manager and his/her client.</p> <p>A similar finding was reported in MCCC's 2015 audit report, as such, this is considered a repeat finding. In its 2015 audit response, MCCC management stated that they had been advised to not look for a new office space as the County was working on a Justice Complex⁷.</p> <p>MCCC management confirmed the 2015 finding referenced above during an interview on 2/4/2020.</p>	Risk Rating: Moderate
Recommendation		
We recommend MCCC management implement a process designed to ensure the clients' privacy is maintained when discussing confidential matters.		
Management Response		
Unfortunately, MCCC does not have the resources or capability to provide separate areas for confidential meetings in our current facility. As a result, MCCC assumes the risk related to this finding; however, we will continue to explore options to help maintain confidentiality as much as possible.		
Implementation Date		
N/A – See management response		

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⁷ In discussions during the exit interview on 10/19/2020 with MCCC management, it was noted that only the processing functions of MCCC will be moving to the Justice Complex. This indicates that completion of the Justice Complex will not solely resolve the lack of sufficient privacy in client interviews.

Unsigned Case Plans		Reference
Finding	Not all MCCC client case plans were signed by the clients and their Case Managers and in one instance, a case plan could not be found in the client's case file.	5
Criteria	<p>According to MCCC's SOP, case managers are required to generate case plans for all clients who have 180 days or more of their sentence to serve, and score in the moderate, high, or very high-risk levels on the Indiana Risk Assessment System, Community Supervision Tool (IRAS-CST). A case plan includes goals and objectives based on the client's identified criminogenic needs. The SOP also requires that a signed copy of the case plan be maintained in the client's file each time the case plan is updated.</p> <p>During the review and analysis of case plans, OAP found several that had not been signed by the client or the Case Manager. In one identified instance, a case plan could not be located in the client's case file.</p>	Risk Rating: Moderate
Recommendation		
We recommend MCCC management implement procedures to ensure the client's case plans are periodically reviewed for compliance with stated objectives. This would include the signatures of both the client and the Case Manager.		
Management Response		
<p>MCCC has focused heavily on this area over the course of the past couple of years. We utilize reports in the SRS case management system to ensure that case plans are created when required, and address issues that fall outside of policy individually when they are discovered. When issues are identified, case managers are given instructions on how and when to have the issues resolved. Under normal circumstances, case plans are created and updated during scheduled office visits, and the client signs the case plan at that time. In exceptional conditions where case plans are not able to physically be signed, case plans are still created and updated in the same manner and frequency, but case managers document this in individual case notes by indicating that they are unable to obtain a signature and providing the reason for this exception. Supervisors then verify that case issues have been resolved by reviewing SRS reports and case plans and ensuring they meet policy standards.</p> <p>Some of the issues identified in the audit were a result of the time frame by which the agency was converting from one case management system to a newer system and the limited access that the agency has to the previous system.</p>		
Implementation Date		
May 1, 2020		

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Incomplete Staff Training Records		Reference
Finding	Records indicating the hours and type of continued professional training that MCCC staff received during the period 2017 and 2018 were incomplete, particularly for the year 2018. For some MCCC staff, no training records could be located. As a result, OAP lacked sufficient information needed to determine if staff members were meeting the required amount of training hours.	6
Criteria	<p>MCCC's SOP states all staff members are required to meet an annual requirement of training hours, based on their positions.</p> <p>The MCCC staff training records are to be maintained, reviewed, and verified for compliance with annual training requirements.</p>	Risk Rating: Low
Recommendation		
We recommend MCCC management enhance its procedures for tracking and recording staff training hours, to ensure all employees are meeting the annual training requirements.		
Management Response		
All previous training requirements were kept in a separate database, which no longer exists. Training logs are now kept on a spreadsheet and saved to MCCC's Shared drive. The Training Coordinator sends out documented hours to staff each quarter and a training timeline is also kept on the Shared drive.		
Implementation Date		
January 1, 2019		

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Insufficient Active File Security		Reference
Finding	The active client's case files containing private and sensitive client information were not properly stored in a secured location.	7
Criteria	<p>A physical case file is maintained on each client. The file may contain information such as Social Security Numbers (SSN), medical information, financial information, and other personal or confidential details. Each active case file is maintained by the assigned caseworker, and stored in the assigned case worker's file. These files are required to be properly secured. Closed case files are stored in a designated and secured area.</p> <p><i>Note: As of the end of April 2020, MCCC has converted to a completely paperless system for processing case files for all active, current clients, and new clients going forward. The timeline for transitioning to a paperless filing system was accelerated by the COVID-19 pandemic.</i></p>	Risk Rating: Low
Recommendation		
We recommend MCCC management implement a process to ensure all client files, whether physical or electronic, and which may contain sensitive information, be stored in a secured location, and maintained in accordance with the written management record retention policy.		
Management Response		
MCCC has implemented a paperless process for maintaining client files and with this implementation, all files from previous years have been scanned into the electronic filing system. This will prevent files from being stored in unsecured locations in the facility.		
Implementation Date		
April 30, 2020		

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REVIEW OF MCCC CASH HANDLING PROCESS

When performing the audit of MCCC, OAP also reviewed all past cash counts and limited cash handling reviews reports performed during the audit period. This item was discussed with MCCC management during the Cash Count exit interview and/or during the audit process:

Cash Count – OAP conducted a cash count and limited cash control review of MCCC on July 11, 2019. There were no major findings in the cash count review.

OBSERVATIONS AND DISCUSSION ITEMS

When performing the audit of MCCC, OAP made certain *observations* that are being noted as opportunities for further improvements. These are items that *were discussed with MCCC management during the audit process*:

- **Client Grievances** – Formal client grievances submitted to MCCC management are not all organized and filed systematically. In addition, grievances and complaints before 2018 could not be tracked. Procedures should be in place to systematically record, store, and track client grievances in a centralized location.
- **Contractual Compliance (Insurance)** – When a City-County Professional Services contract is issued, the minimum insurance coverage requirements and the amount, by category is stated in the contract. The Certificate of Insurance, when issued should reflect coverage is equal to or is greater than the amount specified. The Certificate of Insurance for one of MCCC's contracts listed the Medical Expense limit as \$1,000. The contract under the category of Commercial General Liability listed the required Medical Expense Limit coverage amount as \$5,000 for the period reviewed (2017 and 2018). When this matter was brought to the attention of MCCC management, it was immediately corrected.
- **Electronic Monitoring Office Visits** – The minimum contact standards required for a client's office visits are based on their IRAS risk level or score. The minimum contact standards for office visits can range from once every 30 days to once every 60 days. Documentation for each visit is recorded in the case management database. OAP observed that in some cases, the time between recorded office visits exceeded the minimum contact standards for the client by several days. While there is often a reason cited for the delays (scheduling conflict, illness, transportation problems, etc.), enhancing the process for tracking and recording visits should ensure all authorized delays are noted and Case Managers comply with all of the standards.

GENERAL CONCLUSION

Opportunities were identified for MCCC management to strengthen some of its internal controls regarding Certificate of Insurance, client field visits, vendor reviews, unsigned case plans, and properly securing its documents. Furthermore, opportunities were also identified for MCCC management to enhance its monitoring and filing of client grievances, to improve privacy and confidentiality expectations when meeting with clients, and to strengthen internal controls over contractual compliance with insurance requirements.

OAP commends MCCC on the timeliness in which requested documentation was provided and the prompt assistance from the staff considering that most City-County staff were working remotely in response to the COVID-19 Pandemic, which has helped OAP in meeting the audit objectives. We look forward to working with the staff on addressing the findings as outlined above.

ACKNOWLEDGEMENT

The Marion County Community Corrections Audit

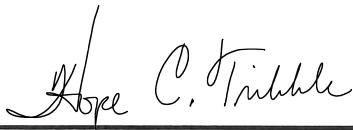
Compiled by | Kris Kirchner, Auditor I

Compiled by | Vanessa Mitchell, Senior Auditor

Reviewed by | Kolawole Akintola, Audit Manager

Reviewed by | Brian Berg, Deputy Director

Signing below certifies that you have received, read, and acknowledge the audit report prepared above.



11/23/2020

Hope C. Tribble, Director
Office of Audit and Performance

Date



11/11/2020

Jennifer Gray, Interim Director
Marion County Community Corrections

Date