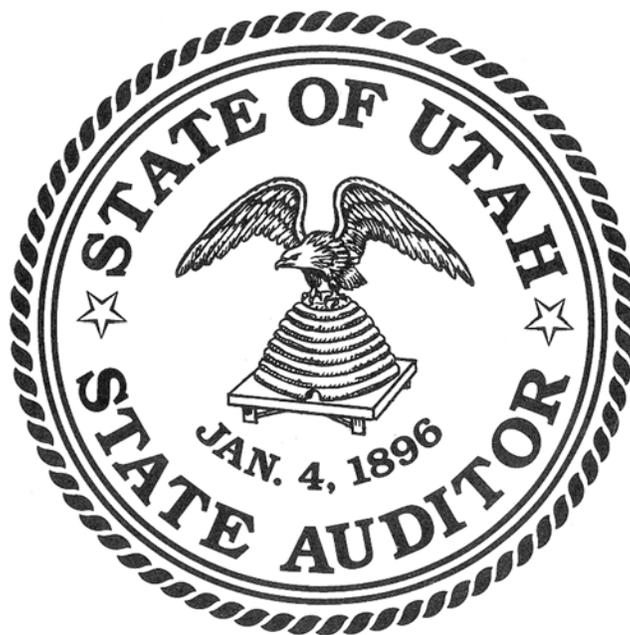


DEPARTMENT OF CORRECTIONS

Departmental Audit
For the Period July 2017 through February 2018

Report No. DEP-18-FP-a



OFFICE OF THE STATE AUDITOR

AUDIT LEADERSHIP:

John Dougall, State Auditor
Hollie Andrus, CPA, Audit Director
Bertha Lui, CPA, Senior Audit Manager



OFFICE OF THE
STATE AUDITOR

April 9, 2018

Rollin E. Cook, Executive Director
Department of Corrections
14717 South Minuteman Drive
Draper, Utah 84020

Dear Mr. Cook:

In accordance with *Utah Code 67-3-1(4)*, we have performed the procedures described below to certain aspects of the Department of Correction's (Department's) internal control for the period July 2017 through February 2018. The primary focus of our review was to test general internal control as well as internal control over any federal programs overseen by the Department, as outlined below:

1. We completed a review of the Department's separation of accounting duties.
2. We inquired with Department personnel to determine that they had petty cash/imprest funds (fund). We reviewed one unreimbursed voucher in the Department's fund for reasonableness under State policy (FIACCT05-23.01).
3. We obtained a list of all Department bank accounts and reviewed the activity of the accounts. For each bank account with high activity, we reviewed two bank reconciliations. We also tied out the reconciliation balances to FINET.
4. We reviewed a sample of nine cash receipts and verified that the Department is following its established processes and controls.
5. We reviewed a sample of 20 cash disbursements and verified that the Department is following its established processes and controls.
6. We reviewed eight payroll samples and verified that the supervisor listed in the State's E-Guide system is the same as that listed in the State's payroll entry system and that the supervisor would have adequate knowledge of the employee's time and efforts.
7. We reviewed the budget policies and procedures associated with one federal grant and verified that the Department was appropriately following the procedures.

We found no exceptions as a result of the above procedures.

Our procedures were more limited than would be necessary to express an audit opinion on the effectiveness of the Department's internal control or any part thereof. Accordingly, we do not express such an opinion. Alternatively, we have identified the procedures we performed and the findings resulting from those procedures. Had we performed additional procedures or had we

conducted an audit of the effectiveness of the Department's internal control, other matters might have come to our attention that would have been reported to you.

We appreciate the courtesy and assistance extended to us by the personnel of the Department during the course of the engagement, and we look forward to a continuing professional relationship. If you have any questions, please contact me.

Sincerely,

A handwritten signature in cursive script that reads "Hollie Andrus".

Hollie Andrus, CPA
Audit Director
handrus@utah.gov
801-808-0467

cc: Mike Haddon, Deputy Director
Robert P. Bond, Finance Director