



Office of the County Auditor

Mary Modelski

Cook County Auditor

69 West Washington, Suite 840 • Chicago, Illinois 60602 • (312) 603-1500

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August 5, 2024

The Honorable Thomas J. Dart, Sheriff
Cook County Sheriff's Office
50 W. Washington
Chicago, Illinois 60602

Sheriff Dart:

The Office of the Cook County Auditor (OCA) has completed the requested audit of the Department of Corrections Commissary System for the period from December 1, 2022, through November 30, 2023. The audit was conducted to comply with the requirements of the Illinois Department of Corrections for an Annual Commissary System Audit as part of the County Jail Inspections. Our audit was performed in accordance with the amended requirements of the Illinois County Jail Standards, Section 701.250 - Commissary.

The scope and objectives of our audit were designed to determine the Department of Corrections' compliance with the amended requirements of the Illinois Jail Standards, Section 701.250 - Commissary. Our audit scope also included providing the required accounting of the total purchases, sales, and expenditures of the Department of Corrections Commissary for the period December 1, 2022, through November 30, 2023, as well as the total commissions received from Commissary sales.

Please refer to the following audit report for the results of our audit. The Executive Summary of our report provides an overview of the audit and the conclusion(s) reached. We have not issued any recommendations for improvement at this time.

We express our great appreciation for the assistance of the Department's staff extended to William Asfour during our audit.

Respectfully Submitted,

Mary Modelski
County Auditor

CC: Sojourner Colbert, Chief Financial Officer, Sheriff's Office



COOK COUNTY GOVERNMENT
OFFICE OF THE COUNTY AUDITOR

Inmate Commissary Services

Internal Audit Report

Report Date: August 5, 2024

Issued By:

Mary Modelski, County Auditor

Audit Conducted By:

William C. Asfour, Field Auditor III

William Carroll, Deputy Auditor

EXECUTIVE SUMMARY

We have completed the audit of the Department of Correction's Commissary system for the period from December 1, 2022, through November 30, 2023. The audit was performed to comply with the requirements of the Illinois Department of Corrections to have an Annual Commissary System Audit as part of the County Jail Inspections. Our audit was performed in accordance with the amended requirements of the Illinois County Jail Standards, Section 701.250 – Commissary.

The scope and objectives of our audit were designed to determine the Department of Corrections' compliance with the amended requirements of the Illinois Jail Standards, Section 701.250 – Commissary. The scope of the audit also included providing the required accounting of the total purchases, and expenditures of the Department of Corrections Commissary for the period of December 1, 2022, through November 30, 2023, as well as the funds received from the Commissary sales and a listing of how the commissions were used for the benefit of the inmates.

Based on the results of our audit procedures, we concluded that the Commissary Services offered to the inmates comply with each of the revised requirements of the Illinois Jail Standards, Section 701.250. Using the financial information provided by both the Commissary vendor and the Department of Corrections, we provided the total sales and expenditures of the Department of Corrections Commissary as well as the total commissions received from Commissary sales. We have also provided a listing of how the commissions were used for the benefit of the inmates and balance sheets for the periods ending November 30, 2023 and November 30, 2022. Please refer to Exhibits A, B, and C for further details.

BACKGROUND

The Department of Corrections contracted with Summit Food Service, LLC in November 2020 to establish and maintain a Commissary system offering a full range of services and products to inmates. The agreement requires that Commissary services be available to all inmates at least weekly.

Inmates have a trust account that contains funds that can be used to purchase commissary items. Funds are replenished by deposits from family and friends, as well as money earned from working during their time in jail. The items available for purchase from the Commissary include clothing, stamped envelopes, toiletries, stationery, and food items. Commissary sales are grouped into two categories: microwavable items and general sales. Per the contract, a percentage of sales is paid as a commission to the Inmate Welfare Fund ("IWF"). The commission is 44% for microwaveable sales, and 41% for general sales. Commissions are deposited monthly to the IWF.

The IWF is administered by the Sheriff of Cook County for the direct benefit, welfare, or education of the individual and general inmate population and to enhance inmate activities and programs. The funds are used at the discretion of the Executive Director of the Department of Corrections.

AUDIT SCOPE AND OBJECTIVE

Our audit procedures were designed to obtain, examine and test supporting documentation to reach a conclusion on the Department of Corrections' compliance with the requirements of the Illinois Jail Standards, Section 701.250. The scope of our audit was for the period from December 1, 2022, through November 30, 2023. Our fieldwork was conducted from January of 2024 through March of 2024. The commissary requirements from Section 701.250 of the Illinois County Jail Standards include the following:

- Each jail may establish and maintain a Commissary system to provide detainees with items or access to services approved by the Sheriff.
- No member of the jail staff shall gain personal profit directly, or indirectly, as a result of the Commissary system.
- Prices charged to detainees shall not exceed those for the same articles if sold in local community stores nor shall the prices charged for postal supplies exceed those for the same articles sold at local post offices.
- Commissary access shall be provided on a regularly scheduled basis and not less than once weekly.
- Net profits from the Commissary system shall be used for education, recreation, or other purposes within the jail for the benefit of detainees, as deemed appropriate by the Sheriff. Profits may be used for record keeping expenses of the Commissary.
- Accurate accounting for all purchases, sales, and expenditures of the Commissary system, including phone services and, if provided, email access, shall be maintained.

AUDIT RESULTS

Based on our audit work we have reached the following conclusions:

- The Department of Corrections, along with the contracted services of Summit Food Service, LLC have established and maintained a commissary system offering a range of services and products to the inmates.
- The process controls, policies and procedures in place provide reasonable assurance that jail staff will not profit directly or indirectly from the Commissary system.
- Overall prices charged to inmates are consistent with the prices charged at local stores within the zip code of the jail, as well as postal supplies sold at local post offices.
- Commissary services are provided on a weekly basis to the inmates.
- Expenditures from the Inmate Welfare Fund were made for education, recreation, or other purposes to benefit the inmates.
- The Department of Corrections has accounted for all purchases, sales, and expenditures of the Commissary system, including phone services.

Based on the results of our audit procedures we concluded that the Commissary services provided by the Department of Corrections comply with the requirements of the Illinois Jail Standards Section 701.250. We have not issued any recommendations for improvement at this time.

Below are tables of the commissions received from commissary sales and a listing of how the commissions were used for the benefit of the inmates for 2023. Also included is a comparative balance sheet for 2023 and 2022.

Exhibit A

Cook County Department of Corrections Commissary Sales Summary December 1, 2022 - November 30, 2023

Commissary Sales

Sales + Tax	\$ 9,160,914.62	
		\$ 9,160,914.62

Commissary Expenditures

Vendor Commissions	\$ 5,080,496.87	
Postage Sales	63,872.59	
Sales Tax	292,948.84	
		\$ 5,437,318.30

Commissions / Profits Due to Inmate Welfare Fund	\$ 3,723,596.32
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Exhibit B

Cook County Department of Corrections Summary of Expenses by Category
Inmate Welfare Fund Expenditures
December 1, 2022 - November 30, 2023

<u>Account Description</u>	<u>Total</u>
Alternate Programs	\$ 316,446.34
Armored Car Charge	23,289.00
Audio/Video Equipment/Supplies	685.00
Bank Check/Supplies	4,925.03
Bank Service Charge	33,127.42
Barber/Beauty Equip/Supply	6,493.00
Cable Expense	126,859.94
Clothing & Toiletries	28,868.00
Consulting	9,693.75
Garden/Greenhouse Project	28,755.41
IL Department of Revenue - Farmer's Market Tax	101.12
Incentive Bags for IIC	41,047.00
Indigent Carfare/Postage	54,000.00
Indigent Inmate Expenses	1,341.12
Inmate Extra Food Expense	781,454.45
Inmate Payroll	767,504.00
Microwaves & TV's	8,537.68
Library Books/Materials/Supplies	983.35
Newspapers For Detainees	6,598.80
Office Equip/Supplies	11,010.75
Other Equipment/Supplies	18,050.25
Pizza Expense	175,398.65
Pizza Kitchen Equipment Repair and Maintenance	24,048.74
Recreation Equipment/Games	10,467.68
Recreation Equipment/Maintenance	6,300.00
Repair Ice Machines	18,601.29
Recipe for Change - Culinary	63,662.73
Recipe for Change - Incentive Pizza	741.50
Sewing Supplies	4,234.75
Sign Language Interpretation	2,805.00
Special Meals/Snacks	96.80
Total Inmate Welfare Fund Expenditures - FY23	\$ 2,576,128.55

Exhibit C

Cook County Department of Corrections Inmate Welfare Balance Sheet FY 2023 and FY 2022

<u>Assets</u>	<u>FY 2023</u>	<u>FY 2022</u>
Marquette National Bank	\$ 16,753,196.49	\$ 15,166,810.27
Due from Inmate Trust Fund	-	197.72
Due From Trust - Law Library	113.50	48.55
Due From Trust - Commissary	306,921.49	324,190.41
Due From Trust - Bus Cards	573.92	888.42
Due From Trust - Pizza	20,190.50	16,450.00
Investment CD	5,069,150.13	5,064,084.15
Total Assets	\$ 22,150,146.03	\$ 20,572,669.52
<u>Liabilities</u>		
Due to Inmate Trust Fund	\$ 52,657.00	\$ 62,679.00
Due to Cook County Comptroller - SSA	-	-
Due to Trust - Bank Charges	2,794.02	19,693.19
Restricted Unclaimed Funds - Inmate [1]	3,966,311.11	3,858,282.33
Restricted for Rec-Center [2]	4,000,000.00	4,000,000.00
Total Liabilities	\$ 8,021,762.13	\$ 7,940,654.52
<u>Fund Balance</u>		
Equity	\$ 12,532,770.82	\$ 10,716,074.03
Restricted Funds	-	2,845.14
Pizza Funds Equity	110,146.31	101,997.65
Net Income	1,485,466.77	1,811,098.18
Total Fund Balance	\$ 14,128,383.90	\$ 12,632,015.00

[1] The "Restricted Unclaimed Inmate" amounts relate to funds from inactive Inmate Trust Fund accounts. Inmates maintain the right to claim these funds indefinitely, so they cannot be transferred to the state's unclaimed property fund.

[2] The "Restricted for Rec-Center" amounts relate to funds held in reserve for the Cook County Department of Corrections Recreation Center.