

**MINNESOTA CORRECTIONAL FACILITY -
ST. CLOUD
FINANCIAL AUDIT
FOR THE TWO YEARS ENDED JUNE 30, 1989**

SEPTEMBER 1990

**Financial Audit Division
Office of the Legislative Auditor
State of Minnesota**

90-58

MINNESOTA CORRECTIONAL FACILITY - ST. CLOUD

FINANCIAL AUDIT FOR THE TWO YEARS ENDED JUNE 30, 1989

Public Release Date: September 14, 1990

No. 90-58

OBJECTIVES:

- EVALUATE INTERNAL CONTROL STRUCTURE: Receipts, payroll, disbursements, industries, and social welfare deposits.
- TEST COMPLIANCE WITH CERTAIN FINANCE-RELATED LEGAL PROVISIONS.

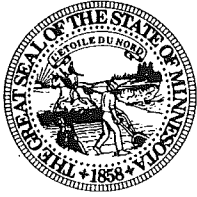
CONCLUSIONS:

We found six areas where the internal control structure needed improvement:

- The inmate wages receivable account contained billing errors and insufficient documentation of adjustments.
- Discharged inmates sometimes were not paid for hours worked.
- Contracting procedures did not comply with state requirements.
- An inadequate separation of duties existed in the business office receipt process.
- Duties were inadequately separated in the industries receipt process.
- Internal controls over consumable inventories were weak.

We found that MCF-St. Cloud had complied with finance-related legal provisions.

Contact the Financial Audit Division for additional information.
(612) 296-1730



STATE OF MINNESOTA

OFFICE OF THE LEGISLATIVE AUDITOR

VETERANS SERVICE BUILDING, ST. PAUL, MN 55155 • 612/296-4708

JAMES R. NOBLES, LEGISLATIVE AUDITOR

Senator John E. Brandl, Chairman
Legislative Audit Commission

Members of the Legislative Audit Commission

Mr. Orville B. Pung, Commissioner
Department of Corrections

Mr. LeRoy Siegel, Superintendent
Minnesota Correctional Facility - St. Cloud

Audit Scope

We have conducted a financial related audit of the Minnesota Correctional Facility - St. Cloud (MCF-St. Cloud) as of and for the two years ended June 30, 1989. Our audit was limited to only that portion of the State of Minnesota financial activities attributable to the transactions of MCF-St. Cloud, as discussed in the Introduction. We have also made a study and evaluation of the internal control structure of MCF-St. Cloud in effect at January 31, 1990.

We conducted our audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial activities attributable to the transaction of MCF-St. Cloud are free of material misstatements.

As part of our study and evaluation of the internal control structure, we performed tests of MCF-St. Cloud's compliance with certain provisions of laws, regulations, contracts, and grants. However, our objective was not to provide an opinion on overall compliance with such provisions.

Management Responsibilities

The management of MCF-St. Cloud is responsible for establishing and maintaining an internal control structure. This responsibility includes compliance with applicable laws, regulations, contracts, and grants. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that:

- assets are safeguarded against loss from unauthorized use or disposition;
- transactions are executed in accordance with applicable legal and regulatory provisions, as well as management's authorization; and

- transactions are recorded properly on the statewide accounting system in accordance with Department of Finance policies and procedures.

Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

Internal Control Structure

For purposes of this report, we have classified the significant internal control structure policies and procedures in the following categories:

- Receipts for:
 - Social Welfare
 - Industries
 - Canteen
 - Miscellaneous Areas
- Payroll for:
 - Staff
 - Inmates
- Disbursements for:
 - Social Welfare
 - Industries
 - Canteen
 - Consumable Inventory
 - Professional/Technical Contracts

For all of the internal control structure categories listed above, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk.

Conclusions

Our study and evaluation disclosed the conditions discussed in findings 1 to 6 involving the internal control structure of MCF-St. Cloud. We consider these conditions to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect MCF-St. Cloud's ability to record, process, summarize, and report financial data.

Senator John E. Brandl, Chairman
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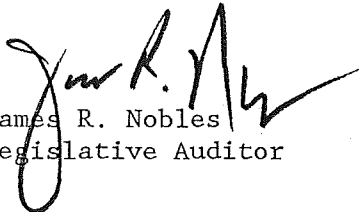
A material weakness is a reportable condition in which the design or operation of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial activities being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We believe the reportable condition described in finding 1 is a material weakness.

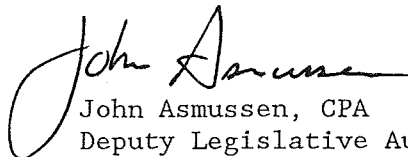
We also noted other matters involving the internal control structure and its operation that we reported to the management of MCF-St. Cloud at the exit conference held on May 7, 1990.

The results of our tests indicate that, with respect to the items tested, MCF-St. Cloud complied, in all material respects, with the provisions referred to in the audit scope paragraphs. With respect to items not tested, nothing came to our attention that caused us to believe that MCF-St. Cloud had not complied, in all material respects, with those provisions.

This report is intended for the information of the Legislative Audit Commission and management of MCF-St. Cloud. This restriction is not intended to limit the distribution of this report, which was released as a public document on September 14, 1990.

We would like to thank the MCF-St. Cloud staff for their cooperation during this audit.


James R. Nobles
Legislative Auditor


John Asmussen, CPA
Deputy Legislative Auditor

END OF FIELDWORK: April 27, 1990

REPORT SIGNED ON: September 5, 1990

MINNESOTA CORRECTIONAL FACILITY-ST. CLOUD

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AUDIT PARTICIPATION

The following staff from the Office of the Legislative Auditor prepared this report:

John Asmussen, CPA	Deputy Legislative Auditor
Warren Bartz, CPA	Audit Manager
Ken Vandermeer, CPA	Auditor-In-Charge
Connie O'Brien, CPA	Staff Auditor
Beth Hammer	Staff Auditor
Dan Quandt	Staff Auditor

EXIT CONFERENCE

The findings and recommendations in this report were discussed with the following staff on May 7, 1990:

<u>MCF-St. Cloud:</u>	
William F. McRae	Superintendent
David Ek	Business Manager
Nick Heltemes	Budget Accounting Supervisor
Clint Moran	Receipts Accounting Supervisor
Ruth McGlynn	Account Clerk
Greg Koshemia	Account Clerk
Colonel Nemec	Personnel Director
Jerry Pierzina	Industry Director
Roy Swanson	Industry Supervisor
Gib Koopmeiners	Industry Accountant
<u>Department of Corrections:</u>	
Peter Maurer	Accounting Director

MINNESOTA CORRECTIONAL FACILITY-ST. CLOUD

I. INTRODUCTION

Minnesota Correctional Facility - St. Cloud (MCF-St. Cloud), which opened in 1889, is one of five state facilities for adult male offenders. The facility houses young adult males, primarily between the ages of 18 and 24 in a maximum security environment. The facility has a capacity of 748, with a current population of approximately 733. The facility employs approximately 350 staff to meet the necessary security, educational, and administrative needs of its population.

MCF-St. Cloud offers a wide variety of treatment programs including individual counseling, group counseling, job counseling, drug treatment, and recreational therapy. The facility's education department provides academic instruction including full-time high school, evening school, general education development (GED) preparation classes, tutoring programs, correspondence and college courses. Vocational training has a high priority with courses offered in auto mechanics, baking, barbering, furniture finishing, graphic design, meat cutting, masonry, painting and decorating, small engine repair, upholstery, and welding.

The industry program at the facility is designed to provide vocational learning experiences to inmates. Industries consist of furniture manufacturing, upholstery, metal working, printing, and mattress making. The facility also manufactures the state's license plates and tabs.

MCF-St. Cloud is under the general management and control of the Commissioner of Corrections and the immediate supervision of a superintendent appointed by the commissioner. William F. McRae served as superintendent since April 1968, but retired June 1990. LeRoy Siegel succeeded him as the superintendent.

MCF-St. Cloud operations are financed primarily through General Fund appropriations made directly to the Department of Corrections, which is responsible for maintaining, controlling, and transferring the necessary funds to the appropriate facility accounts. Other funding sources include federal grants, outstate inmate contracts, social welfare deposits and industries receipts. Expenditures for fiscal years 1988-1989 are shown below:

General Fund:	<u>1989</u>	<u>1988</u>
Salaries	\$12,656,151	\$12,025,754
Contract Services	195,832	207,726
Travel	13,676	17,649
Supplies	1,422,882	1,305,242
Equipment	67,320	95,423
Other Administrative Expenditures	191,517	349,370
Social Welfare Fund	1,424,679	1,286,223
MCF - Industries Fund	629,482	629,142
Expenditures From Other Sources	<u>1,106,738</u>	<u>691,331</u>
Total Expenditures	<u>\$17,708,277</u>	<u>\$16,607,860</u>

Source: Statewide Accounting System, Managers Financial Report as of September 3, 1988 and September 2, 1989.

MINNESOTA CORRECTIONAL FACILITY-ST. CLOUD

II. CURRENT FINDINGS AND RECOMMENDATIONS

1. Internal controls over the inmate wage receivable control account need improvement.

The inmate wages receivable account contained billing errors and insufficient documentation of adjustments. Amounts billed to various funding sources also were not recorded in a subsidiary ledger nor billed on a timely basis. These weaknesses adversely affect the controls over the inmate wage receivable account. However, no discrepancies were found in the individual inmate accounts in the Social Welfare Fund.

Inmates earn wages by working in various vocational, educational and prison industry programs. Funds used to pay inmates come from three sources. The Department of Public Safety funds the wages for inmates producing license plates. The industries program funds the wages of those working on prison industries projects. MCF-St.Cloud funds the remaining amounts through the salaries account (General Fund appropriation).

Business office staff calculate the total payroll from time sheets and bill the three funding sources accordingly. The inmate accounts in the Social Welfare Fund receive credit for payroll earnings shortly after payroll processing. An inmate wages receivable ledger is used to record amounts credited to the inmate accounts but not yet received from the funding sources. The weaknesses in accounting for credits to the inmate receivable account are as follows:

- Inaccurate or improperly stated billings to the various funding sources existed in 40 percent of the pay periods tested. Posting errors also occurred in 53 percent of the pay periods tested for amounts credited to the inmate wages receivable account. Billing and posting errors resulted from recording the net payroll amount (after withholding and taxes) rather than the gross payroll amount. Unauthorized and poorly documented adjustments also contributed to the billing and posting errors. While the dollar amount of the billing and posting errors noted in testing was relatively small, the frequency of the inaccuracies and the failure to detect them concerned us.
- MCF-St.Cloud did not maintain subsidiary inmate wages receivable accounts, nor do they identify specific receipts with the corresponding billing. Amounts billed to inmate wage funding sources could go uncollected/undercollected and remain undetected. At present, it would be difficult for MCF-St.Cloud to identify billings paid in full and billings comprising the receivable balance.

MINNESOTA CORRECTIONAL FACILITY-ST. CLOUD

- Untimely transfers from the three funding sources also contributed to the weak controls. Delays were due to slow generation of payroll billings and lack of prompt payment. Untimely processing of inmate payroll funding transactions leads to an excessive balance in the inmate wages receivable account. Failure to provide for prompt transfer increases the risk of nonpayment, errors, irregularities, and violates good management practice. When internal controls over inmate wages receivable are weak, any balance higher than minimum exposes the social welfare account to even greater risk.

RECOMMENDATIONS

- Business office staff should implement procedures to assure that:
 - funding source billings are promptly reconciled to postings for the inmate receivable control account and the individual social welfare accounts; and
 - adjustments are investigated promptly, properly documented, and authorized.
- Business office staff should improve the accounting for the inmate wages receivable by:
 - developing subsidiary records for the billings to the three funding sources; and
 - ensuring the timeliness of transfers from the three funding sources.

2. Discharged inmates sometimes are not paid for hours worked.

Minn. Stat. Section 241.09 requires that correctional facilities keep unclaimed funds of inmates for two years. After two years, facilities can use unclaimed funds for the general benefit of the inmates. Inmates or their heirs may reclaim the funds at anytime, however, for an indefinite period. A proper record for transactions of this nature is essential. MCF - St. Cloud does not handle unclaimed inmate wages according to statute.

Currently, unclaimed funds are treated as if a payment never occurred from the various salary accounts. When an inmate leaves MCF - St. Cloud before receiving his wages, facility staff try to locate the inmate and make payment. If this fails, facility staff reduce the wages from the inmate's account. Staff also adjust the inmate wages receivable ledger and the billings sent to the sources which fund inmate payroll. In effect, agency staff reverse entries which credit the inmate's social welfare account with wages rightfully earned. For example, the payroll period ending on

MINNESOTA CORRECTIONAL FACILITY-ST. CLOUD

January 19, 1990 was reduced for \$13.33 for one inmate who was discharged on January 25, 1990. Under the current system, the facility no longer has a record of wages that inmates may claim on demand. Although the frequency of these cancellations and the amount of unpaid wages are low, the effect of noncompliance with the statute is unacceptable.

RECOMMENDATION

- MCF-St.Cloud should keep a record of and use unclaimed inmate wages for the general benefit of the inmates according to Minn. Stat. Section 241.09.

3. Contracting procedures did not comply with state requirements.

Professional and technical services occurred without processing a contract as required by the Department of Administration Policy and Procedure ADM-188. The Department of Administrations' Contract Management Division has established Policy and Procedure Statement ADM-188 governing contracts for professional/technical and purchased services. The Department of Finance has also established Policy and Procedure 06:04:05 for contractual services. Both procedures require a written contract for vendors receiving \$500 or more in a fiscal year unless the agency's annual spending plan establishes a higher limit. The facility established a limit of \$2000 per vendor for health care services in their annual spending plan. Other types of professional and technical services would require a contract for vendors over \$500 each year.

MCF-St. Cloud did not develop contracts for four health service vendors in fiscal year 1988, eight health service vendors in fiscal year 1989, and five nonhealth service vendors in fiscal year 1989. All 17 vendors exceeded the spending plan limits. Without a written contract, the business office cannot properly monitor contractual services for compliance with the Administration and Finance procedures. Compliance with these procedures is essential to obtain prior authorization of contractual agreements by the appropriate state regulatory agencies.

In addition, staff did not compare rates charged on health service invoices to the fee schedules established in the contract. We cited variances of two underpayments and three overpayments. By verifying invoices at least on a spot check basis, the business office can properly monitor contractual services. Without this verification, overcharges may occur and remain undetected.

RECOMMENDATION

- MCF-St. Cloud should:
 - establish written contracts for all vendors receiving over the annual spending plan limits in one fiscal year, and

MINNESOTA CORRECTIONAL FACILITY-ST. CLOUD

RECOMMENDATION (Continued)

- trace health service fee schedules to the invoices to substantiate charges for contractual services rendered.

4. An inadequate separation of duties exists in the business office receipt process.

One employee is primarily responsible for all aspects of the receipt process for miscellaneous and general receipts at the facility. This individual sells tickets for miscellaneous areas including car wash and meal tickets, and also receives general receipts through the mail. He is also responsible for counting all cash taken in by the facility and preparing the daily deposit. Several individuals have responsibility for reconciling the general and miscellaneous receipt deposits to the statewide accounting system. Reconciliations provide a control over collections and deposits when performed properly. However, facility staff do not compare the receipt ledgers to the deposit slips and the statewide accounting reports for all miscellaneous and general receipt areas. In addition, an individual independent of the deposit process does not perform the reconciliation.

Responsibilities for social welfare receipts are handled in a similar manner. One individual is responsible for receiving cash, making deposits, reconciling the bank statement, and reconciling to the statewide accounting system. This individual also has access to post transactions to the inmate's accounts. Since July 1989, the reconciliation to the statewide accounting system was completed by an independent person, but the bank statement is still reconciled by a person who receives cash, prepares deposits and has access to post transactions to the inmate's account.

Incompatible duties increase the risk that errors and irregularities may occur. For example, the first finding addresses weaknesses pertaining to the inmate wage receivable account. The receivable amount is essentially a "plug" figure in the reconciliation of the social welfare account. Without a proper separation of duties, the reconciliation process cannot be relied upon to disclose any differences that may occur. Ideally, separate individuals would perform each of the receiving, depositing, posting and reconciling functions. By separating the duties mentioned above, the facility reduces opportunities for a person to both perpetrate and conceal errors or irregularities during normal duties.

RECOMMENDATIONS

- Someone independent of the deposit process should collect miscellaneous and general receipts. This individual should also reconcile receipts to deposits by comparing the receipt ledgers and deposit slips to the statewide accounting reports.

MINNESOTA CORRECTIONAL FACILITY-ST. CLOUD

RECOMMENDATIONS (Continued)

- Individuals independent of the deposit process should collect and reconcile social welfare receipts. The receipt ledger should be used to reconcile the deposit slips to the bank statements and to the statewide accounting reports. Social welfare receipts should not be deposited by someone with access to post receipt and disbursement transactions.

5. Duties are inadequately separated in the industries receipt process.

One employee is responsible for incompatible duties in processing receipts. This individual reviews billings and posts to the accounts receivable subsidiary ledger. He also reconciles deposits to the statewide accounting (SWA) system and has access to receipts. These incompatible duties increase the risk that errors and irregularities may occur.

Ideally, separate individuals would perform each of the billing, posting and reconciling functions. Industries also could restrict access to receipts. Sufficient staff exist in the industries area to separate the billing and posting process. In addition, controls over receipts would improve if all receipts were sent directly to the main business office. Currently, receipts go directly to industries, which send them to the business office for deposit. By separating the duties mentioned above, the facility reduces opportunities for a person to perpetrate and conceal errors or irregularities in normal duties.

RECOMMENDATION

- Industries management should:
 - segregate duties between the billing and posting functions, and
 - restrict access to receipts by requiring remittance of all receipts directly to the main business office.

6. Internal controls over consumable inventories are weak.

Internal controls over consumable inventories are inadequate to prevent or detect theft, misappropriation, or loss. MCF-St.Cloud maintained approximately \$282,250 in consumable inventories at the end of calendar year 1989. Separate inventory centers control gasoline, staff uniforms, inmate canteen goods, inmate clothing and linens, medications, food, janitorial supplies, office supplies, and plant maintenance supplies. Various sections of the facility have inventories and each section is responsible for maintaining their own inventory records and controls.

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The internal controls over inventories require improvement as follows:

- In all inventory centers, except Industries, staff independent of the inventory control did not perform physical inventory counts. Staff perform physical counts themselves, allowing them to conceal variances between the physical counts and the perpetual records.
- Improperly recorded and unauthorized adjustments to the perpetual inventory records occurred in two sections. Food services inventory recorded adjustments as false issuances. This type of entry is improper. The laundry section did not maintain documentation of the physical count quantities and a signature authorizing the adjustment. To maintain the effectiveness of a perpetual inventory control system, all adjustments to the inventory records require authorization and proper recording.
- The duties of maintaining the perpetual inventory records and providing custody of the inventory need separation in all inventory centers except Industries. A person assigned both duties could potentially misappropriate goods and falsify inventory records to prevent detection of the irregularity.
- While most sections within the facility maintain perpetual inventory records, the inmate canteen and the pharmacy do not. Both the pharmacy and the canteen maintain stocks of items in high demand within the institution. At present, the pharmacy and canteen cannot detect and measure theft, loss, or misappropriation of these sensitive items.

While an item by item perpetual inventory system would be most effective in reducing the risk of errors or irregularities, other systems could also serve to meet this objective. The pharmacy and the canteen take physical inventories periodically and maintain purchase summaries. Staff calculate inventory issuances quarterly by taking beginning inventory amounts plus purchases and subtracting the ending inventory amount. The inmate units also have records which show actual issuances. Records of actual issuances compared to calculated issuances would detect and measure overall shrinkage amounts. Although this system may not allow staff to focus their investigation of variances on individual items, it would provide significantly more control than is currently present.

- Inventory purchasing and receiving duties within the pharmacy require separation. Currently, a pharmacy technician orders goods, approves payment and receives goods. To protect pharmacy goods from theft, loss, or misappropriation, the pharmacist should review all invoices for propriety and authorize the business office to make payment.

MINNESOTA CORRECTIONAL FACILITY-ST. CLOUD

RECOMMENDATION

- MCF-St.Cloud should review the internal controls over each location to ensure that:
 - adequate separation of duties over consumable inventories exists, including independent physical counts and approvals for pharmacy purchases;
 - proper recording and authorization occur for all adjustments;
 - adequate separation of duties exists between maintaining perpetual inventory records and providing custody of inventory; and
 - systems to detect and measure any theft, loss, or misappropriation are established in units without perpetual inventory records (pharmacy and canteen).

August 30, 1990

James R. Nobles
Legislative Auditor
Veterans Service Building
St. Paul, MN 55155

Re: Response to Audit Recommendations of July 12, 1990

Please consider the following responses to the recommendations in the above dated letter.

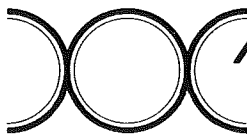
1. Internal controls over the inmate wage receivable control account need improvement.

Payroll billings will now carry the ending date with detail of the net payroll, amounts deducted for various charges, total to reflect gross payroll. This will be used to enter the receivable amount and insure the payroll amount has been fully charged. Credits will also be posted by pay period end date and department for reconciliation purposes. Coding of receivables will include source. Clint Moran will be responsible for this and it will be effective on July 1, 1990.

Extra effort will be required of all 3 funding sources to make sure payments are made promptly.

2. Discharged inmates sometimes are not paid for hours worked.

Every effort is made to locate the person through parole records and any other means available to use. If still unsuccessful, we will transfer the unclaimed monies into a separate account, detail that account with the necessary data and hold for 2 years minimum. At which time, the funds will be used for the benefit of all inmates. Clint Moran will oversee this function and it was effective July 1, 1990.



Mr. James Nobles

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3. Contracting procedures did not comply with State Requirements.

This Institution has made every effort in the past and will continue to make great effort in the future to comply with this request. We have had instances where the contracts were initiated far in advance of the anticipated need date, but were not fully executed and encumbered by that date. With Health Care, it is extremely difficult to project what is needed due to the many medical emergencies that arise. Our physician may use any number of medical specialists that are available and we would be unable to write contracts to cover all contingencies. We will continue to monitor our usage of all professional services and when it becomes apparent that we are exceeding or anticipate exceeding our established limits, we will negotiate contracts for those services. Nick Heltemes will monitor this area. As of July 1, 1990, Ruth McGlynn will be spot checking invoices, comparing them to the contract fee schedule. We are requesting a medical records clerk on our Biennial Budget. If we should receive this position, we believe one of the duties will be to check all medical invoices against contract fee schedules.

4. Inadequate separation of duties exist in the Business Office report process.

At the present time all miscellaneous receipts (car wash, meal tickets, barber tickets) are sold only at the Information Desk. These along with the inmate monies are recorded there. The money is balanced against the Receipts Ledger and forwarded to the Business Office daily. The only money the Business Office writes receipts for is payments to Industries. The cash drawer is balanced daily by totaling cash on hand, less the contingency fund available, is then equal to the receipts and is then deposited. The Budget Accountant will reconcile the Miscellaneous General Fund Receipts with the deposit slips and the Statewide accounting records.

With the current limited staff available in the Business Office, we are unable to split job responsibilities any different at this time.

Mr. James Nobles

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5. Duties are inadequately separated in the Industries receipt process.

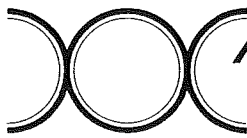
As of May 10, 1990, the billing, posting, and auditing procedures have been separated. The billing is done by Roy Swanson, posting is done by Gail Buerman, and the auditing for billing errors is done by Gene Keske.

The next printing of our invoices will have instructions printed on them to mail payments to the attention of the Business Office, so that receipts go directly to the Business Office instead of the Industries Office. We anticipate this printing to be done by the end of December, 1990.

6. Internal controls over consumable inventories are weak.

Pharmacy - The State Board of Pharmacy does not require nor do they recommend a perpetual inventory in a pharmacy setting. We are of the opinion that installing a perpetual inventory system would require more man hours than it would benefit us, particularly in view of our extremely limited use of controlled substances. At the present time, a pharmacy technician orders the goods but a 3rd party from the Warehouse or Business Office receives the goods. We will have the Pharmacist in charge approve payment and forward the invoice to the Business Office. This will be effective August 1, 1990.

Plant Operations - Purchases are received by the Warehouse and given to the Inventory Control Clerk who inputs them on the inventory records. This material is then given to the trades people who have their inventories under their control. The inventory control clerk records all issues and spot checks their records for accuracy and performs a complete physical count twice a year. The Plant Operations Superintendent will initial all adjustments to the inventory records effective August 1, 1990.



Mr. James Nobles

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July 25, 1990

Canteen - The Dept. of Corrections is working on computerizing the inventory and sale of their items using bar code readers. At this time, we do not have any date for implementation.

Gasoline - The person in charge of the Outside Lawn Crew will receive the gas and verify stick readings each month. The outside patrolman will issue the gas and take a stick reading each month.

Warehouse - Inventories will continue to be monitored quarterly with adjustments made and initialed by the Warehouse Supervisor. The inventory responsibilities are divided into 3 groups. Dennis Charron is responsible for Warehouse, Office and Safety Supplies. Ken Wengert is responsible for Staff Uniforms and approving all warehouse orders before being sent to Business Office. Dale Feia is responsible for inmate clothing, sheets, and blankets.

Food Service - The receiving and entering duties will be separated. Larry Weber or Don Hauge will receive the inventory and Don Trana will enter the inventory in the computer system. Any adjustments made will now be entered as an adjustment and initialed by the Food Service Manager.

LeRoy Siegel
Superintendent

Nick J. Heltemes
Accounting Supervisor