EXECUTIVE SUMMARY
DEPARTMENT OF CORRECTIONS
BAYSIDE STATE PRISON

We found that financial transactions included in our testing were related to the prison’s programs, were reasonable, and were recorded properly in the accounting systems. In making this determination, we noted certain reportable conditions involving compliance with the provisions of the food service pilot program contract, monitoring of employees’ sick leave usage, the interagency billing agreement, the welfare fund, and payment of staff training travel time that merit management’s attention. We also found adequate select general controls over Timepoint, a custody scheduling application.

AUDIT HIGHLIGHTS

- The New Jersey Department of Corrections entered into a contract with Aramark Correctional Services, LLC (Aramark) for a pilot program at Bayside State Prison (BSP) to determine whether or not privatization of food service would be more cost-effective for the daily food service to inmates and employees. The contract with Aramark covered an initial two-year period with an option for two one-year extensions. Subsequent to the completion of our audit the department opted not to renew the contract. Our review disclosed contract compliance issues which also resulted in reimbursements due to BSP which remained uncollected.

- Our analysis of sick leave usage disclosed use of 10 or more sick days concurrent with other forms of leave. In addition, although the average custody position at the facility has over 12 years of experience, 73 percent of custody employees have cumulative sick leave time of less than 15 days. Twenty-eight percent had a zero cumulative sick leave balance, including employees with 20 or more years of service. Additionally, BSP employees must submit doctor verification for all absences in excess of 15 days in a calendar year. A sample test of 30 employees exceeding the 15-day limit, disclosed only 14 had a doctor’s note on file.

- Agreements between Ancora Psychiatric Hospital (APH) and BSP established a satellite prison unit to house inmates on the grounds of the hospital and for inmates to provide work details at the hospital for tasks such as laundry operations and kitchen cleaning. These agreements allow BSP to recover correctional officer costs related to the work details. We found the agreements need to be updated. In addition, BSP receives reimbursement from APH for 16 correctional officers providing security at the satellite facility that are not providing services to the hospital. In addition, testing found that BSP overbilled APH $274,831 between July, 2011 and March, 2014.

AUDITEE RESPONSE

The department generally concurs with our findings and recommendations.

For the complete audit report, click here.