



PERFORMANCE AUDIT

**STATE CORRECTIONAL INSTITUTION
AT MAHANAY**

**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF CORRECTIONS**

OCTOBER 2013

COMMONWEALTH OF PENNSYLVANIA

EUGENE A. DEPASQUALE - AUDITOR GENERAL

DEPARTMENT OF THE AUDITOR GENERAL





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EUGENE A. DePASQUALE
AUDITOR GENERAL

October 2, 2013

Honorable Tom Corbett
Governor
Commonwealth of Pennsylvania
Harrisburg, Pennsylvania 17120

Dear Governor Corbett:

This report contains the results of a performance audit of the State Correctional Institution at Mahanoy (SCI Mahanoy) of the Department of Corrections for the period July 1, 2009, to June 30, 2012. The audit was conducted under authority provided in Section 402 of The Fiscal Code and in accordance with generally accepted government auditing standards.

The report details the audit objectives, scope, methodology, and findings. The report indicates that the institution maintained effective controls over the monitoring of contracted medical and pharmacy services. The report also notes that the institution implemented our prior audit recommendations.

We discussed the contents of the report with the management of the institution, and all appropriate comments are reflected in the report.

Sincerely,

A handwritten signature in black ink, appearing to read "Eugene A. DePasquale".

EUGENE A. DEPASQUALE
Auditor General

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**State Correctional Institution at Mahanoy
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**Background
Information**

*History, mission,
and operating
statistics*

Department of Corrections

The Pennsylvania General Assembly created the Bureau of Corrections under the authority of the Pennsylvania Department of Justice with the passage of Act 408 of July 29, 1953, P.L. 1428 Section I. In December 1980, responsibility moved from the Pennsylvania Department of Justice to the Office of the General Counsel under the Governor. On December 30, 1984, the Governor signed Act 245 of 1984,¹ elevating the Bureau of Corrections to cabinet level status as the Department of Corrections.

The mission of the Department of Corrections is as follows:

Our mission is to reduce criminal behavior by providing individualized treatment and education to offenders, resulting in successful community reintegration through accountability and positive change.²

The Department of Corrections is responsible for all adult offenders serving sentences of two or more years. As of June 20, 2013, it operated 26 correctional institutions, 1 motivational boot camp, 1 training academy, and 14 community pre-release centers throughout the Commonwealth of Pennsylvania. In addition to the 14 community pre-release centers, the Department of Corrections also had oversight for 40 contracted facilities, all part of the community corrections program.³

State Correctional Institution at Mahanoy

The State Correctional Institution at Mahanoy, which we refer to as SCI Mahanoy or the institution in this report, is a level 3⁴ facility for adult male offenders. It is located in Mahanoy Township, Schuylkill County. Thirty-five buildings are on the property consisting of 10 separate general housing units and one restricted housing unit inside the secure perimeter and 14 other buildings outside the perimeter.

The table below presents unaudited SCI Mahanoy operating statistics compiled from Department of Corrections' reports for the fiscal years

¹ 71 P.S. § 310.1.

² http://www.portal.state.pa.us/portal/server.pt/community/our_mission/20645, accessed March 3, 2013, and verified on June 20, 2013.

³ IBID.

⁴ The Department of Corrections classifies the security level on a scale from 1 (community) to 5 (maximum). As a security level 3 facility, the SCI Mahanoy population is designated as "medium" security level.

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ended June 30, 2010, through June 30, 2012. Despite an increase in its inmate capacity, SCI at times, still exceeded capacity.

	SCI Mahanoy Operating Statistics for Fiscal Years ending June 30,		
	2010	2011	2012
Operating expenditures ⁵	\$59,798,669	\$61,321,899	\$62,356,449
Inmate population at year end	2,258	2,345	2,345
Inmate capacity at year end	1,900	1,900	2,154
Percentage of capacity at year end	118.84%	123.42%	108.87%
Average monthly inmate population	2,291	2,321	2,135
Average cost per inmate ⁶	26,102	26,420	29,207

⁵ Operating expenditures were recorded net of fixed asset costs, an amount that would normally be recovered as part of depreciation expense. In addition, regional level and indirect charges were not allocated to the totals reported here.

⁶ Average cost per inmate was calculated by dividing total operating expenditures by the average monthly inmate population

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**Objectives,
Scope, and
Methodology**

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Our performance audit of SCI Mahanoy had two objectives, each related to contract monitoring. The specific audit objectives were as follows:

- One: To determine if SCI Mahanoy maintained effective controls over the monitoring of contracted medical services.
(Finding 1)
- Two: To determine if SCI Mahanoy maintained effective controls over the monitoring of contracted pharmacy services.
(Finding 2)

The scope of the audit was from July 1, 2009, through June 30, 2012, unless indicated otherwise.

To accomplish our objectives, we obtained and reviewed records and analyzed pertinent policies, procedures, and agreements of the Commonwealth of Pennsylvania, the Department of Corrections, and SCI Mahanoy. In the course of our audit work, we interviewed various facility management and staff. The audit results section of this report contains more details on the specific inquiries, observations, tests, and analyses for each audit objective.

We also performed inquiries, observations, and tests as part of, or in conjunction with, our current audit to determine the status of the implementation of the recommendations made during our prior audit. Those recommendations addressed SCI Mahanoy's Automotive Fleet.

SCI Mahanoy management is responsible for establishing and maintaining effective internal controls to provide reasonable assurance that SCI Mahanoy is in compliance with applicable laws, regulations, contracts, grant agreements, and administrative policies and procedures. In conducting our audit, we obtained an understanding of SCI Mahanoy's internal controls, including any information systems controls, as they relate to those requirements and that we considered to be significant within the context of our audit objectives. We assessed whether those controls were properly designed and implemented. Any deficiencies in

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internal control that were identified during the conduct of our audit and determined to be significant within the context of our audit objectives are included in this report.

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Audit Results

The audit results are organized into two sections. Each section is organized as follows:

- Statement of the objective
- Relevant laws, policies and agreements
- Audit scope in terms of period covered, types of transactions reviewed, and other parameters that define the limits of our audit
- Methodologies used to gather sufficient and appropriate evidence to meet the objective
- Finding(s)

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**Audit Results
for
Objective
One**

The objective

Objective one was to determine if SCI Mahanoy maintained effective controls over the monitoring of contracted medical services.

*Contract for
Medical Services*

Relevant law, contracts, policies, and procedures

State correctional institutions must provide basic necessities to inmates incarcerated in their facilities. Among these basic necessities is health care. The Department of Corrections policy outlines the medical services, such as physical examinations and specialty services that must be provided to every inmate.⁷

The Department of Corrections entered into a contract with a medical contractor⁸ to provide services to inmates under a department-wide contract effective from September 1, 2003, through December 31, 2012.⁹ During our audit period July 1, 2009, to June 30, 2012, SCI Mahanoy paid approximately \$8.74 million for these contracted medical services.

This contract specified the allowable services as well as the number of hours of services that the contractor will provide. The agreement also specified that the contractor will participate in committee meetings with the Department of Corrections' staff.

The Department of Corrections also established policy and procedures¹⁰ that designate each institution's corrections health care administrator (administrator) with the responsibility to ensure that the medical contractor complies with the terms of the contract. Department procedures state the following:

⁷ Department of Corrections, Policy and Procedures Manual Number 13.2.1, *Access to Health Care*, effective June 28, 2004. Within the procedures manual, section 1 addresses the inmate health care plan and section 3 addresses physical examinations.

⁸ Contract #4000005143 between the Commonwealth of Pennsylvania and Prison Health Services, Inc., which effectuated a legal name change to Corizon Health, Inc., effective November 15, 2011.

⁹ On November 15, 2011, the Department notified the provider (Corizon Health, Inc.) that it was terminating the agreement effective December 31, 2012. The new contract for medical services, Contract #4400010453 between the Commonwealth of Pennsylvania and Wexford Health Sources, Inc. became effective January 1, 2013, and runs through December 31, 2017. Please refer to

<http://www.emarketplace.state.pa.us/FileDownload.aspx?file=4400010454\ContractFile.pdf>

accessed May 31, 2013.

¹⁰ Department of Corrections, Policy and Procedures Manual Number 13.1.1, *Management and Administration of Health Care*, effective July 17, 2004. Within the procedures manual, section 3 addresses medical contract monitoring.

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The corrections health care administrator shall be responsible for ensuring that the contracted health care provider complies with the contract and verify and approve the hours of service submitted as stipulated in the contract.¹¹

In addition, the Department of Corrections' procedures¹² required the contracted medical provider to participate in quality improvement programs at each facility.

We audited SCI Mahanoy's controls related to proper receipt and payment of services provided by the medical services provider.

Scope and methodologies to meet our objective

To satisfy this objective, we performed the following:

We reviewed the agreement made between the Department of Corrections and the medical contractor. We focused our review on the sections related to the types of medical services, number of hours of service, and committee participation that the contractor was to provide.

We also reviewed Department of Corrections' policies and procedures related to medical services that must be provided to inmates, such as physical exams and specialty services; medical contract monitoring; and the contractor's participation in a quality improvement program.

We interviewed SCI Mahanoy's corrections health care administrator, who was responsible for medical contract monitoring and for ensuring inmates received required health care services; corrections superintendent's assistant, who was responsible for processing inmate grievances relating to medical services; and two registered nurse supervisors, one of whom was named acting corrections health care administrator during field work.

Further, we reviewed six of the 36 monthly staffing reconciliations over our audit period, July 1, 2009, through June 30, 2012.¹³ From each of the

¹¹ Department of Corrections, Procedures Manual Number 13.1.1, *Management and Administration of Health Care*, effective July 17, 2004. Within the procedures manual, section 3 addresses medical contract monitoring. Within section 3, section A addresses general contract performance and section B addresses hours of service.

¹² Department of Corrections, Procedures Manual Number 13.1.1, *Management and Administration of Health Care*, effective July 17, 2004. Within the procedures manual, section 3 addresses medical contract monitoring. Section 3 refers to Attachment 3-A: Medical Contract Compliance Manual.

¹³ SCI Staffing reconciliations are documents prepared by the contractor that summarize the total hours each contracted medical employee worked during the month and are utilized for billing purposes.

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six monthly staffing reconciliations, we selected three contracted employees and traced hours recorded on the reconciliations to the hours recorded on the employee's time records.

Specifically, we verified the accuracy of the hours of service listed on the staffing reconciliation by obtaining documentation of the contracted employees entry and exit at the secured perimeter of the institution and at the institution's medical department. We used documentation such as biometrics sheets¹⁴ and time cards¹⁵ to confirm that the contracted medical employees were physically present at SCI Mahanoy and that the contracted employees worked the number of hours recorded on the contractor's invoices.

We reviewed copies of the quarterly Medical Audit Committee (MAC) meetings for the time period July 1, 2009, through June 30, 2012, and Monthly Quality Improvement (QI) meeting minutes for the time period July 1, 2011, through March 31, 2013.

We then verified that management from the medical services contractor participated in meetings with SCI Mahanoy management as required in both the contract and DOC procedures.¹⁶

We reviewed a listing of the medical grievances filed by SCI Mahanoy inmates during the period July 1, 2011, to March 31, 2013. From the list, we examined all seven upheld¹⁷ grievances in order to identify any significant issues related to the medical services provided to SCI Mahanoy's inmates.

Finally, we reviewed the most recent executive summary from the Department of Corrections' Bureau of Health Care Services' annual management review audit of SCI Mahanoy's medical department that was conducted in September 2012. In addition, we reviewed the plan of action report that was updated to reflect the Bureau of Health Care Services' findings during a follow-up review conducted in January 2013.

¹⁴ SCI Mahanoy uses a security system that captures evidence of each person's entry and exit at the secured perimeter of the institution using "biometrics," which identifies humans by a characteristic or trait such as a thumb print.

¹⁵ Prison Health Services/Corizon Health Services employees were required to insert time cards into a mechanical timepiece, known as a time clock, to track evidence of their entry and exit out of SCI Mahanoy's medical department.

¹⁶ Department of Corrections, Procedures Manual Number 13.1.1, *Management and Administration of Health Care*, effective July 17, 2004. Within the procedures manual, section 3 addresses medical contract monitoring. Section 3 refers to Attachment 3-A: Medical Contract Compliance Manual.

¹⁷ Upheld grievances are grievances found to be legitimate.

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Finding 1

SCI Mahanoy effectively monitored contracted medical services.

Our audit found that SCI Mahanoy effectively monitored the medical service contract.

We found that SCI Mahanoy had procedures in place to monitor the medical services received by inmates and also ensure that billings from the contractor were accurate.

We found SCI Mahanoy's corrections health care administrator (administrator), effectively monitored the medical contract. The administrator verified the accuracy of the hours of service provided by the contracted employees by ensuring the hours recorded on the monthly staffing reconciliations, which were prepared by the contractor, matched the hours worked on the time cards provided by SCI Mahanoy.

The administrator signed the staffing reconciliations to show approval and forwarded the documents back to the contractor for payment processing.

Furthermore, based on our review of biometrics sheets, we found that for the contracted employees tested, the hours recorded on the biometrics sheets matched the hours recorded on the staffing reconciliations. In addition, we found that the days and times recorded on the biometrics sheets agreed with the times recorded on the contracted employees' time cards, which list the days and times the contracted employees clocked in and out of SCI Mahanoy's medical department.

Also, in order to further monitor the services provided by the medical contractor, SCI Mahanoy's medical department staff tracked each inmate's physical examinations and specialty service consults, which were required by DOC policy. SCI Mahanoy uses a computer system application known as the Ptrax system for tracking the services provided to inmates. The health care administrator demonstrated how she tracks the services provided by the contractor using the Ptrax system by running a consult tracking log.

In accordance with the contract and Department of Corrections' procedures, we found that members of the contractor's staff met with SCI Mahanoy's corrections health care administrator, along with other SCI Mahanoy management such as the superintendent and registered nurse supervisors during Medical Audit Committee (MAC) meetings and monthly Quality Improvement (QI) meetings to discuss the operations of

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the facility's medical department and any problems and/or issues related to the medical services provided by the contractor's staff.

Our review of the seven upheld medical grievances found no significant issues that affected the medical services provided to SCI Mahanoy's inmates. The grievances we reviewed included but were not limited to, inmate co-pays and some concerns over the food being provided to an inmate who was on a soft food diet. In all cases reviewed, the inmates' grievances were heard and responded to appropriately by SCI Mahanoy.

Finally, we confirmed that the Department of Corrections' Bureau of Health Care Services conducted an annual management review audit of SCI Mahanoy's medical department. The audit is conducted to determine whether the Department and contracted medical staff are following medical standards established by the Department of Corrections. This annual audit provides the institution's corrections health care administrator with an additional tool to monitor contracted medical services being provided.

Our review of the executive summary prepared by staff from the Bureau of Health Care Services after the conclusion of their annual audit of SCI Mahanoy in September 2012, found that the medical contractor was not cited for any quality of service deficiencies.

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**Audit Results
for
Objective
Two**

The objective

Objective two of our performance audit was to determine if SCI Mahanoy maintained effective controls over the monitoring of contracted pharmacy services.

*Contract for
Pharmacy Services*

Relevant law, policies, and contract

The Department of Corrections has issued a policy statement to ensure all inmates have access to health care including pharmaceutical services.¹⁸ Because the state's correctional institutions do not have pharmacies and pharmacists on site, pharmaceutical services must be provided through a contracted vendor.

Under the authority of the Commonwealth Procurement Code,¹⁹ the Department of General Services (DGS) has issued the *Procurement Handbook*, which provides the policies, procedures, and guidelines for state agencies to use when procuring supplies, services, and construction off of statewide contracts.

DGS entered into a contract with a pharmaceutical company to provide prescribed and non-prescribed medications and related services at all of the state's correctional institutions.²⁰ The contract is effective from June 15, 2010, through July 31, 2015.

SCI Mahanoy paid \$4,829,349 to the pharmaceutical contractor during the audit period. According to a report prepared by the contractor, this expense included the purchase of 152,021 prescriptions. The contract specifies that each institution is charged the actual acquisition cost for each medication plus a service fee that varies depending on the medication category. The medication categories include patient specific medications, patient specific intravenous compounds, and over the counter products. For patient specific medications, the institution is charged the actual cost of the medication plus a service fee per prescription.

There were also 4,130 prescriptions returned to the contractor by SCI Mahanoy for total credit of \$56,658.

¹⁸ Department of Corrections, Policy Number 13.2.1, *Access to Health Care*, effective June 28, 2004. Within the policy document, section 12 addresses pharmacy guidelines.

¹⁹ 62 Pa.C.S. § 101 *et seq.* Hereafter, we refer to this law as the Procurement Code.

²⁰ Contract #4400007074 between the Commonwealth of Pennsylvania and Diamond Drugs, Inc. Please refer to <http://www.emarketplace.state.pa.us/FileDownload.aspx?file=4400007074\ContractFile.pdf>, accessed on March 18, 2013.

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We focused our review on the pharmaceutical services received at SCI Mahanoy and whether SCI Mahanoy monitored these contracted services in accordance with Chapter 54 of the Commonwealth's Procurement Handbook which states the following:

Monitoring and control are essential to ensure the contractor uses and manages its resources in a manner that will provide the agency exactly what it has contracted for in terms of quality, timeliness, and economy of cost.

Specifically, we audited SCI Mahanoy's controls related to proper receipt and payment of medications provided by the contractor.²¹

Scope and methodologies to meet our objective

To satisfy this objective, we performed the following:

We obtained the Department of Corrections' statewide contract for pharmaceutical services.

We interviewed SCI Mahanoy's corrections health care administrator, who is responsible for monitoring the pharmacy contract and SCI Mahanoy's Licensed Practical nurse who is responsible for assisting the health care administrator with monitoring responsibilities. We also interviewed the contractor's pharmacist who is assigned to SCI Mahanoy.

We selected six monthly invoices received by SCI Mahanoy during our audit period of July 1, 2009, through June 30, 2012, for detailed review of charges. The months we selected were as follows: July, September and November of 2011, and January, March and May of 2012.

Specifically, for each selected month, we obtained copies of the monthly invoices²² and monthly billing reports²³ and related packing slips.²⁴ We then selected six days (one day per month) to review all daily medication charges.

²¹ Diamond Drugs, Inc.

²² Monthly invoices – document that was received by SCI Mahanoy from Diamond which listed the total cost SCI Mahanoy was billed for pharmaceutical medications during the month.

²³ Monthly billing reports – extensive report which itemized every drug received per day for each day of the month.

²⁴ Packing slips are an itemized listing of all medications which are included in the package received by SCI Mahanoy for each specific day.

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We then traced each of those drug charges to the medication recorded on the packing slip to ensure that medications invoiced were received.

We reviewed cost distribution reports²⁵ prepared by the contractor that showed the total amount of credit for medication returns due to SCI Mahanoy.²⁶ We also reconciled the credit amounts recorded on the cost distribution report to the applicable monthly credit statements that showed credits for returns and authorizations.

Finally, we selected individual credits for returned medications for testing. We obtained the billing reports that showed the original acquisition cost of the medication, we recalculated the acquisition cost for accuracy based on criteria as specified in the contract and we verified the acquisition cost was credited to SCI Mahanoy.

Finding 2**SCI Mahanoy effectively monitored contracted pharmacy services.**

Our audit found that SCI Mahanoy effectively monitored the services it received under the pharmacy contract.

Our review of six months of invoices and related documents found that the contractor fulfilling the requirements as stipulated in the contract. We found that invoices contained the following information as specified in the contract: prescription number, inmate name, inmate number, quantity dispensed, price of medication, label name, fill date, and provider. In addition, as stipulated in the contract, the contractor ensured quarterly inspections were performed by a registered pharmacist.

We found that all medications were ordered by doctors through the contractor's computerized medication system that also created an automatic acknowledgment of the orders. We also found that the contractor's order confirmation and packing slip delivery process notified the medical staff that medications were to be received. Once received, medications were scanned into the computerized medication system by SCI Mahanoy's pharmacy staff.

²⁵ A cost distribution report shows the total invoice amount for medications shipped and the total credit amount due for each correctional institution.

²⁶ The credit process as specified in the contract is as follows: Credit will be issued on full or partial prescription at 100 percent of actual acquisition cost less a \$1.00 processing fee. Credit will not be issued on medications with a return value of \$2.95 or less.

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We also verified that licensed practical nurses, employed by the Department of Corrections, were responsible for ensuring all pharmaceuticals listed on packing slips were actually received. This process ensured the accuracy of monthly billings by the contractor. In addition, we also verified that facility staff reviewed the credits received to ensure that SCI Mahanoy received the proper credit for all medications returned.

We found that for the six (6) days tested, all 892 medications listed on the daily invoices matched the medications received as recorded on the packing slips and that the daily totals for all medications received matched the day's charges on the monthly billing reports. Additionally, we also verified the daily totals per the billing reports matched the total amount charged per the monthly invoices.

We also found that cost distribution reports were accurate and that SCI Mahanoy received proper credit for medication returns and authorizations.

We also verified that a pharmacist on staff with the contractor visited SCI Mahanoy's pharmacy on a quarterly basis and prepared the quarterly inspection reports as specified in the contract.

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**Status of
Prior Audit**

The prior audit report of SCI Mahanoy covered the period July 1, 2005, through February 3, 2011, and contained seven findings. However only two of the findings contained recommendations. A summary of the findings, their accompanying recommendations, and the status of SCI Mahanoy's implementation of the recommendations are presented below.

Scope and methodologies of our audit work

To determine the status of the implementation of the recommendations made during the prior audits, we held discussions and made inquiries with appropriate institution personnel and performed tests as part of, or in conjunction with, the current audit.

Prior Finding 1 SCI Mahanoy did not sufficiently monitor fuel usage. (Resolved)

During our prior audit, we found that SCI Mahanoy management did not sufficiently monitor the monthly automotive reports. Additionally, management did not do a reconciliation of fuel dispensed from the institution's pumping station to the receipts listed on the monthly automotive reports.

We recommended that SCI Mahanoy management should ensure the following:

- Monthly automotive activity report gas receipts are reconciled to the amount of gas dispensed from the pumping station.
- All operators of the pumping station and fleet vehicles be updated on the process and importance of the completion and recording of gasoline disbursements.

SCI Mahanoy management responded that they currently reconcile on a daily basis the number of gallons of gas disbursed from the gas pumps to the receipts issued and signed by the employee receiving the gas. Then, at the end of the month, the disbursement receipts are reconciled to the monthly automotive activity reports for each vehicle.

Status as of this audit. During our current audit, we found that SCI Mahanoy management had implemented our recommendations.

Employees were updated on the process for completing and recording gasoline disbursements. Specifically, we found employees are completing

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the Department of General Services Monthly Automotive Activity reports utilizing form DC-175A (fuel and oil receipt), and attaching these daily receipts to the automotive report. In addition, we determined that Mahanoy reconciled the monthly automotive activity report gas receipts to the amount of gas dispensed from the pumping station.

Our review of the monthly automotive reports during April, 2012, showed that employees using vehicles had completed a monthly automotive activity report listing the odometer reading, miles driven per day, primary driver, location of travel and gallons of gas used. Additionally, the gas receipts showed the gas meter reading amount at the beginning and end of the day, the number of gallons used, the equipment number, license number and mileage of the vehicle. The receipt was also signed by the employee receiving the gas and the employee issuing the gas. These reports were then sent to the business office where they were filed.

As a result of our review, we concluded that SCI Mahanoy had implemented our prior audit recommendations.

Prior Finding 2 Reimbursements totaling \$2,384.44 for personal vehicle mileage were not substantiated (Resolved)

The audit report for the period July 1, 2005 through February 3, 2011, revealed that SCI Mahanoy did not follow the Department of Corrections procedure policy that stated:

A vehicle request form must be completed to reserve a state car or to be reimbursed for personal mileage when a state car is not available. The employee must receive approval from his/her Bureau/Office Director to incur personal mileage cost.²⁷

Our analysis of 35 travel expense reports showed that SCI Mahanoy paid \$2,460.20 to employees for mileage in a personal car, but only 1 travel expense report totaling \$75.76 for personal mileage included all the required personal mileage request forms and proper approvals for reimbursement. The remaining 34 travel expense reports requesting a total of \$2,384.44 in reimbursements did not include the request forms or approvals required by Correction's policy. They were paid in violation of Correction's policy.

²⁷ Commonwealth of Pennsylvania Department of Correction Policy 3.1.1 "Fiscal Administration" Section 8 "Vehicles" effective November 20, 2007.

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We recommended that SCI Mahanoy management ensure that vehicle request forms are completed for all instances of employee travel by personal car, if mileage is to be reimbursed, and that the superintendent or his designee approves all personal mileage being claimed.

SCI Mahanoy's management responded that the employee's supervisor has to make a request for a pool car. If a pool car is not available, the supervisor then forwards the request for a pool car, the notification that a pool car is not available during the dates of travel, and a request form asking for approval for personal mileage from the superintendent or his designee.

Status as of this audit. During our current audit, we found that employees are completing vehicle request forms when requesting use of personal vehicles and the superintendent had approved all mileage being claimed.

Our review of 25 Travel Expense Reports (reports) from January 2012 to May 2013 found that all required vehicle request forms were attached to the employee's reports submitted to Mahanoy's business office for expense reimbursement except for the following:

- Fifteen of the reports were prepared and submitted by new cadets. All 15 of the reports submitted by the cadets were properly completed and approved by the employee's supervisor. However, these reports did not include an approved vehicle request form. As a matter of standard practice, SCI Mahanoy did not allow cadets to use state vehicles for travel. Therefore, cadets were automatically approved by their supervisor for personal mileage and no vehicle request form was required.

The remaining ten reports were properly completed and had the following forms attached: the travel information form approved by the employee's supervisor, and the vehicle request form which was approved by both the employee's supervisor and the superintendent

As a result of our review, we concluded that SCI Mahanoy had implemented our prior audit recommendation.

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**Audit Report
Distribution
List**

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The Honorable Robert M. McCord
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John Kerestes
Superintendent

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news@auditorgen.state.pa.us.*