



## **EXECUTIVE SUMMARY**

### **DEPARTMENT OF CORRECTIONS MID-STATE CORRECTIONAL FACILITY July 1, 2018 to July 31, 2022**

In April 2017, the Mid-State Correctional Facility (facility) reopened with the purpose of providing treatment to New Jersey inmates who have a substance use disorder (SUD). The facility's SUD program is administered by a contracted vendor and licensed by the Department of Health.

We found that the financial transactions included in our testing were related to the facility's programs, were reasonable, and were recorded properly in the accounting systems. In making these determinations, we noted weaknesses in internal controls over sick leave and procurement and payment processes meriting management's attention. Additionally, we noted opportunities for improvement in the areas of contract monitoring for SUD treatment services and inmate placement timeframes. We also made observations regarding SUD program placement prioritization, contract expenditures incurred during the COVID-19 pandemic, and compensatory time.

#### **AUDIT HIGHLIGHTS**

- Counseling services must be provided at specified frequencies depending on an inmate's level of care. We sampled five inmates and found none of them received all of the required treatment services during our 89-week review period. Because the COVID-19 pandemic resulted in the suspension of treatment services at the facility in mid-March 2020, we limited our testing to periods prior to the pandemic.
- The current SUD assessment and placement process is fragmented and delays inmate program placement. We found the excessive time frame of inmate placement reduces the efficiency of facility usage and delays treatment designed to combat addiction.
- The facility did not comply with the department policy regarding procurement and the Department of the Treasury Circular regarding delegated purchasing authority transactions. Our testing found transactions lacking documentation of a competitive procurement process, incomplete requisition forms, and confirming orders.
- Fuel and utility expenses were based on the availability of budgeted funds rather than actual costs. Actual costs for the facility's fuel and utilities usage totaled \$1.8 million during fiscal years 2019 through 2022, while payments were \$2.8 million. Failure to properly record costs for each facility distorts the department's ability to accurately compare spending between facilities and cost per inmate calculations.
- We observed the department does not take the minimum length of an inmate's sentence into consideration when they are interested in the SUD program. Although re-entry to society is the goal of the program, inmates with shorter minimum sentences are not prioritized. As of January 2022, there were 182 inmates at the facility with a minimum sentence greater than five years; 88 of these inmates had a minimum sentence greater than ten years and 25 had a minimum sentence greater than 20 years.

#### **AUDITEE RESPONSE**

The department generally concurs with our findings and recommendations.

For the complete audit report or to print this Executive Summary, click on the attached files.