



Office of the County Auditor

Mary Modelski

Cook County Auditor

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December 16, 2022

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 Correction's Commissary System for the period from December 1, 2019, through November 30, 2020. 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, 2019, through November 30, 2020, 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 express our great appreciation for the assistance of the Department's staff extended to Della Hernandez 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: December 16, 2022

Issued By:

Mary Modelski, County Auditor

Audit Conducted By:

Della Hernandez, Field Auditor V

Julie Stack, Audit Supervisor

EXECUTIVE SUMMARY

We have completed the audit of the Department of Correction's Commissary system for the period from December 1, 2019, through November 30, 2020. 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 Correction's 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 Correction's Commissary for the period of December 1, 2019, through November 30, 2020, 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, it was concluded that the Commissary Services offered to the inmates complies 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 Correction's Commissary. As well as the total commissions received from Commissary sales and a listing of how the commissions were used for the benefit of the inmates. Please refer to Exhibit A, and B for further details.

BACKGROUND

The Department of Corrections contracted with Keefe Commissary Network, LLC (December 1, 2019 – October 31, 2020) and Summit Food Service, LLC (November 1 – 30, 2020) to establish and maintain a Commissary system offering a full range of services and products to inmates. The agreements between the Department of Corrections, Keefe Commissary Network, LLC, and Summit Food Service, LLC, required that scheduled weekly Commissary services be available to all inmates.

Inmates have a trust account that family and friends can deposit money, as well money earned from working during their time in jail. The inmates can purchase items from the Commissary using the funds in their accounts. The items available for purchase from the Commissary include clothing, stamped envelopes, toiletries, stationary, and food items. The Commissary sales at the Department of Correction's are grouped into two categories: microwavable and general sales. Per the contracts, the vendor shall pay to the Department of Correction's inmate commissary funds at a fixed percentage rate of commissionable sales. Microwave sales at 49.1%, general sales at 43.5% per the Keefe contract. Microwave sales at 44%, and general sales at 41% per the Summit contract. The commissions from both types of sales are paid monthly and deposited into the Inmate Welfare Fund on a monthly basis.

The Inmate Welfare Fund 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 in the Inmate Welfare Fund are to be used at the discretion of the Executive Director of the Department of Correction's for the direct benefit of persons who are inmates in 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 Correction's compliance with the requirements of the Illinois Jail Standards, Section 701.250. The scope of our audit was for the period from December 1, 2019, through November 30, 2020. Our fieldwork was conducted from February through April 2022. The requirements we evaluated for compliance from the Illinois County Jail Standards checklist was to provide transparency and/or oversight on 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. An annual audit shall be arranged with the County Auditor or County Treasurer.

AUDIT RESULTS

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

- The Department of Corrections, along with the contracted services of Keefe Commissary Network LLC and Summit Food Service, LLC have established and maintained a commissary system offering a sufficient range of services and products to the inmates.
- It appears that no personal gain via the operation of the commissary system has been received either directly or indirectly by any personnel, including the Department of Corrections staff.
- Overall prices charged to inmates are consistent with the prices charged at a local store 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 indicated that the commissions received were appropriately used for education, recreation, or other authorized purposes to benefit the inmates.
- Daily and monthly Commissary sales reports are maintained and produced by the Commissary vendors for each sale type, general or microwavable, and appeared accurate and reliable.

Based on the results of our audit procedures it was concluded that the Commissary services offered to the inmates, the Department of Corrections complies with the requirements of the Illinois Jail Standards, Section 701.250.

Below are tables of the total sales and expenditures, the total commissions received from commissary sales and a listing of how the commissions were used for the benefit of the inmates.

Exhibit A

**Cook County Department of Corrections
Commissary Sales Summary
December 1, 2019 – November 30, 2020**

Commissary Sales

Sales + Tax	\$9,622,229.48
Total Commissary Sales	\$9,622,229.48

Commissary Expenditures

Vendor Commissions	\$4,620,255.75
Phone Time	\$1,045,248.00
Sales Tax	\$278,305.21
Total Commissary Expenditures	\$5,943,808.96

Commissions/Profits Due Inmate Welfare Fund	\$3,678,420.52
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Exhibit B

Cook County Department of Corrections Summary of Expenses by Category
Inmate Welfare Fund Expenditures
December 1, 2019 – November 30, 2020

Account Description	Total
Armored Car Charge	\$18,817.73
Alternate Programs	\$44,452.37
Audio/Video Equipment/Supplies	\$10,084.75
Bank Check/Supplies	\$3,505.33
Bank Service Charge	\$38,583.78
Barber/Beauty Equip/Supply	\$11,028.24
Cable Expense	\$43,554.20
Clothing & Toiletries	\$3,726.80
Consulting	\$44,142.60
Newspapers	\$7,134.60
Entertainment & Shows	\$2,294.49
Eyeglasses	\$11,182.00
Garden/Greenhouse Project	\$3,348.32
IL. Dept. Rev-Farmers Mkt Tax	\$46.24
Indigent Carfare/Postage	\$72,000.00
Indigent Inmate Expenses	\$3,055.66
Inmate Extra Food Expense	\$396,773.55
Inmate Extra Phone Time	\$48,000.00
Inmate Payroll	\$278,282.00
Lawnmowers & Equipment	\$118.00
Library Books/Materials/Supplies	\$77,454.54
Microwaves & TV's	\$94,621.50
Office Equip/Supplies	\$9,205.94
Other Equipment/Supplies	\$6,291.42
Pizza Expense	\$55,999.25
Portable Restrooms	\$8,047.32
Postage	\$7,068.51
Recreation Equipment/Games	\$10,097.16
Repair Ice Machines	\$6,541.14
Recreation Equipment/Maintenance	\$8,000.00
Sign Language Interpretation	\$2,668.00
Special Projects	\$140.04
TV/Video Repairs	\$4,950.00
Total Inmate Welfare Fund Expenditures – FY 2020	\$1,331,215.48