

**Nassau County  
Office of the Comptroller**



**A Limited Review  
of the  
Nassau County Correctional Center's Administration of the  
State Criminal Alien Assistance Program ("SCAAP")**

**HOWARD S. WEITZMAN**

*Comptroller*

**March 3, 2008**

**NASSAU COUNTY  
OFFICE OF THE COMPTROLLER**

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## Executive Summary

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### **Background**

The State Criminal Alien Assistance Program (“SCAAP”) is a program administered by the federal Department of Justice’s Bureau of Justice Assistance, in conjunction with the Bureau of Immigration and Customs Enforcement (“ICE”), a branch of the Department of Homeland Security. SCAAP provides payments to states and localities to reimburse a portion of correction officer salary costs incurred for incarcerating undocumented criminal aliens. The program applies to undocumented criminal aliens with at least one felony or two misdemeanor convictions, and incarcerated for at least four consecutive days during the reported period.<sup>1</sup> States and municipalities that qualify for SCAAP payments submit an application to the Office of Justice Programs’ online Grant Management System (“GMS”) for annual reimbursement under the program.

SCAAP payments do not cover the entire cost associated with the incarceration of undocumented criminal aliens. During 2006, the County housed 13,238 total inmates at its Correctional Center at an approximate average cost per inmate day (net of revenue<sup>2</sup> and not including debt expense), of \$293.24.<sup>3</sup> The number of undocumented aliens identified as potentially SCAAP eligible by the Correctional Center for FY 2007<sup>4</sup> was 660. Using the 2006 average inmate stay of 43.6 days, the estimated 2006 cost to the County for housing 660 potentially SCAAP eligible undocumented aliens was almost \$8.5 million. The County received only \$2.6 million in SCAAP funds in the most recent award.<sup>5</sup>

Recent Executive Budgets have eliminated funding for SCAAP, and while Congress has annually appropriated SCAAP funds, there is no guarantee that the program will be available in the future. As the total funds appropriated each year are fixed, states and municipalities that apply for annual awards will receive a proportionate share of total funds. The Correctional Center cannot anticipate its share of the total SCAAP funds it will receive from the federal government in any year, due to the number of variables involved in the award process. Over \$377 million in SCAAP awards were distributed by the Bureau of Justice Assistance in 2008 to states and localities that applied in July 2007; Nassau County was awarded approximately \$2.6 million, 8.6% *less* than the prior year. The Bureau of Justice Assistance awarded New York State jurisdictions, as a whole, almost \$8 million less than in 2006. This represented the largest decrease among all the states in funds awarded from the prior year.

### **Program Guidelines**

The program guidelines are defined by the Bureau of Justice Assistance each year and may vary from year to year. In general, governments that have authority over correctional facilities that incarcerate or detain undocumented criminal aliens for a minimum of four consecutive days are eligible to apply for SCAAP funds. The Bureau of Justice Assistance specifies the annual program requirements directly on

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<sup>1</sup> State Criminal Alien Assistance Program (SCAAP): FY 2006 Guidelines. Bureau of Justice Assistance, Office of Justice Programs, U.S. Department of Justice, page 1. [http://www.ojp.usdoj.gov/BJA/grant/2006\\_SCAAP\\_Guidelines.pdf](http://www.ojp.usdoj.gov/BJA/grant/2006_SCAAP_Guidelines.pdf)

<sup>2</sup> Net of revenue includes SCAAP awards and/or accruals.

<sup>3</sup> All computations by the Nassau County Comptroller’s Office were computed using 2006 calendar year data and Correctional Center data.

<sup>4</sup> July 1, 2005 – June 30, 2006. For SCAAP application purposes, a fiscal year is July 1 – June 30.

<sup>5</sup> There are inherent fixed costs associated with the incarceration of inmates. Therefore, the estimated cost of jailing undocumented aliens may not drop in a direct correlation with a decrease in the number of undocumented aliens held at the Correctional Center.

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its website. Non-compliance with the guidelines may result in the exclusion of a state or local government from program awards, or the revocation of any previously awarded funds.

SCAAP provides that an eligible inmate was:

- born outside the United States or one of its territories and had no reported or documented claim to U.S. citizenship;
- in the applicant's custody for four or more consecutive days during the reporting period;
- convicted of a felony or second misdemeanor for violations of state or local law; and,
- identified and reported as undocumented, using due diligence.

All pretrial and post conviction time served may be reported to the Bureau of Justice Assistance; however, this time, and any incarcerations that overlap fiscal years, is only billable in the appropriate fiscal year.

Upon the Bureau of Justice Assistance's e-mail notification of the annual SCAAP awards distribution, each jurisdiction that is receiving funds must enter the GMS system and accept the award. According to the guidelines, applicants have 45 calendar days to either accept the award or notify the Bureau of Justice Assistance of any perceived errors.

The FY 2007 program guidelines specify: "Beginning with FY 2007 SCAAP awards, SCAAP funds must be used for correctional purposes only. Jurisdictions receiving SCAAP awards will be asked to report the projected use of these funds at the time the award is accepted."<sup>6</sup> At the time of the FY 2007 award acceptance, the Correctional Center indicated that it would utilize the funds to offset correction officers overtime pay.

The applicants were required to submit the following information:

- Applicant/Organization
- CEO of Jurisdiction
- Financial Institution
- Total number of incarceration or detention days for all inmates, including legal aliens, illegal aliens, unknowns, and U.S. citizens
- Maximum number of full-time, part-time, contracted full-time, contracted part-time correction officers employed during the reporting period
- Total salary costs paid to all correction officers during the reporting period
- Total bed count
- Eligible Inmate Information

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<sup>6</sup> <http://www.ojp.usdoj.gov/BJA/grant/scaap.html>

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### SCAAP Formula

The criteria for the SCAAP awards have evolved over the course of the program. The most current formula begins with the Department of Justice's computation of an average inmate per diem, based upon correction officers' annual salary costs and the total number of all inmate days. ICE analyzes the inmate records provided by the applicants to determine the number of eligible, ineligible, unknown and invalid inmates. Next the applicant's per diem rate is multiplied by the number of inmate days (and a percentage of unknown days<sup>7</sup>), resulting in the correction officers' salary costs for the reporting period. The maximum allowable reimbursement is computed as the value of each applicant's correction officers' salary costs for its eligible inmate and credited unknown inmate days. The values are compared with the annual appropriation and a percentage factor is determined, which is then applied to all jurisdictions equally.

### Award History

According to the Bureau of Justice Assistance and Nassau County's records for SCAAP awards,<sup>8</sup> the following amounts have been awarded to Nassau County:

	<b>Award received</b>	<b>Increase (Decrease) in Eligible Salaries submitted</b>	<b>Increase (Decrease) in Award received</b>	<b>% increase decrease in Award received</b>
<b>FY 2002</b>	\$ 3,692,799	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>
<b>FY 2003</b>	\$ 2,009,998	\$ 6,769,618	\$ (1,682,801)	-45.6%
<b>FY 2004</b>	\$ 2,584,492	\$ 5,270,887	\$ 574,494	28.6%
<b>FY 2005</b>	\$ 1,970,809	\$ (255,067)	\$ (613,683)	-23.7%
<b>FY 2006</b>	\$ 2,877,529	\$ 2,983,701	\$ 906,720	46.0%
<b>FY 2007</b>	\$ 2,628,759	\$ 16,329,371	\$ (248,770)	-8.6%

*n/a = not applicable to chart*

The FY 2007 award granted to Nassau County under the SCAAP program *decreased* by approximately \$250 thousand, or almost 9%, from the prior year, although the eligible salaries submitted in the FY 2007 application increased by almost 24%.

### Application Process

One correction officer, assigned to the Correctional Center's budget and finance department, is responsible for the SCAAP submission to the Bureau of Justice Assistance. His responsibilities include the input of the eligible inmates into the GMS system as part of each year's application. A Senior Accountant in the Correctional Center is responsible for calculating the eligible correction officer

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<sup>7</sup> SCAAP: FY 2006 Guidelines. Bureau of Justice Assistance, Office of Justice Programs, U.S. Department of Justice, page 12. Unknown inmates are those whose citizenship cannot be determined. The percentage of unknown days used in the computation is determined by jurisdiction type; cities are credited at 60%, states at 65% and counties at 80%.

<sup>8</sup> Data obtained from the BJA SCAAP Program website <http://www.ojp.usdoj.gov/BJA/grant/scaap.html>.

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salaries and reporting the program awards received from the federal government. The Bureau of Justice Assistance application form asks where the jurisdiction wants the payment sent. During the audit period, the Correctional Center had the annual SCAAP award transferred to a Correctional Center bank account maintained outside the County's financial and accounting system. The Correctional Center has since changed its practice and future SCAAP awards will be deposited in a Nassau County Treasurer account.

This review of Nassau County's participation in the SCAAP program was initiated in response to a constituent inquiry concerning the cost to Nassau County taxpayers of incarcerating undocumented aliens.

### **Audit Scope, Objective, and Methodology**

The objective of our audit was to determine whether the Correctional Center complied with the SCAAP reporting guidelines, as dictated by the Bureau of Justice Assistance, for the audit period July 1, 2003 through June 30, 2006 (FY 2005, FY 2006 and FY 2007). Our audit also consisted of an operational review of the Correctional Center's processes to determine if any procedural recommendations could improve or add to efficiencies in the application process and recording of the program award.

During the audit, we interviewed departmental personnel, reviewed procedures, and examined supporting documentation for compliance with the SCAAP guidelines.

### **Significant Audit Findings**

#### **Incorrect Methodology in the Calculation of Eligible Salary Costs**

The Correctional Center did not comply with the SCAAP program guidelines for the reporting periods of July 1, 2003 through June 30, 2005 (FY 2005 and FY 2006), with respect to the reporting of eligible correction officers' salaries submitted for reimbursement under the SCAAP program.

#### *Inclusion of Non-Eligible Correction Officer Salaries*

During FY 2005 and FY 2006, the Correctional Center included the salaries of all correction officers in the eligible salary amount submitted for reimbursement under the SCAAP program. This was done whether or not the correction officer's primary responsibility was the custody of inmates. According to the program guidelines for FY 2005 and FY 2006, only those correction officers,<sup>9</sup> whose primary responsibility is the control, custody, and supervision of persons detained and incarcerated, are eligible for inclusion in the SCAAP salary calculation. This may include transportation officers and others who provide control, custody, and supervision for inmates temporarily outside the maintaining facility. Employees, officers, and contractual staff whose primary responsibility is providing non-custodial services to the facility or its inmate population are not eligible for inclusion in the SCAAP salary calculation.

#### *Exclusion of Overtime, Shift Differential, and Benefits in Eligible Salaries*

The Correctional Center did not include overtime or shift differential pay in the calculation of eligible correction officer salaries for the SCAAP application in FY 2005 and FY 2006; in addition, the FY 2005

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<sup>9</sup> The term eligible "correctional officer" is defined by the SCAAP Program guidelines.

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application did not include the cost of correction officer benefits.<sup>10</sup> According to the program guidelines for the federal fiscal years 2005, 2006, and 2007, the application must include total salaries and wages paid to full-time and part-time correction officers, as well as others who meet the SCAAP correction officer definition. The total salaries reported may also include premium pay for specialized service (e.g., bilingual officers), shift differential pay, fixed-pay increases for time in service and overtime required by negotiated contract, statute, or regulation.

As a result of our review, the Correctional Center revised its computation of eligible salaries to include overtime and shift differential pay beginning with its FY 2007 application. As a result of the methodology change for the computation of eligible salaries (exclusive of non-eligible correction officer salaries and inclusive of overtime and shift differential pay), the eligible salary cost submitted in the FY 2007 application amounted to \$84.6 million; the total eligible salary costs would have been \$73.1 million for this same period if these revisions had not been made.<sup>11</sup> The methodology modifications resulted in a 15.7% increase in eligible salaries and a resultant potential increase in revenue to the County.

### Omission of Eligible Inmates from Annual Application

The program guidelines stipulate that undocumented criminal aliens may be submitted as eligible inmates under the program if they have been convicted of one felony or two misdemeanors. We determined that the Correctional Center, when ascertaining whether an inmate had met the conviction requirement, only examined the incarceration period that coincided with the application period and did not look for prior incarcerations. The Correctional Center corrected its FY 2007 application prior to submission to include criminal aliens that met this criteria. However, eligible inmates may have been excluded from the prior years' SCAAP submissions to the Bureau of Justice Assistance, resulting in a loss of revenue to the County.

### Manual Input of Inmate Data

Rather than upload an electronic file, the Correctional Center manually inputs into GMS its SCAAP submission of eligible inmates. In addition to being more time consuming, a manual input process is likely to be subject to more errors.

### Lack of Policies and Procedures Manual

The Correctional Center does not currently maintain a written Policies and Procedures Manual that documents how eligible correction officer salaries and eligible inmates are determined, how the Correctional Center complies with program guidelines, and how to submit the annual application. A well-documented and up-to-date manual would provide the Correctional Center with continuity and clear direction in the event that current employees are unavailable to perform the duties necessary for the annual submission of the SCAAP application. In addition, all methodologies for the computation of correction officer salaries would be documented for audit purposes.

### Other Findings

This report contains the following additional findings:

- Lack of supervisory review - the process of submitting correction officers' salaries and inmate data to the GMS was not reviewed for completeness or accuracy.

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<sup>10</sup> FY 2005 was the only year within the audit period that permitted the inclusion of benefits in the calculation of eligible salaries.

<sup>11</sup> Eligible correction officer salaries is one component of the formula used to compute the SCAAP award. This number does not represent the total cost to the County of housing undocumented aliens.

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- SCAAP awards were directly deposited in a bank account managed by the Correctional Center; these funds should have been deposited into a bank account under the control of the Nassau County Treasurer.
- The Bureau of Justice requires SCAAP applications be submitted by the chief executive officer (“CEO”) of a jurisdiction or the CEO’s authorized representative. The Nassau County Sheriff was listed in the application as the CEO of the jurisdiction, rather than the Nassau County Executive, and there was no documentation to support this authorization.

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On January 15, 2008, we submitted this report in draft to the Correctional Center for comments. The matters covered in this report were discussed with Correctional Center staff in an exit conference on January 29, 2008. The Correctional Centers comments, received on February 6, 2008, and our responses to those comments, are included as an addendum to this report (Appendix).

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### **Audit Finding (1):**

#### **Incorrect Methodology for the Calculation of Eligible Salary Costs**

SCAAP provides payments to reimburse a portion of correction officer salary costs, as defined in the program guidelines, incurred for incarcerating undocumented criminal aliens.

We reviewed the Correctional Center's FY 2005 and FY 2006 submissions and compared them to the program guidelines. We determined that the Correctional Center did not comply with the program guidelines with respect to the calculation of the eligible salary costs submitted for reimbursement under the SCAAP program due to an overstatement of salaries and the omission of other costs.

#### **Inclusion of Non-Eligible Correction Officer Salaries**

The program's guidelines with respect to correction officer salaries eligible under the SCAAP program for FY 2006 and FY 2005 were:<sup>1</sup>

“Correctional officers include employees, officers, and contractual staff whose primary responsibility is the control, custody, or supervision of persons detained (pretrial detention) and incarcerated (convicted and sentenced inmates). This includes correctional officers, deputy sheriffs, correctional/jail supervisors, shift commanders, chiefs of security, assistant wardens, and wardens. Transportation officers and others providing control, custody, or supervision of inmates who are temporarily outside the maintaining facility (e.g., for work crews, judicial proceedings, medical appointments, etc.) are also eligible. Employees, officers, and contractual staff whose primary responsibility is providing non-custody services to the facility or its inmate population are not eligible for inclusion in the SCAAP salary calculation. This includes office and secretarial support, administrative, housekeeping, maintenance, food, health, education, training, vocation, counseling, and medical staff. Staff who may function independently or outside the correctional facility, including parole and probation agents, hearing officers, court commissioners, judicial, prosecutorial, and public defenders, warrant and apprehension units, and others are similarly not eligible for inclusion in the SCAAP salary calculation.”<sup>2</sup>

For the federal fiscal years 2005 and 2006 (July 1, 2003 through June 30, 2005), the Correctional Center reported *all* correction officer's regular salaries as eligible for SCAAP, without regard as to whether or not each officer's primary duty was the custodial care of the inmates. The rationale for the inclusion of all the salaries was that correction officers may, at any time, be required to provide custodial services to the inmates, and therefore, all correction officers' primary responsibility is the control, custody, or supervision of inmates.

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<sup>1</sup> Program guidelines may vary from year to year.

<sup>2</sup> State Criminal Alien Assistance Program (SCAAP): FY 2006 and FY 2005 Guidelines. Bureau of Justice Assistance, Office of Justice Programs, U.S. Department of Justice, page 11. [http://www.ojp.usdoj.gov/BJA/grant/2006\\_SCAAP\\_Guidelines.pdf](http://www.ojp.usdoj.gov/BJA/grant/2006_SCAAP_Guidelines.pdf)

## **Audit Findings and Recommendations**

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### *Exclusion of Overtime, Shift Differential, and Benefits in Eligible Salaries*

According to the program guidelines for the audit period, correction officer salary costs may include premium pay for specialized service, shift differential pay, and fixed-pay increases for time of service. It may also include overtime required by negotiated contract, statute, or regulation such as union agreements. In addition, we determined that for FY 2005, the guidelines allowed the inclusion of employee benefits, such as the employer's cost of health benefits, in the calculation of correction officer salary costs.

We determined that the Correctional Center did not include shift differential pay or overtime pay in their calculations of eligible correction officer salaries for the FY 2005 or FY 2006 applications, and it did not include the cost of benefits in the application for FY 2005. In FY 2006 and FY 2007, the guidelines did not include benefits as an allowable salary cost.

### *Federal FY 2007 Submission*

We raised these issues with the Correctional Center staff and, after discussion, they revised their methodology. In the FY 2007 submission, the Correctional Center excluded correction officers whose primary responsibility was not the control, custody, or supervision of inmates. The Correctional Center also revised its methodology to include shift differential and overtime pay, in accordance with the program guidelines.

The total eligible salary costs amounted to \$84.6 million for this period; if non-eligible correction officer salaries had been included and shift differential and overtime pay had not been included, the total eligible salary costs would have been \$73.1 million. These revisions resulted in a 15.7% increase in eligible salaries and a likely increase in revenue to the County.

With the revision to the number of correction officers eligible under the program and the methodology change in the calculation of their salary, the County's claim increased in FY 2007. Prior years' submissions were likely lower than the guidelines permitted, because the omission of the overtime and shift differential more than offset the inclusion of salaries of those employees who did not provide custodial care to inmates. Due to the number of variables involved in the calculation of each jurisdiction's annual award, we cannot estimate the total increase in revenue that would have resulted if the revised methodology had been used for the submission in prior years. Despite the increase in eligible correction officers' salaries submitted, the FY 2007 award to the County of \$2.6 million was approximately \$250 thousand *less* than the prior year's award of \$2.8 million. All things being equal, had the revised methodology recommended by our audit not been implemented, the County's FY 2007 award probably would have been lower because a decrease in eligible correction officer salaries would have resulted in a lower per diem rate; the per diem rate is used to derive the total award.

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### **Audit Recommendations:**

The Correctional Center should review the requirements for the SCAAP program annually to ensure that it calculates salaries to include all permitted items such as, shift differential pay and overtime pay, and that it applies for only the correction officers whose primary responsibility is the control, custody, or supervision of inmates.

**Audit Finding (2):**

**Omission of Eligible Inmates from Annual Application**

SCAAP guidelines specify that “Applicants may submit records of inmates in their custody during the reporting period who: Were convicted of a felony or second misdemeanor for violations of state or local law.”<sup>3</sup> An undocumented alien<sup>4</sup> convicted of a felony or two misdemeanors automatically becomes eligible once they reach four consecutive days of detention in the reporting period. This includes an undocumented alien held for pretrial detention on new charges, if the alien had a previous conviction.

The Correctional Center staff uses the “Nassau County Sheriff’s Department General Charge Summary” to track inmate criminal records. Based upon our observation of the FY 2007 submission, it was determined that the Correctional Center staff only examined the incarceration record of inmates for the period of time that the application pertained to and did not check for prior period convictions. If an inmate had only one misdemeanor in that period, but had been previously convicted of a misdemeanor in the previous program fiscal year, the Correctional Center would not have identified the inmate as eligible under the program. After discussion, the Correctional Center staff corrected this omission for the FY 2007 application. However, eligible inmates may have been excluded from the prior years’ SCAAP submissions to the Bureau of Justice Assistance resulting in a potential loss of revenue to the County.

**Audit Recommendations:**

The Correctional Center should establish written procedures to mandate that all potentially eligible convictions be examined (see Audit Finding (4), *Lack of a Policies and Procedures Manual*). This will ensure that all inmates who otherwise qualify with the required one felony or two misdemeanor convictions are included in the annual submission of eligible inmates.

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<sup>3</sup> FY 2007 SCAAP Guidelines and Application, p.2.

<sup>4</sup> As deemed eligible under the program guidelines (see page ii of Executive Summary).

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### **Audit Finding (3):**

#### **Manual Input of Inmate Data**

The Correctional Center uses an inmate tracking system to maintain the records, including place of birth of inmates incarcerated at its facilities. The County's IT department automatically generates a report for the Correctional Center listing all inmates incarcerated during the fiscal year who meet the criteria of having been born outside the United States; inmates with "unknown" places of birth are also included in this report.

The correction officer assigned to the SCAAP program takes the inmate data from the IT-generated report and manually inputs it into the Office of Justice's online Grants Management System ("GMS").

The information required by the GMS for each inmate includes:

- Alien Registration Number, as assigned by the Bureau of Immigration and Customs Enforcement ("ICE");
- name, date and foreign country of birth;
- unique inmate identifier number assigned by Nassau County;
- dates of custody; and
- FBI number, where available.

Each data item has its own field.

The GMS website permits jurisdictions to provide the data either by uploading a data file or by manually inputting the data. If the direct file upload method is used, the guidelines estimate that it takes two minutes to upload 7,800 inmate records. The Correctional Center, however, uses manual data entry, which, according to the Correctional Center, takes approximately 20-30 hours to complete. The manual method is used because of a past failed attempt to use the direct file upload method.

#### **Audit Recommendations:**

The Correctional Center should:

- Make a second attempt at implementing the direct file upload method by working with IT to:
  - create an electronic upload file that conforms to the federal government's specifications; and
  - perform a test upload to ensure functionality;
- explore the possibility of interfacing the data within the IT file with the inmate's records of convictions, maintained within the Nassau County Sheriff's Department General Charge Summary database, to determine which inmates, born outside the United States, meet the SCAAP program's eligibility

## Audit Findings and Recommendations

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requirement (see Audit Finding (2), *Omission of Eligible Inmates from Annual Application*);  
and

- establish procedures for testing the accuracy and completeness of the file.

**Audit Finding (4):**

**Lack of a Policies and Procedures Manual**

The Correctional Center does not have any written policy or procedure for SCAAP program submissions, other than the federal guidelines pertaining to the eligibility of inmates and correction officer salaries, the computation of the required data submitted, and the input of the data into the system. A risk exists where employees, unfamiliar with the procedures for accumulating correction officer salaries or eligible inmate data, may submit inaccurate or incomplete information.

A quality system of internal controls includes having all policies and procedures well documented. A written manual will provide a means to ensure that the duties necessary to process the annual submission of SCAAP applications are clearly defined and that all methodologies for the computation of correction officer salaries, the eligibility of undocumented aliens, and the review process, are documented for audit purposes.

**Audit Recommendations:**

We recommend that the Correctional Center develop a Policies and Procedures Manual. The Manual should document:

- the methodologies and computations used to determine the eligibility of correction officer salaries and undocumented inmates;
- the sources used for the data;
- how the Correctional Center complies with program guidelines;
- the review process; and,
- that program guidelines are to be reviewed annually to determine if any changes were made and if so,
  - alert those individuals involved in the process; and
  - amend the procedures to account for any changes.

## **Audit Findings and Recommendations**

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### **Audit Finding (5):**

#### **Lack of Supervisory Review**

A sound system of internal controls requires supervisory review of work. Supervisory review of the submission to the GMS will help ensure the authorization, accuracy, and completeness of information submitted.

Correctional Center officials informed us that the process of submitting correction officer's salaries and inmate data to the GMS is not reviewed for completeness or accuracy.

Due to the lack of any supervisory review, the risk exists where both correction officer salary information and inmate data is not accumulated properly, submitted correctly or processed in accordance with federal guidelines.

#### **Audit Recommendation:**

We recommend that the process of accumulating correction officer salary and inmate data, along with the submission of the data to GMS be reviewed by supervisors as a means to ensure compliance with federal guidelines and that the data entered is accurate and complete.

Supervisory review should be required and included in the Correctional Center's Policies and Procedures Manual.

**Audit Finding (6):**

**Miscellaneous**

**Bank Accounts**

The Nassau County Comptroller has directed that all agencies record revenue and expense transactions in the County's general ledger, Nassau County Integrated Financial Systems ("NIFS"). The County requires that County funds be deposited in bank accounts maintained by the Treasurer, and those bank accounts are recorded in NIFS.

During the course of our review, we determined that SCAAP payments for FY 2005 and 2006 were not initially deposited with the County Treasurer in a County bank account recorded in NIFS, but rather deposited into a bank account, managed by the Correctional Center, and maintained outside the County's financial and accounting system. The Correctional Center would draw a check to the Nassau County Treasurer for the full amount of the SCAAP award; however, the check was drawn only after the Correctional Center had received a bank statement evidencing the deposit of the SCAAP award into its bank account.

A risk exists with the loss of accountability of those funds that are not promptly deposited in authorized NIFS accounts. In addition, the funds were not remitted by the Correctional Center to the Treasurer's Office immediately upon receipt and therefore could not be invested by the Treasurer pursuant to his investment policy.

The Correctional Center's application for SCAAP funds for FY 2007 indicated that a Nassau County Treasurer's account was the designated depository account for the FY 2007 award.

**Representation Authorization**

According to program guidelines, Bureau of Justice Assistance will only work with employees listed as either the Authorized Representative or Alternate Contact in the GMS User Profile. Typically, the chief executive officer (CEO) of an eligible jurisdiction may apply directly or delegate authority to another jurisdiction official. The CEO is considered the highest ranking elected, or appointed, official of a unit of government;<sup>5</sup> for Nassau County, this is the County Executive.

In the FY 2007 application, the Nassau County Sheriff was listed as the CEO of the Jurisdiction, and a correction officer was listed as the Alternate Contact. Based on our discussion with the Correctional Center staff, there is no documentation delegating authority from the County Executive to allow the Sheriff to act as the representative of the County.

Subsequent to the initial submission of the FY 2007 application, the Correctional Center informed us that they were contacted by the Department of Justice regarding this issue, and that the necessary correction to the application was made to identify the County Executive as the CEO of the Jurisdiction, and the Sheriff as the Authorized Representative.

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<sup>5</sup> State Criminal Alien Assistance Program: FY 2006 Guidelines, page 2, [http://www.ojp.usdoj.gov/BJA/grant/2006\\_SCAAP\\_Guidelines.pdf](http://www.ojp.usdoj.gov/BJA/grant/2006_SCAAP_Guidelines.pdf)

## Audit Findings and Recommendations

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### **Audit Recommendation:**

Correctional Center officials informed us that the revenue bank account is no longer used and we recommend that the account be closed.

The Correctional Center should obtain and retain, for its records, a written delegation of authority from the County Executive to the Sheriff authorizing the Sheriff to act on the County's behalf when applying and accepting SCAAP awards.

**Sheriff's Department Responses to the Comptroller's Office's Field Audit Bureau  
Report on SCAAP**

**Audit Finding (1) - Department's Response:**

While the Department agrees with the Comptroller's Office that, pursuant to the SCAAP guidelines, overtime and shift differential should have been included in the Department's 2005 and 2006 submissions, the Department had a good faith basis for including all correction officer salaries in the submissions for those years.

Care, custody and control of inmates are essential functions of the position of correction officer. All correction officers are subject *at any time* to reassignment from one post to another. Thus, while a correction officer may be assigned to a unit or location that does not involve direct supervision of inmates, that officer can be reassigned at any time to a post that does require supervision of inmates. In addition, every full-duty officer is subject to redeployment, expected to respond to alarms and may be reassigned – during the course of their tour – to provide meal relief for other officers. Thus, while certain officers' primary assignment may not involve direct supervision of inmates, at any point during a particular tour, a particular week or a particular month, their primary duty may be care, custody and control of inmates based on reassignment.

Based on the foregoing, the Department believed that its submissions in those years as it relates to eligible officer salaries were wholly consistent with the BJA guidelines.

**Audit Recommendation – Department's Response:**

The Department agrees with this recommendation and, commencing with this year's submission (2007), it has implemented an annual review process of the SCAAP guidelines. Prior to the submission to SCAAP, the guidelines will be reviewed by the staff member responsible for filing the application, the Department's budget director and legal counsel. This process will be included in the Department's SCAAP Application Manual.

***Auditor's Follow-up Response:***

*We concur with the Correctional Center's FY 2007 decision to review all correction officers, thereby ensuring that only those having primary responsibility for the control, custody or supervision of inmates are identified as eligible correction officers, in accordance with the SCAAP guidelines, for purposes of the submission of eligible salaries in the application.*

**Appendix**  
**Correctional Center's Response and Auditor's Follow-up**

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**Audit Finding (2) – Department's Response:**

The Department agrees with this finding but does not agree with the assertion that “eligible inmates may have been excluded resulting in a loss of revenue to the County.” The 2007 submission included information on 660 inmates, less than thirty of whom had prior criminal histories making them eligible. It is unlikely that such a small number would have had any noticeable impact of the Department's award.

Additionally, a review of the chart prepared by the Comptroller's Office, listing the Department's submissions and the SCAAP awards for the years 2002 through 2007, reflects that although the Department's largest submission was in 2007, the SCAAP award for that year was the third lowest ever received. As the Comptroller's Office noted, we are not privy to the manner in which BJA determines the awards for the various eligible municipalities.

**Audit Recommendation – Department's Response:**

The procedure for reviewing each inmate's prior incarceration history, which was implemented for the 2007 submission, will be included in the Department's manual.

***Auditor's Follow-up Response:***

*We concur with the corrective action taken by the Correctional Center.*

**Audit Finding (3) – Department's Response:**

The Department agrees with this finding.

**Audit recommendation – Department's Response:**

The Department has developed a procedure to import the inmate data received from Nassau County IT as a direct upload and expects to utilize this process for the 2008 submission.

***Auditor's Follow-up Response:***

*We concur with the corrective action taken by the Correctional Center. The corrective action should also establish procedures to test the accuracy and completeness of the data obtained from IT and submitted to the Bureau of Justice Assistance.*

**Audit Finding (4) – Department's Response:**

The policies and procedures for SCAAP submissions are dictated by the Bureau of Justice Assistance (BJA) and are revised by that agency from time to time. As such, a Department manual will for the most part be comprised of the SCAAP guidelines for each year's submission. However, the Department agrees that creating and updating such a manual will ensure accurate submissions and provide clear

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guidance to other staff members who may be assigned the task of preparing the Department's SCAAP application and submission.

**Audit Recommendation – Department's Response:**

The Department agrees with this recommendation and is in the process of creating a manual, which will be updated annually and reviewed by legal counsel.

***Auditor's Follow-up Response:***

*We concur with the corrective actions taken by the Correctional Center.*

**Audit Finding (5) – Department's Response:**

An adequate automatic upload, reviewed annually to ensure compliance with the BJA guidelines, should suffice to ensure accurate submissions. Additionally, the creation and annual review of a SCAAP Application Manual will provide adequate internal controls for this program.

**Audit Recommendation:**

Testing of the IT system designed for automatic upload and the annual review of SCAAP guidelines as described in the department's response to the recommendation under Audit Finding (1) as well as the Department's manual will provide the necessary oversight to ensure accurate submissions to BJA.

***Auditor's Follow-up Response:***

*We reiterate our recommendation that the process of accumulating correction officer salary, inmate data and the submission of the application to the Bureau of Justice Assistance, be reviewed by supervisors to ensure compliance with program guidelines, and the accuracy and completeness of the data submitted.*

**Audit Finding (6) – Department's Response:**

The Department agrees with the findings herein except to the extent that it asserts there was a risk inherent in the manner in which the Department received and redeposited the award.

***Auditor's Follow-up Response:***

*Nassau County departments and agencies should record all financial transactions in authorized NIFS accounts to ensure proper accountability of all County funds. Funds deposited in non-NIFS accounts are at risk of being excluded from County records. In addition, these funds are not available for immediate investment by the Treasurer.*

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**Audit Recommendation:**

The Department agrees with these recommendations and notes that the 2007 application reflected the correct Authorized Representative and Alternate Contact, as well as the Nassau County Treasurer's account as the designated depository for the SCAAP award.

***Auditor's Follow-up Response:***

*We concur with the corrective actions taken by the Correctional Center. At our exit conference, the Correctional Center staff informed us that they had confirmed with the Bureau of Justice Assistance that all future awards would be deposited in the Treasurer's bank account. We reiterate our recommendation that the revenue bank account be closed.*

*As mentioned in our audit report, the FY 2007 final application reported the correct Authorized Representative and Alternate Contact for the County.*