



County of Allegheny

Office of the Controller

GOODWILL OF
SOUTHWESTERN PENNSYLVANIA
REPORT ON CONTRACT COMPLIANCE
PROCEDURES FOR WORK RELEASE SERVICES
FOR THE PERIOD JANUARY 1, 2009
THROUGH DECEMBER 31, 2011

(Non-Audit Service)

April 10, 2012

Chelsa Wagner
Controller

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CHELSA WAGNER
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COUNTY OF ALLEGHENY

OFFICE OF THE CONTROLLER

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March 9, 2012

Mr. William Stickman
Acting Warden
Allegheny County Jail
950 Second Avenue
Pittsburgh, PA 15219

**SUBJECT: Contract Compliance Procedures Applied to
 Contract #74255 for Work Release Services between
 Goodwill of Southwestern Pennsylvania and Allegheny County
 for the Period January 1, 2009 through December 31, 2011**

Dear Acting Warden Stickman:

We have applied compliance procedures to contract #74255 between Allegheny County and Goodwill of Southwestern Pennsylvania (“Goodwill”) related to work release services for male offenders referred by the Allegheny County Jail. We performed these compliance procedures to ensure that Goodwill was in compliance with the scope and terms of the work release services authorized under the agreement. We also attempted to determine whether Goodwill was compensated only for the services it provided under the agreement. Our compliance procedures covered the period of January 1, 2009 through December 31, 2011. This engagement was performed as a non-audit service. Therefore, the engagement was not performed in accordance with *Government Auditing Standards*.

The application of our compliance procedures revealed that Goodwill needs to take steps to comply with the community release provisions contained in Jail Policy #36, ensure that all reported findings and recommendations are properly addressed, improve its invoice review procedures, and strengthen its documentation pertaining to escape notifications.

We believe that the implementation of our recommendations will improve Goodwill’s compliance with the work release services agreement. The results of the application of our compliance procedures are provided in the attached report.

Acting Warden Stickman
March, 9 2012
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We would like to thank the management and staff of Goodwill and the Allegheny County Jail for their courtesy and cooperation during the performance of our procedures.

Kind regards,



Chelsa Wagner
Controller



Lori Churilla
Assistant Deputy Controller, Auditing

cc: Honorable Charles Martoni, President, County Council
Honorable Nicholas Futules, Vice President, County Council
Honorable Rich Fitzgerald, Allegheny County Executive
Mr. James M. Flynn, Jr., County Manager, Allegheny County
Mr. Warren Finkel, Senior Deputy Budget Director, Allegheny County
Mr. Joseph Catanese, Director of Constituent Services, County Council
Allegheny County Jail Oversight Board
Mr. Michael J. Smith, CEO/President, Goodwill of Southwestern PA
Mr. Mike Gilmore, Director, Custodial Care Center, Goodwill
Ms. Amy Griser, Deputy Controller
Mr. Seth Hufford, Chief of Staff, Controller's Office
Mr. Louis Takacs, Communications Specialist, Controller's Office

EXECUTIVE SUMMARY

Purpose of Procedures:

We performed our compliance procedures to ensure that Goodwill of Southwestern Pennsylvania ("Goodwill") was in compliance with the scope of work release services authorized under the contract and that invoices submitted by Goodwill were in accordance with the terms of the contract.

Background:

Goodwill is a nonprofit corporation that has provided a variety of social services in the greater Pittsburgh area for many years. Allegheny County contracts with Goodwill to provide alternative housing work release services for up to 50 male offenders referred by the Courts through the Allegheny County Jail. The alternative housing program was initiated to address overcrowding at the Allegheny County Jail and to offer the criminal justice system an alternative to probation, supervision, and long-term security confinements. To be eligible for participation in the alternative housing program, inmates must be medically cleared, non-violent, and low risk offenders 18 years of age or older with a remaining sentence of less than one year. Any program participants (hereafter "residents") that do not comply with the terms of their sentences or violate Goodwill's policies and procedures, such as failing a drug or alcohol test, not being accountable for their time, or not actively seeking employment are returned to the Allegheny County Jail.

The County entered into contract #74255 with Goodwill for the period April 1, 2007 through March 31, 2010. The contract was extended by amendment through December 31, 2011. Under the agreement, Goodwill is paid for up to 50 beds occupied by male County residents at a rate of \$50 per day, per bed. The contract amount was not to exceed \$3,425,000 in the aggregate for the entire contract period. During the period to which we applied our procedures, Goodwill billed Allegheny County \$1,075,400 (\$1,171,450 at the established per diem rate less \$96,050 collected from residents for room and board).

Results in Brief:

While performing our procedures, we found that Goodwill needs to take steps to comply with the community release provisions contained in Jail Policy #36, ensure that all reported findings and recommendations are properly addressed, improve its invoice review procedures, and strengthen its documentation pertaining to escape notifications.

EXECUTIVE SUMMARY

Specifically, we found:

Goodwill Finding #1:

- Goodwill released residents into the community for purposes not permitted by Jail Policy #36 during the period to which we applied our procedures. The aforementioned condition may be in part attributable to the fact that Goodwill's alternative housing program philosophy may somewhat conflict with Jail Policy #36.

Goodwill Finding #2:

- The report on contract compliance procedures issued by the Audit Division on July 13, 2009 identified an overbilling, and Goodwill did not remit the amount that was due to the County, \$1,491, in a timely manner.

Goodwill Finding #3:

- Monthly invoices submitted to the County for the period to which we applied our procedures contained a number of errors due to the absence of a detailed review procedure. The net overbilling pertaining to the samples we tested was \$60.

Goodwill Finding #4:

- The documentary evidence maintained by Goodwill does not demonstrate that Goodwill consistently complied with the escapee phone notification requirements established by the Allegheny County Jail.

While performing our procedures, we also identified a weakness in the Allegheny County Jail's contract monitoring process with respect to contract #74255. Specifically we found that:

Allegheny County Jail Finding #1:

- The Jail did not properly enforce the provisions of Jail Policy #36 pertaining to community release (see Goodwill finding #1). In addition, a lack of consistency between written and verbal communications to the alternative housing providers by the Jail may be adversely impacting compliance.

EXECUTIVE SUMMARY

Allegheny County Jail Finding #2:

- The Jail did not properly follow up on a prior report finding (see Goodwill finding #2).

Recommendations:

We recommend that Goodwill's management:

Recommendation #1:

- Revise *The Goodwill Center Resident Guidebook* and the applicable policies and procedures to facilitate full compliance with Allegheny County Jail Policy #36 as written, unless Policy #36 is revised by the Allegheny County Jail to provide more opportunities for community release.

Recommendation #2:

- Implement all recommendations contained in our reports in a timely manner.

Recommendation #3:

- Monitor compliance with Goodwill's revised policy to ensure that a detailed review of invoices is performed prior to their submission to the County.
- Immediately repay to the County \$60, the amount of the net overbilling identified.

Recommendation #4:

- Remind staff about the importance of recording the escape notifications made by phone in the call log.
- Monitor compliance with the newly-instituted procedure to document escape notifications made by phone on the Incident Reports used to document escapes.

EXECUTIVE SUMMARY

We recommend that Jail Administration:

Recommendation #1:

- If Jail administration believes that the community release provisions within Jail Policy #36 are too restrictive, it should take the steps necessary to revise Jail Policy #36 to specify any additional opportunities for community release that are deemed to be appropriate. Failure to properly enforce an established Jail Policy as it has been written exposes Allegheny County to unnecessary risks.

Recommendation #2:

- Implement all recommendations contained in our reports in a timely manner.

I. Introduction

Background

Goodwill is a nonprofit corporation that has provided a variety of social services in the greater Pittsburgh area for many years. Allegheny County contracts with Goodwill to provide alternative housing work release services for male offenders. The alternative housing program was initiated to address overcrowding at the Allegheny County Jail and to offer the criminal justice system an alternative to probation, supervision, and long-term security confinements.

The County entered into contract #74255 with Goodwill for the period April 1, 2007 through March 31, 2010. Under the agreement, Goodwill is paid for up to 50 beds occupied by male County offenders at a rate of \$50 per day, per bed. The contract amount was not to exceed \$2,737,500 for the contract period. The contract was extended three times via amendments through December 31, 2011. The total contract amount for the three extensions was not to exceed \$687,500. The contract amount was not to exceed \$3,425,000 in the aggregate for the entire contract period, April 1, 2007 through December 31, 2011. During the period to which we applied our procedures, Goodwill billed Allegheny County a gross amount of \$1,171,450 under the agreement. This gross amount was reduced by \$96,050 in room and board that Goodwill collected from residents for the period, resulting in net billings of \$1,075,400 for the period.

Goodwill's alternative housing program was designed to provide a structured, supervised facility that prepares residents for reintegration into society as responsible citizens. Goodwill's Custodial Corrections Center has been accredited by the American Correctional Association (ACA) as an Adult Community Residential Services Facility. Goodwill's most recent accreditation, dated June 2010, is valid for a period of three years.

Goodwill's resident population includes up to 50 male residents from the Allegheny County Jail, all of whom must be medically cleared, non-violent, and low risk offenders 18 years of age or older with a remaining sentence of less than one year. Potential residents may be referred by a sentencing judge or identified by Goodwill as possible candidates for the program. The Jail will consider these candidates and either approve or deny the inmates for transfer to Goodwill. Goodwill did not contract to house any State or Federal inmates during the period to which we applied our procedures.

I. Introduction

All residents at Goodwill's alternative housing facility are expected to remain drug and alcohol free and obtain additional education or secure employment. In addition, residents referred by the Criminal Division must apply 10% of their net pay towards any outstanding costs, fines, or restitution they might owe. Residents referred by the Family Division must apply 40% of their net pay toward child support arrearages until they obtain wage attachable employment. All residents must apply 20% of their net pay to Goodwill for room and board. Upon receiving a paycheck, a resident is to remit the entire net pay to Goodwill. Goodwill then withholds any amounts due for room and board and any costs, fines, restitution, and/or child support as applicable. The balance of a resident's net pay is remitted to the resident by Goodwill via check. It is Goodwill's responsibility to remit all amounts collected to the appropriate governmental entity. The amount collected for room and board by Goodwill is used to reduce the amount billed to Allegheny County under the agreement.

II. Scope and Methodology

We applied compliance procedures to contract #74255 between Allegheny County and Goodwill related to work release services for male offenders referred by the Allegheny County Jail. We performed these procedures to ensure that Goodwill was in compliance with the scope and terms of the work release services authorized under the agreement, and to determine whether Goodwill was compensated only for the services it provided under the agreement. Our compliance procedures covered the period of January 1, 2009 through December 31, 2011.

Specifically, we performed the following as part of our procedures:

- Gained an understanding of the processes and controls in place to help ensure that services are provided in accordance with applicable laws and regulations, *The Goodwill Center Resident Guidebook*, and the scope and provisions of contract #74255. This was accomplished by reviewing the contracts, *The Goodwill Center Resident Guidebook*, Goodwill's policies and procedures and other relevant documents, and by interviewing Goodwill personnel involved in the administration of the contract.
- Reviewed the most recent contract compliance report issued by the Controller's Office and evaluated the implementation status of our prior recommendations. Also reviewed the most recent independent auditors' report.
- Verified on a test basis that residents were referred to Goodwill by the Allegheny County Jail and met the established eligibility requirements for participation in the alternative housing program, including the required analysis of the nature of the inmates' criminal offenses.
- Examined case files, head counts, invoices, and other records of Goodwill relevant to the administration of the work release services agreement to assess Goodwill's compliance with the agreement and determine whether Goodwill was compensated only for the services it provided.
- Applied procedures (on a test basis) to assess whether resident funds were handled and accounted for properly. These procedures addressed both the initial transfer of inmate account balances from the Allegheny County Jail as well as funds earned via employment by residents during their stay.

II. Scope and Methodology

- Assessed the adequacy of measures taken by Goodwill to help qualifying residents find employment in a timely fashion.
- Analyzed Goodwill's policies and procedures pertaining to resident medications and evaluated the effectiveness of the actual implementation of those policies and procedures.
- Assessed Goodwill's monitoring of residents who participate in activities outside of the alternative housing facility and its compliance with the directives and policies in effect that impose requirements on alternative housing facilities in the event of escapes from the facility.

We performed these procedures from January to February of 2012. We provided a draft copy of this report to Goodwill and the Allegheny County Jail for comment (see page 21 for their responses).

III. Findings and Recommendations

Goodwill Finding #1

Noncompliance with Jail Policy #36

The Allegheny County Jail implemented Jail Policy #36 pertaining to alternative housing on August 23, 2007. Jail Policy #36 was revised on March 5, 2009 and again on October 13, 2011. However, the provisions contained in Jail Policy #36 pertaining to community release have remained generally consistent. Community release for alternative housing program participants is limited to work release, school release, therapeutic provisions (drug & alcohol, mental health, Narcotics Anonymous and Alcoholics Anonymous sessions), medical/dental appointments, and structured supervised community service.

We discussed community release with Goodwill's management and examined a sample of resident case files, noting the types of circumstances resulting in community release. Goodwill's management advised us and we observed during examination of the resident case files that residents were released into the community for purposes other than those stipulated by Jail Policy #36. During the period to which we applied our procedures, residents were permitted to go shopping, to obtain haircuts, to conduct banking activities, to obtain legal services, and to attend religious services (including funerals).

It appears that this condition is attributable to a number of factors. Goodwill's management advised us that since Goodwill does not provide haircutting services or have a commissary as the Allegheny County Jail does, residents housed at Goodwill's alternative housing facility cannot obtain haircuts or purchase personal items (to maintain personal hygiene and satisfy other basic needs) unless they are permitted to do so in the community. In addition, residents are expected to obtain employment during their stay at Goodwill's facility, yet residents cannot cash their paychecks unless they are permitted to go to a community bank to do so. While some attorneys may visit their clients at Goodwill's facility that may not always be possible or practical. Since the alternative housing program is intended to reinforce positive behaviors and prevent recidivism, Goodwill's management believes it appropriate to permit residents to attend religious services. The aforementioned condition may be in part attributable to the fact that Goodwill's alternative housing program philosophy may somewhat conflict with Jail Policy #36. The Allegheny County Jail has also not strictly enforced Jail Policy #36 (see Jail Finding #1).

III. Findings and Recommendations

Although there may be merit to the arguments that have been put forth by Goodwill's management, Goodwill did not fully comply with Jail Policy #36 as written during the period to which we applied our procedures.

Recommendations

We recommend that the management of Goodwill revise *The Goodwill Center Resident Guidebook* and the applicable policies and procedures to facilitate full compliance with Allegheny County Jail Policy #36 as written, unless Policy #36 is revised by the Allegheny County Jail to provide more opportunities for community release.

III. Findings and Recommendations

Goodwill Finding #2

Failure to Remit \$1,491 in a Timely Manner

The Controller's Office Audit Division performed contract compliance procedures to assess Goodwill's compliance with the scope and provisions of contract #74255 for alternative housing work release services for the period from April 1, 2007 through December 31, 2008, and issued a report on those procedures dated July 13, 2009. Finding #1 in that report indicated that Goodwill owed Allegheny County \$1,491 attributable to a net overbilling for services pertaining to the aforementioned period, and recommended that Goodwill reimburse the County in that amount. In following up on the prior reported findings as part of our current procedures, we determined that Goodwill had not reimbursed the County as of January 19, 2012, the date of our inquiry.

It appears that this condition is attributable to a lack of attentiveness on Goodwill's part, as well as inadequate collection efforts put forth by the Allegheny County Jail (see Jail finding #2). The Allegheny County Jail has since invoiced Goodwill for the \$1,491 due, and Goodwill has remitted payment. However, had we not made an inquiry about the balance due to the County as part of our current procedures, the balance due would have likely remained unpaid.

Recommendation

We recommend that the management of Goodwill implement all recommendations contained in our reports in a timely manner.

III. Findings and Recommendations

Goodwill Finding #3

Review of Invoices Should Be Improved

Contract #74255 established a per diem rate which represents the compensation Goodwill is entitled to receive for the services it provides under the agreement. The Agreement also requires Goodwill to provide services under the agreement in accordance with *The Goodwill Center Resident Handbook*, which requires Goodwill to withhold 20% of the net pay that residents earn through employment during their stay at the alternative housing facility for room and board. Goodwill is permitted to retain amounts collected from residents for room and board and reduce its invoices to Allegheny County by the amounts collected.

One of the tests we conducted to verify the accuracy of Goodwill's monthly invoices to the County involved selecting a sample of 30 residents who were housed at the facility during the period to which we applied our procedures and verifying that the resident days for which the County was billed over the course of the residents' stays matched the number of days that they were actually in residence per their case files. We determined that the days billed did not agree to the days in residence for 3 of 30 (10%) residents tested. We determined that there was an overbilling for one resident of 15 days (\$750), an overbilling for one resident of one day (\$50), and an underbilling for one resident of one day (-\$50), for a net overbilling of \$750.

We also selected a sample of 23 residents who were employed at some point during their stay to verify that the amounts collected from residents for room and board during their stay were properly deducted from Goodwill's invoices to the County. We determined that for 5 of the 23 (22%) employed residents, the amounts collected from the residents did not match the amounts that were used to reduce the invoices to the County. In the aggregate, Goodwill over-reported the amounts collected from residents in the amount of \$690, which resulted in an underbilling of the County in that amount. The two aforementioned conditions resulted in a net overbilling of the County in the amount of \$60.

It appears that these conditions were caused by the lack of a detailed review of the invoices prior to their submission to the County. The high level review that Goodwill currently performs might identify some errors, but would not likely identify the types of errors that we identified during our testing. The effect of this condition is that Goodwill's monthly billings to the County could

III. Findings and Recommendations

contain unidentified errors that may result in Goodwill being overcompensated or undercompensated for the services it provides under the agreement. Goodwill's management has advised us that in response to this issue, it has revised its policy pertaining to resident fines, payments, and fees to provide for a more detailed review of invoices for accuracy prior to forwarding them to the Jail for payment.

Recommendations

We recommend that the management of Goodwill:

- Monitor compliance with Goodwill's revised policy to ensure that a detailed review of invoices is performed prior to their submission to the County.
- Immediately repay to the County \$60, the amount of the net overbilling identified.

III. Findings and Recommendations

Goodwill Finding #4

Documentation of Escape Notifications Should Be Improved

As an alternative housing program provider, Goodwill is responsible for complying with Allegheny County Jail Administrative Directive #67 which pertains to escaped inmates. Administrative Directive #67 requires alternative housing programs to notify the Jail by phone if an inmate fails to return to the alternative housing facility within four to six hours after their scheduled return, to then fax critical information about the escape to the Jail, and finally to submit a written report about the escape to the Jail within 72 hours after the initial escape notification was made.

We selected a sample of 10 escapees during the period to which we applied our procedures to verify that Goodwill complied with the established escape notification requirements. While we determined that all of the sampled residents' case files contained evidence of fax notifications and escape reports, the call log maintained by Goodwill to document the required phone notifications contained entries for only 5 of the 10 (50%) sampled residents. Goodwill asserts that the required phone notifications regarding the escapes were made and that the calls were just not recorded in the call log. While this may in fact be the case, the documentation maintained by Goodwill should demonstrate Goodwill's compliance with the established notification requirements.

It appears that this condition occurred because the Goodwill staff making the escape notifications by phone may have forgotten to record the calls being made in the call log. The effect of this condition is the documentation maintained by Goodwill does not demonstrate that Goodwill consistently complied with the established escapee phone notification requirements. We were advised that Goodwill's management has revised its "Incident Report" form (also used to document escapes) in response to this issue to require documentation of the phone notifications to provide additional assurance that escape notifications made by phone are documented.

III. Findings and Recommendations

Recommendations

We recommend that the management of Goodwill:

- Remind staff about the importance of recording the escape notifications made by phone in the call log.
- Monitor compliance with the newly-instituted procedure to document escape notifications made by phone on the Incident Reports used to document escapes.

III. Findings and Recommendations

Allegheny County Jail Finding #1

Failure to Enforce Jail Policy #36

The Allegheny County Jail implemented Jail Policy #36 pertaining to alternative housing on August 23, 2007. Jail Policy #36 was revised on March 5, 2009 and again on October 13, 2011. However, the provisions contained in Jail Policy #36 pertaining to community release have remained generally consistent. Community release for alternative housing program participants is limited to work release, school release, therapeutic provisions (drug & alcohol, mental health, Narcotics Anonymous and Alcoholics Anonymous sessions), medical/dental appointments, and structured supervised community service.

We discussed community release with Goodwill's management and examined a sample of resident case files, noting the types of circumstances resulting in community release. Goodwill's management advised us and we observed during examination of the resident case files that residents were released into the community for purposes other than those stipulated by Jail Policy #36. During the period to which we applied our procedures, residents were permitted to go shopping, to obtain haircuts, to conduct banking activities, to obtain legal services, and to attend religious services (including funerals). Based on this, the Allegheny County Jail has not taken adequate measures to enforce Jail Policy #36.

It appears that Jail administration acknowledges that certain types of community release not included in the scope of community release activities described in Jail Policy #36 may be appropriate and necessary. However, alternative housing providers are obligated to comply with all applicable Jail policies and directives. The alternative housing providers' compliance must be measured by assessing the providers' adherence to the established policies and directives as they are written. A lack of consistency between written and verbal communications to the alternative housing providers by the Jail may be adversely impacting compliance. If Jail administration believes that the community release provisions within Jail Policy #36 are too restrictive, it should take the steps necessary to revise Jail Policy #36 to specify any additional opportunities for community release that are deemed to be appropriate. Failure to properly enforce an established Jail Policy as it has been written exposes Allegheny County to unnecessary risks.

III. Findings and Recommendations

Recommendation

We recommend that Jail Administration enforce Jail Policy #36 as it has been written or revise Jail Policy #36 to permit additional opportunities for community release that are deemed to be appropriate.

III. Findings and Recommendations

Allegheny County Jail Finding #2

Failure to Follow Up on Prior Report Finding

The Controller's Office Audit Division performed contract compliance procedures to assess Goodwill's compliance with the scope and provisions of contract #74255 for alternative housing work release services for the period from April 1, 2007 through December 31, 2008, and issued a report on those procedures dated July 13, 2009. Finding #1 in that report indicated that Goodwill owed Allegheny County \$1,491 attributable to a net overbilling for services pertaining to the aforementioned period and recommended that Goodwill reimburse the County in that amount. In following up on the prior reported findings as part of our current procedures, we determined that Goodwill had not reimbursed the County as of January 19, 2012, the date of our inquiry.

While this condition appears to represent a lack of attentiveness on Goodwill's part (see Goodwill finding #2), the Jail should have employed procedures to facilitate collection of the amount due from Goodwill. Had we not made an inquiry about the balance due to the County as part of our current procedures, the balance due would have likely remained unpaid.

Recommendation

We recommend that Jail Administration implement all recommendations contained in our reports in a timely manner.

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Phone: 412-390-2236
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The Goodwill Center
2400 East Carson Street
Pittsburgh, PA 15203
March 16, 2012

Ms. Lori Churilla
Assistant Deputy Controller, Auditing
Allegheny County Controller's Office
219 County Courthouse
436 Grant Street
Pittsburgh, PA 15219

Dear Ms. Churilla:


Attached please find the Goodwill Center's response to recommendations made in the draft report of the county's compliance audit of our facility. We will follow with a signed copy which we will forward via US mail.

If you have any questions, please contact me at 412-381-2676.

Sincerely,



Mike Gilmore
Director

CC: Jeffrey Vargas 

AFFILIATES

Goodwill of Fayette County
Goodwill of North Central West Virginia
Goodwill Housing
Goodwill Commercial Services Inc.
Northside Common Ministries

Our Mission

*We help people improve their quality
of life through work and related services.*

Finding #1

Noncompliance with Jail Policy #36

Discussion:

The primary focus of the Goodwill Center is to provide an alternative housing environment which not only meets the reintegration needs of its residents, but also addresses the safety and security needs of the community. This is accomplished within a framework of accountability - personal accountability for the residents and institutional accountability for the facility. We realize that these goals can only be met through the adherence to policies – Goodwill Center policies, Goodwill of SWPA policies and Allegheny County Jail policies.

The administrators of the Goodwill Center did not intentionally attempt to subjugate Jail Policy #36. We fully agree with the philosophy that inmate movement should be restricted and that community accountability should be a primary factor in operating an alternative housing facility. Many of the variances with the policy were the result of degrees of interpretation and extrapolation involving the use of community resources to supplement basic services which the facility, due to its small size, could not replicate or provide as efficiently as those found in the community. Community resources which were used were typically in close proximity to the facility (walking distance). To enhance accountability, short time frames were used, with a requirement of secondary documentation such as a receipt with a printed time stamp. Some locations were so close that visual surveillance by staff could be utilized. Since the locations were close to the facility, staff could do a physical location check if needed. No activities were permitted which would be atypical for residents of a level 1 facility.

For example, the facility does not have a chapel or chaplain to provide church services for residents. Realizing that faith-based treatment programs are becoming increasingly popular and that the Allegheny County Jail has the H.O.P.E. pod, the Goodwill Center residents were allowed to attend Sunday services at several Southside Churches within walking distance of the center. Residents were required to bring back documentation showing attendance. In reality very few of the population chose to attend services. Since the first of the year only 5 men have requested to attend church services, and their attendance has been spotty at best.

Church attendance was permitted to provide a continued supportive faith-based congregation for those who may have been in the H.O.P.E. program at the jail and to provide spiritual support for others who are seeking to have a pro-social life upon release.

In short, release to church services was viewed as an extension of the programming component.

Allowing access to spiritual advisers through church services also minimized the facility's legal liability. There is an abundance of case law as well as Religious Land Use and Institutionalized Persons Act rulings regarding religious access of inmates in

facilities. Allowing limited, accountable access to a small number of local churches permitted Goodwill Center to address this need.

Our facility does not have a commissary therefore inmates who were working were permitted to go to CoGo's (across the street from the facility) to purchase cigarettes, newspapers and snacks. To ensure accountability they were only given 15 minutes and the house manager had visual surveillance from the time they depart the building until the time they enter the store. We also permitted residents to go once per week to the Wharton Square Giant Eagle & Family Dollar, (the stores are side by side and are 3 blocks from the facility). To ensure accountability, residents were only given 1 hour to purchase items. Receipts were checked and checkout times were reviewed. Items typically purchased were bus passes for employment (Giant Eagle only), personal hygiene items and writing materials. Residents who were homeless or had no family support system and had no clothing were given vouchers for the Goodwill store (3 blocks from the facility).

Residents were also permitted to utilize the services of local banks. Allowable banks were within 4 blocks of the facility and to ensure accountability residents were given only 30 minutes and documentation such as bank slips and receipts were checked upon return.

Procedurally, residents turn their paychecks in to the Goodwill Center, and a budget sheet deducting rent, fines/costs/restitution/child support is prepared. The check and budget sheet is sent to Goodwill of SWPA's Accounting Department where rent, fines and child support is deducted and forwarded to the appropriate agency. A check for the remainder is cut and forwarded to the inmate. Consequently, local banks are used by the residents to cash their check and manage their funds.

It should be noted that an increasingly expanding number of residents (particularly in the "temporary to permanent" hiring category) are not paid with a traditional paycheck but rather are paid via "pay-card". In order to access their paycheck, they go online with a case manager and print their pay stub. They then take the pay card to a bank or ATM, cash out the card and obtain a money order which they turn in as a paycheck. Additionally, some inmates who come into the facility with a job have a direct deposit. Experience shows that it can take up to 2 pay periods for this to be changed to receiving a physical paycheck. Consequently, this individual would need access to a bank in order to receive his funds, pay rent, fines, costs, and child support per policy.

The facility also does not have a barbershop (although residents informally cut each other's hair). Consequently residents were allowed to go to a local barbershop once every 3 weeks. Residents could only go to local barbershops within walking distance to the facility. To ensure accountability, receipts with time stamps were checked.

It should be noted that few men utilized outside barbershops, but occasionally older residents with more professional jobs requested to go to a licensed barbershop.

Although the preferred protocol was to have attorney's consult with their client at the facility, some residents with active criminal cases were also permitted to consult with their attorneys at their office or at the public defender's office with a verified appointment. Documentation verifying the consultation was also required upon their return. These trips were permitted so as to not unduly limit an inmate's access to the courts or counsel, thereby limiting the facility's legal liability.

It should be noted that the above-cited activities were done with full transparency. They were contained in the resident handbook submitted to the county as part of a recent RFP for Therapeutic Housing for which Goodwill was granted a contract. Policy and procedures alluding to them were also included in the RFP.

During December 2008 while the Goodwill facility was closed for remodeling conversations were also held with Allegheny County Jail personnel where specific aspects of these out of facility activities were discussed. (For example, use of outside gym facilities was disallowed).

Also during our period of closure, a new version of jail policy directive #36 Alternative Housing dated 3/5/09 was released. The facility did not receive a copy of it until the auditors provided it in January 2012. (This is likely attributed to our 9-month closure for remodeling during this period.) A new version of policy directive #36, dated 10/13/11 was received by our facility in January 2012.

Finding #2

Failure to remit \$1491 in a timely manner

Response:

During the last county audit (7/09) it was determined that Goodwill over billed the county \$1491. At the exit interview, Goodwill agreed to make payment of \$1491 to the county upon receipt of an invoice per Goodwill Accounting protocol.

The county did not invoice the amount. Unfortunately, the Goodwill Center also did not follow-up on the invoice causing the amount to be unpaid.

Upon receiving an invoice from the county on 1/31/12, a requisition for funds was made by Goodwill on 2/1/12 and the amount of \$1491 was paid.

Finding #3

Review of invoices should be improved

Response:

Traditionally, the Goodwill Center's Administrative Assistant would tabulate the monthly billing and submit it to our accounting office for payment. Employing this procedure, the billing was free from mathematical and computational errors, but this process could not check for errors based on length of stay, release dates, etc.

Goodwill's billing policy has been modified to include a check and balance system to prevent billing errors. After the administrative assistant tabulates the billing, another mid-management person who would have access to relevant data such as reception and discharge dates can test the data for accuracy. It is countersigned and forwarded to the Director who submits it to Goodwill's Accounting Department for official billing

This year's audit revealed that the Goodwill Center over billed the county \$60. Inquiries were made to the county Bureau of Corrections on 3/13/12 regarding an invoice.

An email from the Administrator of Alternative Housing and Reintegration, received 3/13/12 indicated that an invoice would be prepared. Upon receipt of the invoice, a requisition for funds will be made and the county will be paid the amount of \$60.

Finding #4

Documentation of escape notifications should be improved.

Response:

The administrators of the Goodwill Center fully understand that the execution of escape protocol is critical to the effective management of the facility and to ensuring the safety and security of the community. Consequently, the Director of the Goodwill Center has personally supervised all escape situations at the facility.

When an escape occurs, incident reports, escape narratives, escape information sheets, escape notifications and other documentary evidence are prepared. Email/fax and telephone notifications are made to Goodwill of SWPA leadership, jail staff and law enforcement in accordance with Jail Administrative Directive #67. As part of the division of labor for managing escapes, house managers are directed to make the phone calls to the jail required by AD #67. Notification calls were made in all cases, but were only documented in the logbook as being made in 50% of escapes.

To rectify documentation errors regarding escape notifications, the Goodwill Center has modified its escape policy. Incident reports used in escape situations now include a section which requires staff to date, time stamp and sign that notification calls were made. This will ensure consistency regarding the notification process and will allow the Director to see that the calls were made before submitting the reports to the jail.

Goodwill Center's intent is to comply with the specific provisions of Policy #36. Residents will no longer be permitted to travel to the local Giant Eagle or Family Dollar for commissary items. Attendance at outside church services will not be permitted. Residents will not be permitted to utilize local barbershops. Alternatives will be explored for resident banking needs.

The resident handbook and corresponding policies will be amended to reflect the changes.

It is respectfully submitted that the jail provide expanded interpretation and guidance in future policy directives to issues relating to program activities such as banking access for those whose jobs required direct deposit or use of pay cards, access to obtain state ID and social security cards for employment purposes, access to county offices for procurement of DD.214 as to access veteran's services, access to traveler's aid services to assist in transportation to work and accessing service agencies to assist with housing or other post release needs.



**RICHARD
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CHIEF EXECUTIVE

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DEPUTY WARDEN

WILLIAM EMERICK
DEPUTY WARDEN

Ms. Lori Churilla
Assistant Deputy, Auditing
Allegheny County Controller's Office
104 Courthouse
436 Grant Street
Pittsburgh, pa 15219

Dear Ms. Churilla,

I would like to take this opportunity to thank you and your staff for your recent compliance review of the Jail's contract with Goodwill Industries of Southwest Pennsylvania, which encompassed agreement #74255.

Such reviews are beneficial to our organization's attempt to effectively oversee the monetary and systemic applications that such agreements mandate. Attached to this correspondence is the Jail's response to your findings.

Sincerely,

A handwritten signature in black ink, appearing to read 'W. Stickman'.

William Stickman
Warden, Allegheny County Jail



**RICHARD
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**GOODWILL INDUSTRIES OF SOUTHWEST PENNSYLVANIA
CONTRACT COMPLIANCE PROCEDURES FOR
JANUARY 1, 2009 THROUGH DECEMBER 31, 2011
CONTRACT #74255**

**JAIL RESPONSES TO CONTROLLER'S OFFICE
RECOMMENDATIONS**

CONTROLLER RECOMMENDATION: If Jail Administration believes that the community release provisions within Jail Policy #36 are too restrictive, it should take the steps necessary to revise Jail Policy #36 to specify any additional opportunities for community release that are deemed to be appropriate. Failure to properly enforce an established Jail policy as it has been written exposes Allegheny County to unnecessary risks.

JAIL RESPONSE: The stringent limitations cited within Jail Policy #36, applicable to an inmate resident's community release, were predicated by a minimal number of abuses where inmate residents were permitted community access for extended periods of time for unwarranted purposes. However, it has become apparent that Policy #36 needs to be revisited and if necessary, be expanded to include banking, haircuts, legal appointments and possibly several other conditions which would include attending religious services. Jail Administration will discuss and if necessary adjust Policy #36 in the not too distant future.

CONTROLLER RECOMMENDATION: Implement all recommendations contained within our report in a timely manner.

JAIL RESPONSE: Any and all revisions to Policy #36 will occur in a timely manner. Nonetheless, the words "properly enforce" as cited within the Controller's Report and directed toward the Jail will require an enhancement to our existing allocation of manpower.

Jail Administration is cognizant of the fact that deficiencies in Jail personnel dedicated to the monitoring of alternative housing has resulted in the issues cited within several audits performed by your agency. Nonetheless, it is the Jail's responsibility to identify more effective venues to ensure contract compliance. However, that is easier said than done. Jail Administration has recommended no less than one (1) full time Jail employee be hired for field monitoring of contracted alternative housing providers to the Jail. Although this one position is a step in the right direction and will enhance existing monitoring endeavors, it is not sufficient to address the manpower needs that such an undertaking requires.

Upon the appointment of a full-time Warden for the Bureau of Corrections, the Services Division of the Jail will recommend the development and implementation of an Alternative Housing Sub-Division. This would require additional personnel dedicated solely to the immense task of ensuring maximum bed capacities be maintained within the community affiliates and provide the Jail with improved monitoring and oversight of the respective programs as well as the inmate residents placed within their charge. It is expected that such a dedicated allocation of resources will alleviate many of the issues cited by the Controller over the years and provide the structured monitoring necessary for the County's contracted Alternative Housing initiative.

