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FOLLOW-UP REPORT



A Limited-Scope Review of the Department of Probation, Parole and Pardon Services

INTRODUCTION

In June 2013, the Legislative Audit Council published an audit of the Department of Probation, Parole and Pardon Services (PPP). The report focused on human resources and finance issues, the agency’s caseload/workload determinations, and use of agency resources.

PPP has three service components. Probation provides basic community supervision to offenders receiving a suspended sentence from the court. Parole provides community supervision to offenders released by the State Board of Pardons and Paroles to finish serving their sentences outside of prison. Pardon means that an individual is fully forgiven from all the legal consequences of his or her crime and conviction.

In our original report, we found that PPP had not complied with state law and agency policy in the areas of hiring practices and other human resources activities, investigations of employee misconduct, procurement, and finance. We made recommendations to PPP, the General Assembly, and the Public Benefit Authority (PEBA), to address reforms needed in these areas.

STATUS OF RECOMMENDATIONS				
	IMPLEMENTED	PARTIALLY IMPLEMENTED	NOT IMPLEMENTED	NO LONGER APPLICABLE
PPP	14	4	8	4
GENERAL ASSEMBLY	1	-	4	-
PEBA	-	1	-	-
TOTAL	15	5	12	4

RECOMMENDATIONS AND CURRENT STATUS

1. The South Carolina Department of Probation, Parole and Pardon Services should adhere to the standard hiring practices consistent with agency policy. IMPLEMENTED

Agency management states that it has taken steps to ensure compliance with state human resources policies and procedures. These steps include ensuring that only qualified candidates who meet the state minimum requirements are forwarded to the hiring manager and having agents interview through a standardized process. We sampled 21 newly-hired employees at PPP and found the minimum job requirements were met.

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- The South Carolina Department of Probation, Parole and Pardon Services should revise its policy to rotate appropriate staff to the Application Consideration Team and not allow any standing members beyond the policy-mandated Human Resources representative. IMPLEMENTED*

We found that PPP has ceased having standing members on its Application Consideration Teams. The agency has also updated its hiring policy to reflect this change. The agency's hiring panels are now randomly selected to reflect diversity and include a human resources representative.

- The South Carolina Department of Probation, Parole and Pardon Services should adhere to its stated policy and not hold evaluation panels for vacancies below band 6 and Assistant Agents-in-Charge. NOT IMPLEMENTED*

PPP states it holds informal interview evaluation panels for applicants below band 6 positions for equity and fairness and to represent the demography of South Carolina. PPP has an unofficial policy regarding how these panels are selected, but it should be made a part of the agency's official hiring policy.

- The South Carolina Department of Probation, Parole and Pardon Services should follow Equal Employment Opportunity Commission and S.C. Department of Human Affairs guidelines and recommendations and not require a photograph of applicants prior to an offer of employment being made. NOT IMPLEMENTED*

PPP still takes photographs of applicants prior to the final hiring decision; however, the agency reports that department management, who make the final hiring decision, no longer see the photographs of the applicant. According to the agency, the photographs are used to produce the applicant's employee identification card and are submitted on a secure server to only human resources. It is unclear if the agency director has access to the photographs.

- The South Carolina Department of Probation, Parole and Pardon Services should develop and implement an agency policy to externally advertise all temporary positions. IMPLEMENTED*

PPP updated the agency's policy to require that all temporary positions are posted. The agency provided examples of temporary jobs it has posted.

- The General Assembly should consider amending the law regarding participation in the Police Officers Retirement System (PORS) for those in administrative positions in law enforcement agencies to add a provision to S.C. Code §9-11-40 that would allow law enforcement, with a certain number of years of line duty experience, to continue Police Officers Retirement System membership and retain Police Officers Retirement System benefits. NOT IMPLEMENTED*

S.C. Code §9-11-40 has not been amended to allow law enforcement officers with a certain number of years to continue Police Officers Retirement System membership and retain Police Officers Retirement System benefits. We were not able to find this provision amended elsewhere in the code.

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7. *The Public Employee Benefit Authority should implement an audit process to ensure that applicants for the Police Officers Retirement System meet the qualifications initially and on a continuing basis as set forth in South Carolina law.* PARTIALLY IMPLEMENTED

PEBA has not implemented an audit process to ensure that PORS members continue to meet the PORS eligibility requirements. PEBA has not addressed the circumstance of a qualified PORS member switching from a PORS-eligible job to a completely administrative position.

PEBA has explained an eligibility process in which it requires a formal, written, position description of any job position wishing to participate in PORS. PEBA also requires a sworn, notarized affidavit from the employing agency verifying the employee's eligibility to participate in PORS. PEBA makes its decision based upon these documents and performs this process for new job positions, as well as any job positions that have had any material changes in job functions. However, PEBA's process is a passive one, which depends on the agency properly notifying it of new positions and material changes in the job duties of previously existing positions.

8. *The South Carolina Department of Probation, Parole and Pardon Services should have non-law enforcement positions evaluated by the Public Employees Benefit Authority for PORS eligibility.* PARTIALLY IMPLEMENTED

PEBA stated that it reviewed the 30 PPP administrative positions, questioned in the 2013 LAC audit of PPP, for PORS eligibility, and all were allowed for PORS participation. We found that PEBA used inadequate documentation for its review. Two of the job descriptions provided to us, that PEBA stated it used to determine membership in PORS, had no job duties listed. One job description had job duties listed and described, but only accounted for 35% of the position's worktime. In the case of another administrative position we examined, the position had the job description and job duties listed, but did not list any law enforcement job duties. PORS membership generally requires certain law enforcement duties. PEBA also did not provide or review a notarized affidavit as it has indicated it customarily does. Therefore, it is unclear how PEBA could have determined that those individuals should continue to participate in PORS based on only the documents it provided for our review.

PEBA stated it will require PPP to submit the recently expanded PORS eligibility employer affidavit for any of the employees in those 30 positions that PPP believes should be eligible for continued participation in PORS. Any employee in a position for which PPP does not submit a PORS eligibility affidavit will be found ineligible for continued PORS participation.

PEBA also stated that reviews of PORS participation would not be expected to have a material fiscal impact upon PORS or the other retirement systems. Because PORS members and their employers pay an increased contribution rate compared to the South Carolina Retirement System (SCRS) that reflects the additional benefits provided by PORS, the inclusion of misclassified employees in PORS would not be expected to have any adverse fiscal impact upon the plan or its beneficiaries, or any adverse fiscal impact upon the other retirement systems.

Finally, PEBA provided documentation of four other job descriptions it reviewed as a part of its new process for determining PORS eligibility of applications to PORS. Three were non-law enforcement positions (program coordinators) it evaluated, which were rejected, and one law enforcement officer supervisory position that was found eligible.

9. *The South Carolina Department of Probation, Parole and Pardon Services should discontinue spending IID program money for operating expenses until state law is amended to specifically allow such use.* NOT APPLICABLE

S.C. Code §56-5-2941 has been amended to allow PPP to use IID funds to support the program. Any unspent funds are rolled over into the next year by the agency.

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*10. The General Assembly should amend state law to allow program fees charged to offenders to be used to cover all operating costs of all agencies involved in the Ignition Interlock Device Program. Also, the General Assembly should determine how any surplus revenues from the program are to be used. IMPLEMENTED*

S.C. Code §56-5-2941 has been amended to allow PPP to use IID funds to support the program. Any unspent funds are rolled-over into the next year by the agency.

*11. The South Carolina Department of Probation, Parole and Pardon Services, on a monthly basis, should distribute a report of the revenues and expenses of the fund to appropriate agency officials. IMPLEMENTED*

PPP distributes monthly revenue and expenditure reports to its Executive Management Team during its meetings, which are to be further distributed to supervisors, and/or department managers. PPP provided examples of reports distributed.

*12. The South Carolina Department of Probation, Parole and Pardon Services should discontinue netting IID program revenue against IID indigent offender program expenses to ensure proper recording and reporting of all program revenue and expenses. IMPLEMENTED*

Based on documentation we reviewed, PPP has discontinued this practice.

*13. The South Carolina Department of Probation, Parole and Pardon Services should include the IID program fund revenue, expenditures, and account balance in the annual accountability report and provide the revenue and expense trend and balances for the most current three years. NOT IMPLEMENTED*

PPP has not included this information in its annual accountability reports. The agency stated that in the future it plans on including IID revenue, expenditures, and account balances in its accountability reports.

*14. The South Carolina Department of Probation, Parole and Pardon Services should add to its reconciling procedures that a second level of review conduct periodic checks of the bank account reconciling process to ensure it is being completed timely and correctly, should the agency reopen any composite bank accounts. NOT APPLICABLE*

PPP does not currently use any composite bank accounts but states that if the agency does use them in the future, it will follow our recommendation to ensure that reconciliations are completed timely and correctly.

*15. The South Carolina Department of Probation, Parole and Pardon Services should modify its final check procedures written to residential centers (should they reopen them) to include bank security procedures so check account numbers and bank routing numbers cannot be obtained and used. NOT APPLICABLE*

PPP does not currently use any composite bank accounts but stated that if the agency does use them in the future, it will follow our recommendation to increase check security.

*16. The South Carolina Department of Probation, Parole and Pardon Services should identify offenders who are owed money from the restitution centers and pay offenders the funds owed. If the offender cannot be located, the funds should be turned over to the state's unclaimed property program of the State Treasurer's Office. IMPLEMENTED*

PPP completed the issuance of \$21,995.90 to offenders who were owed money. During the course of our follow-up audit, PPP turned over the unclaimed funds to the State Treasurer's Office.

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*17. The South Carolina Department of Probation, Parole and Pardon Services should ensure that any future work on the agency's Offender Management System is not done as sole source procurements. IMPLEMENTED*

PPP completed two sole source procurements on the agency's Offender Management System for a total of \$415,000 since our audit. However, the agency first received the approval of the Information Technology Management Office since the work on the system used proprietary tools.

*18. The South Carolina Department of Probation, Parole and Pardon Services should follow state law when issuing sole source or emergency procurements. IMPLEMENTED*

We reviewed the two emergency procurements and four of the larger amount sole source procurements that PPP has completed since our audit. Both emergency procurements and the four sole source procurements were completed correctly and with approval from state procurement officials.

*19. The General Assembly should amend state law to require the Materials Management Office to pre-approve all sole source procurements above an agency's certification limit. NOT IMPLEMENTED*

We searched relevant sections of the S.C. Code of Laws and did not find that the recommendation has been implemented.

*20. The South Carolina Department of Probation, Parole and Pardon Services should ensure that the requirements of the memorandum of understanding regarding the use of the loaned computers are being met. NOT APPLICABLE*

After our audit, PPP retrieved the loaned computers and turned them in to the state's Surplus Property Office.

*21. The South Carolina Department of Probation, Parole and Pardon Services should consult with the Budget and Control Board's Information Technology Management Office regarding the loaning or donation of equipment to private organizations to ensure these transactions are in compliance with the state procurement code. NOT IMPLEMENTED*

PPP did not update the agency's policy but stated that the current leadership will no longer loan or donate equipment to private organizations.

*22. The South Carolina Department of Probation, Parole and Pardon Services should develop an accurate method to determine how many agents it needs to accomplish its mission. IMPLEMENTED*

Following the release of our audit, PPP revised and revalidated its workload model validation study with duties being added and timeframes updated. The agency concluded that it needed 455 agents to successfully run the agency. However, the agency has not been able to reach that number because of retention issues. According to the agency, this updated workload model has enabled PPP to better plan, allocate, and monitor human and fiscal resources.

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*23. The South Carolina Department of Probation, Parole and Pardon Services should update its workload model and have it re-validated as needed. PARTIALLY IMPLEMENTED*

PPP updated its workload model and had it re-validated. In doing so, the agency implemented seven of eight recommendations made by the consultant it contracted with to perform the analysis of the workload model. The eighth recommendation, which was not implemented because of budget restraints and staffing issues, requires further survey work by the agency. This recommendation should be implemented because it may affect the number of agents needed. The agency has stated that the eighth recommendation will be implemented in the spring of 2017.

*24. The South Carolina Department of Probation, Parole and Pardon Services should use the \$2 million in state appropriations from FY 11-12 to hire new, additional agents to assist in fulfilling its mission, as legislatively intended. NOT IMPLEMENTED*

PPP has determined the number of agents it needs to operate successfully (455); however, the agency has been unable to reach that number. The number of agents has remained relatively constant, decreasing slightly over three years (380 FY 11-12, 368 FY 12-13, and 372 FY 15-16). PPP reports that it has difficulty in retaining agents but has tried to improve retention by increasing agent pay. In addition, PPP has created new Offender Supervision Specialist (OSS) positions (17 total) as a pilot program in Charleston, Greenville, Richland, and Spartanburg counties. These OSS employees are non-law enforcement staff members who monitor standard and low-level offenders, which have reduced the caseloads of agents in these counties. The agency did not supply information regarding how much agent pay was increased, the source of the funding for the OSS positions, or how much this affects the number of agents needed.

*25. The South Carolina Department of Probation, Parole and Pardon Services should create evaluation tools for its On the Outside mentoring program. PARTIALLY IMPLEMENTED*

PPP's On the Outside mentoring program is designed to link adult mentors with non-violent inmates. PPP now tracks, on a monthly basis, the number of On the Outside trainings the agency conducts, the number of individuals attending those trainings, and the number of background checks of the non-agency, partner mentors who assist in conducting the program. The agency states it is currently assessing the effectiveness of its mentoring and reentry programs and created the Office of Rehabilitative Services in January 2016. However, the agency did not provide us with any information showing how the assessment is going or how the effectiveness of the program is measured.

*26. The South Carolina Department of Probation, Parole and Pardon Services should ensure that its staff is aware of the mentoring programs the agency offers. IMPLEMENTED*

PPP advertises the agency's mentoring programs through agency documents, press releases, emails, its website, and social media. However, it might be beneficial if the agency provided direct training on the programs to its staff.

*27. The South Carolina Department of Probation, Parole and Pardon Services should refer any accusations of misuse of agency computer equipment and agency time to the internal audit division or the special operations unit and update the agency's policies to reflect this change. IMPLEMENTED*

PPP's policies were updated to require the Director of Special Operations to conduct internal investigations of alleged misconduct by agency employees. Also, the Office of Internal Audits now reports directly to the agency director for more independence.

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28. *The South Carolina Department of Probation, Parole and Pardon Services should restate its investigation policies to clearly define which internal division or outside party should investigate various types of allegations and ensure that an independent investigation is conducted.* IMPLEMENTED

PPP's policies were updated to require the Director of Special Operations to conduct internal investigations of unauthorized use of state-issued equipment and/or the unauthorized use of agency time/leave. The special operations employees have law enforcement investigative experience.

29. *The General Assembly should amend §1-11-270 of the S.C. Code of Laws to eliminate the assignment of state vehicles to agency heads based solely on their position.* NOT IMPLEMENTED

We searched relevant sections of the S.C. Code of Laws and did not find that the recommendation has been implemented.

30. *The General Assembly should revise the Appropriations Act proviso on allowances for residences and compensation to require that state agencies report to the Agency Head Salary Commission the assignment of state vehicles to agency heads and the amount of personal use.* NOT IMPLEMENTED

We searched relevant sections of the S.C. Code of Laws and did not find that the recommendation has been implemented.

31. *The South Carolina Department of Probation, Parole and Pardon Services should re-evaluate the permanent assignment of state vehicles to ensure that state vehicles are used in the most efficient and cost-effective manner.* NOT IMPLEMENTED

PPP states that it is currently reviewing the use of all of its state vehicles to ensure the most cost-effective use; however, the agency provided no documentation. For example, providing vehicles for administrative personnel, such as the deputy director of administration and the IT division, might not be the best use of agency vehicles.

32. *The South Carolina Department of Probation, Parole and Pardon Services should track the actual number of on-call responses for individuals assigned state vehicles to determine if the assignment is justified based on the number of emergency responses.* PARTIALLY IMPLEMENTED

PPP tracks the number of on-call responses but provided no evidence that this information is used to determine whether or not employees should be assigned a state vehicle.

33. *The South Carolina Department of Probation, Parole and Pardon Services should revise the residential requirement it imposes for employees on the agent career track to include all employees assigned vehicles and have public safety and emergency on-call situations listed in their job functions.* NOT IMPLEMENTED

PPP did not provide us with information showing any revisions to the residential requirement it imposes for its employees.

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*34. The South Carolina Department of Probation, Parole and Pardon Services should submit separate confidential tag requests for law enforcement officers and for other staff to ensure that vehicle exemption justifications are appropriate. IMPLEMENTED*

PPP reports that it requests confidential tags for law enforcement officer vehicles. All other department vehicles are assigned regular South Carolina government tags. According to State Fleet Management, the agency tasked with issuing confidential tags, no requests for confidential tags for non-law enforcement vehicles were requested by PPP for FY 15-16.

*35. The South Carolina Department of Probation, Parole and Pardon Services should establish written policies and procedures for the issuance of communication devices, including requiring a written justification for devices. IMPLEMENTED*

PPP created a process to assign wireless communication devices to employees based upon job-related communication needs. The process requires the completion of a Wireless Communication Device Request Form, approved by management, which requires justification in order to get the device.

*36. The South Carolina Department of Probation, Parole and Pardon Services should ensure that its employees are on the most cost-effective device plan to avoid unnecessary usage charges. NOT IMPLEMENTED*

PPP provided a list of employees and identified what wireless communication devices they are assigned but did not relate that to any action the agency has taken to obtain the most effective electronic device plan.

The agency states that it is in constant contact with the agency's wireless provider through an informal process; however, the documentation supplied demonstrates it had discussions about a solution to a text messaging problem, but those discussions did not address finding a more cost effective overall plan to avoid unnecessary charges. PPP did not provide any evidence it has been seeking a better plan, either with its current service provider or with other service providers.

This follow-up was limited to the issues in the 2013 audit for which we made recommendations. We received information from relevant agencies regarding the implementation of the recommendations in the audit. We reviewed this and other information, and verified evidence supporting the agency information as appropriate.

SOUTH CAROLINA GENERAL ASSEMBLY

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