# AUDIT PROCESS

## GENERAL

The Maryland Commission on Correctional Standards (MCCS) staff will conduct regular formal audits of every private home detention monitoring agency to determine compliance with the applicable regulations promulgated by the Secretary of the Department of Public Safety and Correctional Services. The Commission staff will review documentation and provide corrective action plans and technical assistance as needed. The audit will be conducted in two phases during the term of the first license. Six months from the date of licensing, all primary documentation (policies, procedures, offender orientation materials, etc.) will be submitted to and audited at the offices of MCCS. Approximately eighteen months from the date of initial licensing, an on-site audit of all secondary documentation will be conducted. Thereafter, an audit will be conducted approximately every two years by the MCCS from the date of the initial audit. All audits will be announced in advanced unless directed otherwise by the Secretary or designee.

## PRE-AUDIT ACTIVITIES

The monitoring agency will be contacted approximately 60 days prior to the scheduled audit to coordinate the specific dates and times for the audit. Primary documentation for all audits, except the initial audit, is to be forwarded to MCCS at least 30 days prior to an on-site visit for review by Commission staff. A review of primary documentation will be completed before the on-site visit.

The Executive Director will assign an Audit Team Leader (ATL) from the Commission staff and designate the audit team. Members of the audit team will then be assigned specific sections of the standards to audit on-site. During the week preceding the scheduled on-site visit, Commission staff will meet to finalize the audit preparation. The ATL will contact the monitoring agency to confirm the audit arrangements, generally share the results of the review of primary documentation, including any requests for clarification, and provide the team's composition. Final arrangements for conducting a random sample of a monitored individual's monitoring activity will be identified.

## ON-SITE AUDIT ACTIVITIES

The ATL and other team members will meet with the licensee and other designated staff upon arrival for an entrance interview. The purpose of the interview is to introduce the team members, discuss the scope of the audit, provide a tentative schedule of activities, explain the audit process, and answer any questions. The entrance interview allows for an exchange of information and clarification of any outstanding issues prior to the audit.

Prior to beginning review of secondary documentation, the audit team will conduct an initial review of the licensee's electronic monitoring system including equipment, computer hardware and software, and the overall organization of the agency office. Audit team members will take detailed notes of their observations and may ask questions of the licensee and staff in the performance of their duties, as well as monitored individuals, if present, to obtain an overview of the agency and to gather general information for audit purposes.

The audit team's review of secondary documentation is to substantiate compliance with the standards to which each has been assigned. The review should take place in an area that provides adequate space and privacy. The burden of proof for supporting compliance is the responsibility of the agency, not the audit team. Agency staff should remain available during the course of the audit to answer questions, present additional documentation, and provide access to materials needed. However, it should also be noted that the audit team will work independently. If possible, no staff person should be in the area designated for the team's use during the audit unless requested. This will serve to expedite the audit and minimize any disruption of daily operations to the monitoring agency.

Audit team members will review various areas, equipment, and documents for a close examination of specific standards-required materials and activities to assist in compliance decision-making. An audit team member may make telephone contact with monitored individuals to assist in compliance decision-making. This contact will be conducted to determine the proper functioning of the electronic monitoring equipment. Remarks made by the monitored individuals will be shared with the licensee, but will not be part of the final audit report.

The audit team will complete the standards worksheets indicating preliminary decisions of compliance, noncompliance, and make recommendations to improve operations and programs in accordance with the standards. The audit staff is guided by the concept that compliance is demonstrated by meeting all of the individual elements of the standard, which means routine and consistent implementation of the required activity since the last audit or date of last compliance. Proof of compliance will be measured at the time of the audit. However, documentation presented subsequently may be considered.

Audit staff will review an established number of personnel, and pre-determined number of monitored individuals' files, and remain cognizant of the methods of documenting compliance (written materials in the form of policies and procedures, records, logs, etc.; discussions with personnel, monitored individuals, and other persons; and observation). Verbal verification alone is never sufficient to support compliance. During the course of the audit, the ATL will remain available to provide standards interpretation, clarify requirements for compliance determinations and otherwise provide assistance to the audit team and agency personnel as needed. The ATL will meet with the licensee or designee on a daily basis to keep him/her informed of decisions being

made. As the audit team completes their review of assigned standards, they will meet individually with the ATL to review and discuss their preliminary findings for the purpose of finalizing decisions. The ATL will record the audit findings on the appropriate form in preparation for the exit conference. If the ATL does not concur with the auditor's finding, the ATL will resolve the difference. All notes, worksheets, audit results forms, and other supportive documentation will be collected from each auditor and may become a permanent part of the audit file.

At the conclusion of the on-site visit, the team members will meet with the licensee or designee and other designated staff at an exit conference to discuss the results of the audit. The ATL will summarize the audit conclusions, present general observations and remarks, offer specific recommendations, and comment on the overall audit preparation. Each auditor will present the particular findings for those standards to which he/she was assigned. In addition, examples of compliance plans will be suggested to address identified deficiencies. Those present will also be afforded the opportunity to ask questions, request clarification, and inquire about reporting procedures. Written copies of the Audit Results forms will be given to the licensee or designee to review. Any appeals or requests for variance may also be registered with the ATL, who shall indicate that they are to be submitted in writing to the Executive Director.

If at any time during the audit, the ATL finds or is notified of a practice or condition that is a clear violation of standards that places the public safety at risk, the Secretary/designee will be contacted immediately, at which time, he/she may give verbal notice to the licensee to immediately cease or alter the practice or condition. This may result in action being taken against the licensee.

## POST-AUDIT ACTIVITIES

The ATL will meet with the Executive Director following the on-site visit to discuss the audit results prior to formalization of the findings. This is to include but not be limited to: resolving any disagreements between the ATL and audit team regarding particular compliance issues; considering appeals by the monitoring agency; evaluating any unusual requests; and, generally receiving a briefing on the audit outcome. For the first series of audits conducted in 2001, no reports will be issued until each company that currently monitors an individual is audited. For subsequent audits, approximately three weeks after the audit, the specific recommendations will be forwarded to the licensee in final format. The ATL will submit the audit report to the Executive Director and licensee for review and comment approximately six weeks after the audit. The contents of the report may be forwarded to the Secretary for review. After the report has been reviewed by the Secretary, it will be formally issued to the monitoring agency and become an official public document.

## AUDIT FOLLOW-UP ACTIVITIES

All compliance plans will have a completion due date which is six months from the first day of the month following the issuance of the final report. If documentation is submitted to MCCS staff offices, the ATL will initiate a documentation review and inform the Executive Director and monitoring agency of the results by memorandum within 30 days. If a site visit is necessary, the Executive Director, ATL, or designee will contact the monitoring agency to arrange for a mutually agreed upon date and time. If the licensee indicates that the initial plans for corrective action cannot be met or the documentation review determines that to be the case, the licensee will submit a written request to the Executive Director to extend the compliance deadline. The request, with supporting rationale, will be presented to the Secretary/designee for consideration. If disapproved, the Secretary may conduct a formal hearing according to established procedures.

A primary goal of MCCS is to facilitate total compliance with the standards, thereby fostering public safety, staff welfare, and monitored individual rights. Every effort will be made to assist those agencies subject to inspection. When requested, Commission staff will provide technical assistance personally, directly, or by referral to other resources.