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OFFICE OF THE AUDITOR GENERAL  
WILLIAM G. HOLLAND

**Supplemental Digest**  
**Department of Human Services**  
**June 2008**

A total of 22 reports for the Department of Human Services have been issued. This includes the Central Office, 8 Developmental Centers, 8 Mental Health Centers, 2 combination Mental Health / Developmental Centers and 3 Centers for Rehabilitation & Education.

The Department of Human Services – Central Office engagement is a financial statement audit for the Department as a whole for the year ended June 30, 2007, and a state compliance examination for the two years ended June 30, 2007. The 21 Center engagements are limited scope compliance examinations for the two years ended June 30, 2007.

The compliance examinations of the Central Office and the Centers contained 85 findings, down from 88 findings for the engagements performed for the two years ending June 30, 2005. Reports on three Centers had no findings.

The more prevalent findings in the June 30, 2007, engagements were in the areas of statutory mandates, operations, internal control, payroll & personnel, and revenue/receipts/accounts receivable. The attached schedule summarizes the findings disclosed in our reports of the Central Office and Centers.

We also have included summaries of certain operational and statistical data in the attached charts and schedules. For example, one chart shows the average number of residents by Center. The chart also groups the Centers by function and gives subtotals by function and for the Department as a whole. According to Department figures for FY 2007 there was an average of 4,656 residents at the Centers, compared to 4,746 for FY 2006 and 4,859 for FY 2005.

Another chart outlines the average cost per year per resident. This chart outlines the average cost per resident by Center and groups the Centers by function. This chart notes the average cost for FY 2006, FY 2005 and FY 2004. The FY 2007 data had not been calculated by the Department by the close of our engagement fieldwork. According to the Department, for FY 2006 the average cost per year per resident ranged from a high of \$273,243 at Chicago-Read Mental Health Center to a low of \$70,123 at the Treatment and Detention Facility.

The final chart shows the number of employees per resident by Center for FY 2007, FY 2006 and FY 2005 and groups the Centers by function. The chart also provides information on employee overtime and compensatory time for fiscal years 2007 and 2006 for each Center. Using information provided by the Department for FY 2007, the number of employees per resident ranged from 2.78 employees per resident at Tinley Park Mental Health Center to .67 employees per resident at the Treatment and Detention Facility.

# MAJOR FINDINGS BY TOPIC

Overview of findings for the two years ended June 30, 2007

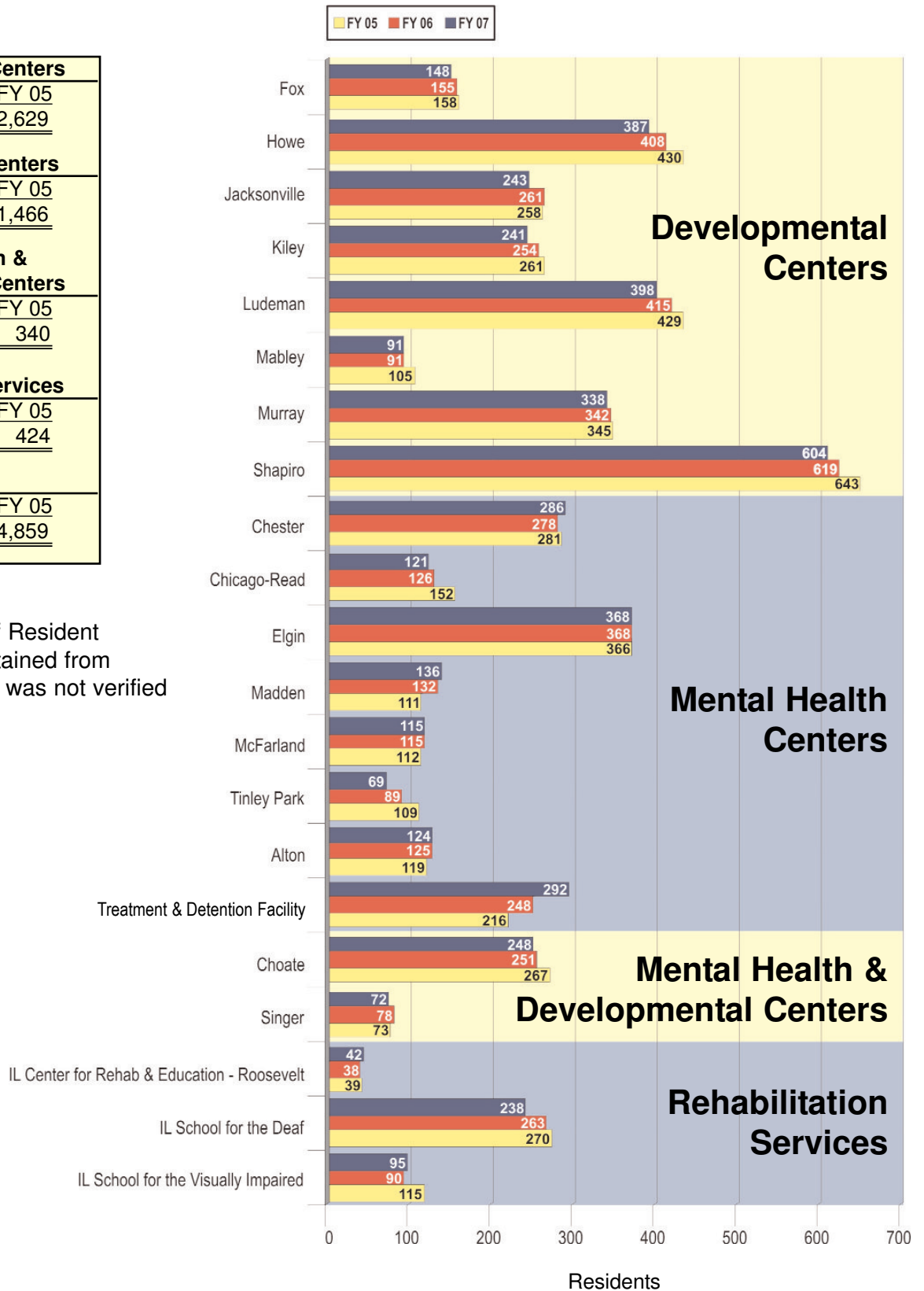
# of Findings		Topics
FY 05	FY07	
11	19	<b>STATUTORY MANDATES</b> Inadequate documentation regarding restraint use, failure to inform residents of types of intervention available, failure to properly evaluate new admittances, and resident files missing required documentation. Deposits not made in locally held fund timely and contracts not reduced to writing. Noncompliance with the Personal Information Protection Act and Mental Health and Developmental Disabilities Administrative Act. Inadequate notifications to recipients, untimely review of resident's habilitation plan, evaluations and notifications not adequately documented, and improper completion of the notice regarding restricted rights. Fire code violations noted at Centers, charges for services policy and rate structure not established at TDF, and emergency purchase in violation of procurement code. Re-determinations of Kid Care not completed and members not appointed to Advisory Board for Services for Persons who are Deaf-Blind.
13	14	<b>OPERATIONS</b> Decertification of Centers as Medicare & Medicaid service providers and weaknesses in administering Gaining Early Awareness and Readiness for Undergraduate Program. Invoice vouchers not being processed properly, failure to timely determine disposition of unspent grant funds, contract agreements were not signed or executed timely, and consolidated services payments made without sufficient supporting documentation. Inadequate security administration function, contingency planning weaknesses and inadequate procedures for disposal of confidential information.
6	11	<b>INTERNAL CONTROL</b> Inadequate segregation of duties and management oversight at Centers including control over voucher processing at Centers, inadequate recordkeeping, reporting and monitoring of locally held funds and a lack of controls over commissary operations at the TDF. Liabilities payable from future appropriations were overstated and internal control weaknesses were noted in the Home Services Program.
22	10	<b>PAYROLL AND PERSONNEL</b> Inadequate control, recordkeeping and maintenance of time, attendance, payroll and personnel records. Weaknesses in maintaining documentation of temporary employee assignments, deficiencies noted in Statements of Economic Interest, employee performance evaluations not performed timely, and payroll voucher not reviewed by an independent person. No minimum education or experience requirements for hiring security therapy aides at the TDF.
10	10	<b>REVENUE &amp; RECEIPTS / ACCOUNTS RECEIVABLE / APPROPRIATIONS</b> Inadequate monitoring and control over receipts and receivables, weaknesses over quarterly reporting of receivables, including processing and collection of accounts receivable at the centers. Appropriations used to pay personnel costs unrelated to a Center.
14	9	<b>COMMODITIES / INVENTORY</b> Inadequate controls over inventory and commodities, including lack of segregation of duties during inventory counts and inventory adjustments not made timely. Commodity inventory system outdated and insufficient. Excess inventory maintained at a Center, and commodity inventory records were not accurately and timely maintained.
4	6	<b>PROPERTY, PLANT &amp; EQUIPMENT</b> Inadequate controls over capital asset financial reporting and inadequate planning for the purchase and installation of equipment. Inadequate physical security over DHS facilities and lack of controls over the utilization, recording and reporting at Centers.
3	3	<b>OPERATION OF AUTOMOBILES</b> Inadequate records for State vehicles; motor vehicle accidents not reported to DCMS in a timely manner; fuel purchases included exempt fuel taxes.
2	3	<b>REPORTS &amp; RECORDS</b> Errors in locally held fund reports and unrecorded and reported locally held bank accounts.
3	0	<b>TRAVEL &amp; TELECOMMUNICATION</b>
<b>88</b>	<b>85</b>	<b>TOTAL OF MAJOR FINDINGS BY TOPIC</b>

# AVERAGE NUMBER OF RESIDENTS

(By Center, not examined)

Developmental Centers		
FY 07	FY 06	FY 05
<u>2,450</u>	<u>2,545</u>	<u>2,629</u>
Mental Health Centers		
FY 07	FY 06	FY 05
<u>1,511</u>	<u>1,481</u>	<u>1,466</u>
Mental Health & Developmental Centers		
FY 07	FY 06	FY 05
<u>320</u>	<u>329</u>	<u>340</u>
Rehabilitation Services		
FY 07	FY 06	FY 05
<u>375</u>	<u>391</u>	<u>424</u>
TOTAL		
FY 07	FY 06	FY 05
<u>4,656</u>	<u>4,746</u>	<u>4,859</u>

Average Number of Resident information was obtained from Center records and was not verified by the auditors.



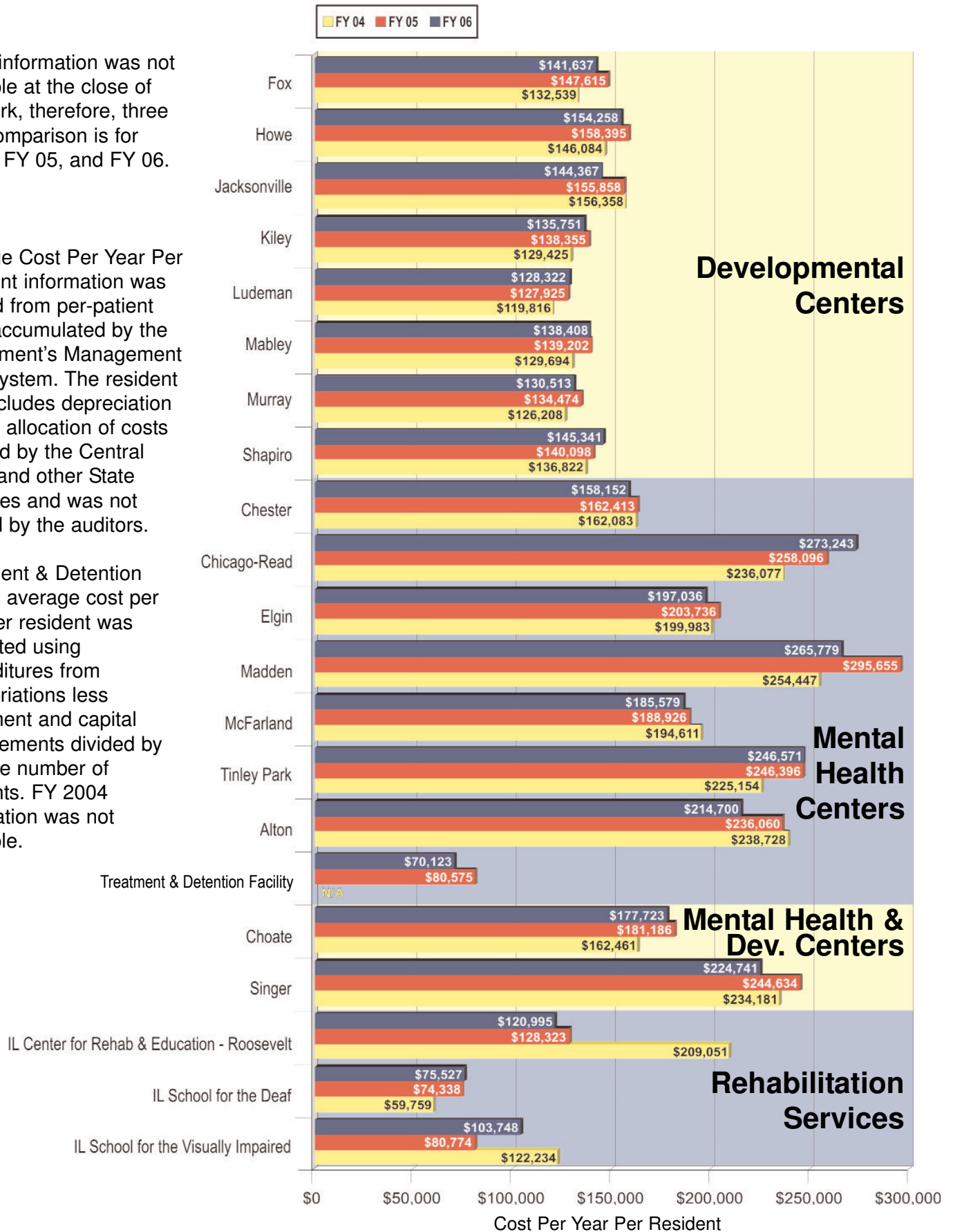
# AVERAGE COST PER YEAR PER RESIDENT

(By Center, not examined)

FY 07 information was not available at the close of fieldwork, therefore, three year comparison is for FY 04, FY 05, and FY 06.

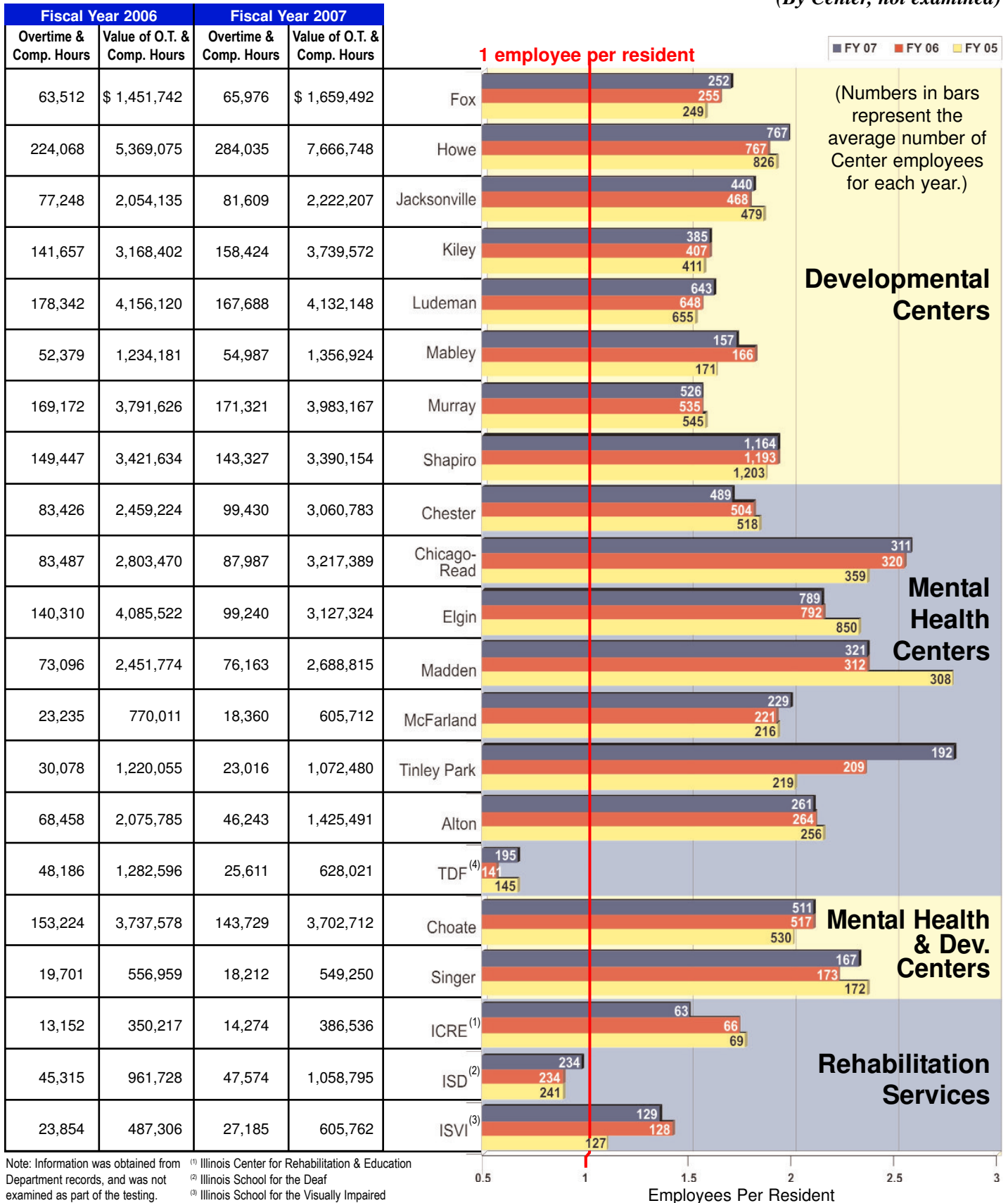
Average Cost Per Year Per Resident information was derived from per-patient costs accumulated by the Department's Management Cost System. The resident cost includes depreciation and an allocation of costs incurred by the Central Office and other State Agencies and was not verified by the auditors.

Treatment & Detention Facility average cost per year per resident was computed using expenditures from appropriations less equipment and capital improvements divided by average number of residents. FY 2004 information was not available.



# NUMBER OF EMPLOYEES PER RESIDENT & EMPLOYEE OVERTIME/COMPENSATORY TIME

(By Center, not examined)



Note: Information was obtained from Department records, and was not examined as part of the testing.

<sup>(1)</sup> Illinois Center for Rehabilitation & Education  
<sup>(2)</sup> Illinois School for the Deaf  
<sup>(3)</sup> Illinois School for the Visually Impaired  
<sup>(4)</sup> Treatment and Detention Facility