
REPORT DIGEST

**WILLIAM A. HOWE
DEVELOPMENTAL
CENTER**

**LIMITED SCOPE
COMPLIANCE
EXAMINATION**

For the Two Years Ended:
June 30, 2009

Summary of Findings:

Total this audit: 1
Total last audit: 2
Repeated from last audit: 1

Release Date:
June 29, 2010



State of Illinois
Office of the Auditor General
WILLIAM G. HOLLAND
AUDITOR GENERAL

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SYNOPSIS

- The Center was decertified as a provider of Medicare and Medicaid in 2007 and is scheduled to close in 2010.

{Expenditures and Activity Measures are summarized on the reverse page.}

WILLIAM A. HOWE DEVELOPMENTAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
For The Two Years Ended June 30, 2009

EXPENDITURE STATISTICS	FY 2009	FY 2008	FY 2007
Total Expenditures (All Appropriated Funds).....	\$58,268,837	\$53,943,671	\$55,137,106
OPERATIONS TOTAL	\$58,257,737	\$53,932,571	\$55,126,006
% of Total Expenditures.....	99.9%	99.9%	99.9%
Personal Services	\$41,092,231	\$39,126,212	\$41,133,707
% of Operations Expenditures	70.5%	72.6%	74.6%
Average No. of Employees	724	761	767
Average Salary Per Employee.....	\$56,757	\$51,414	\$53,629
Other Payroll Costs (FICA, Retirement)	\$11,602,111	\$9,286,466	\$7,711,101
% of Operations Expenditures	19.9%	17.2%	14.0%
Contractual Services	\$4,458,538	\$4,092,825	\$4,660,294
% of Operations Expenditures	7.7%	7.6%	8.5%
Commodities	\$661,244	\$937,727	\$1,007,329
% of Operations Expenditures	1.1%	1.7%	1.8%
All Other Items	\$443,613	\$489,341	\$613,575
% of Operations Expenditures	0.8%	0.9	1.1%
GRANTS TOTAL	\$11,100	\$11,100	\$11,100
% of Total Expenditures.....	0.1%	0.1%	0.1%
Cost of Property and Equipment.....	\$56,672,618	\$56,741,270	\$56,583,144
SELECTED ACTIVITY MEASURES (Not Examined)	FY 2009	FY 2008	FY 2007
Average Number of Residents	292	336	387
Ratio of Employees to Residents	2.48/1	2.26/1	1.98/1
Paid Overtime Hours & Earned Compensatory Hours		306,418	284,035
Value of Paid Overtime Hours & Earned Compensatory Hours.....	233,272		
	\$6,806,966	\$8,738,620	\$7,666,748
Cost Per Year Per Resident	*	\$ 219,411	\$ 177,111
*Department had not calculated at the close of fieldwork.			
CENTER DIRECTOR			
During Audit Period: Arthur Holmberg (7/27/07 – 4/08/08); Joseph Turner, Acting (Effective 4/08/08)			
Currently: Joseph Turner			

**FINDINGS, CONCLUSIONS, AND
RECOMMENDATIONS**

**DECERTIFICATION OF CENTER AS MEDICARE
SERVICES PROVIDER**

**Howe Developmental Center
is scheduled to close in May,
2010**

The Howe Developmental Center was decertified as a provider of Medicare and Medicaid services in March, 2007. The Center's attempts to regain certification were not successful and the State of Illinois directed that the facility cease operations. The Center is scheduled to close in May, 2010. (Finding 1, page 9)

Department officials agreed with our recommendation that given the direction by the State that the facility cease operations, the Center orderly conclude its business – transferring patients and staff, preserving State records and property, and terminating nonessential contracts and leases.

AUDITORS' OPINION

We conducted a compliance attestation examination of the Center as required by the Illinois State Auditing Act. The Center's accounting records will be covered by the audit of the entire Department of Human Services. Financial statements for the Department will be presented in that report.

WILLIAM G. HOLLAND, Auditor General

WGH:KMC:drh

SPECIAL ASSISTANT AUDITORS

Our special assistant auditors were Duffner & Company, P.C.