

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
RUSHVILLE TREATMENT AND DETENTION FACILITY  
LIMITED SCOPE COMPLIANCE EXAMINATION  
For The Two Years Ended June 30, 2007  
Performed as Special Assistant Auditors  
For the Auditor General, State of Illinois

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
RUSHVILLE TREATMENT AND DETENTION FACILITY  
LIMITED SCOPE COMPLIANCE EXAMINATION  
For The Two Years Ended June 30, 2007

TABLE OF CONTENTS

	Page
Facility Officials	2
Management Assertion Letter	3
Compliance Report	
Summary	4
Accountants' Report	
Independent Accountants' Report on State Compliance, on Internal Control Over Compliance, and on Supplementary Information for State Compliance Purposes	6
Schedule of Findings and Recommendations	
Current Findings	10
Prior Findings Not Repeated	21
Supplementary Information for State Compliance Purposes	
Summary	22
Fiscal Schedules and Analysis	
Schedule of Appropriations, Expenditures and Lapsed Balances	23
Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances	25
Description of Locally Held Funds	26
Schedule of Locally Held Funds - Cash Basis	27
Schedule of Changes in State Property (not examined)	29
Comparative Schedule of Cash Receipts and Deposits	30
Analysis of Significant Variations in Expenditures	31
Analysis of Significant Lapse Period Spending	32
Schedule of Changes in Inventories	33
Analysis of Operations	
Facility Functions and Planning Program	34
Average Number of Employees	35
Employee Overtime (not examined)	35
Contractual Payroll Employees (not examined)	36
Shared Resources (not examined)	36
Facility Utilization (not examined)	36
Annual Cost Statistics	
Costs Per Year Per Resident (not examined)	37
Ratio of Employees to Residents (not examined)	37
Reported Employee Job Injuries (not examined)	38
Food Services (not examined)	38
Service Efforts and Accomplishments (not examined)	39

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
RUSHVILLE TREATMENT AND DETENTION FACILITY  
LIMITED SCOPE COMPLIANCE EXAMINATION  
For The Two Years Ended June 30, 2007

**FACILITY OFFICIALS**

Facility Director (10/16/07 - current)	Mr. Larry Phillips
Acting Facility Director (3/9/07 - 10/15/07)	Mr. Brian Thomas
Acting Facility Director (9/1/05 - 3/8/07)	Mr. Thomas Monahan
Facility Director (7/1/05 - 8/31/05)	Mr. Timothy Budz
Director of Administration (11/1/06 - current)	Mr. Brian Thomas
Director of Administration (7/1/05 - 10/31/06)	Ms. Beth May
Fiscal Services Officer (6/16/07 - current)	Ms. Susie Pennell
Fiscal Services Officer (7/1/05 - 6/15/07)	Ms. Donna Gram

The Facility is located at:

R.R. 1, Box 6A  
Rushville, Illinois 62681



Rod R. Blagojevich, Governor

Carol L. Adams, Ph.D., Secretary

Treatment and Detention Facility – Springfield  
901 Southwind Road  
Springfield, Illinois 62703

December 26, 2007

Doehring, Winders & Co., LLP  
Certified Public Accountants  
1601 Lafayette Avenue  
Mattoon, IL 61938

Ladies and Gentlemen:

We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the Illinois Department of Human Services – Rushville Treatment and Detention Facility (Facility). We are responsible for and we have established and maintained an effective system of, internal controls over compliance requirements. We have performed an evaluation of the Facility's compliance with the following assertions during the two-year period ended June 30, 2007. Based on this evaluation, we assert that during the years ended June 30, 2006 and June 30, 2007, the Facility has materially complied with the assertions below.

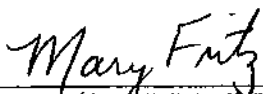
- A. The Facility has obligated, expended, received and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The Facility has obligated, expended, received and used public funds of the State in accordance with any limitations, restrictions, conditions or mandatory directions imposed by law upon such obligation, expenditure, receipt or use.
- C. The Facility has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations except as noted.
- D. State revenues and receipts collected by the Facility are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate and in accordance with law.
- E. Money or negotiable securities or similar assets handled by the Facility on behalf of the State or held in trust by the Facility have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate and in accordance with law.

Yours very truly,

Rushville Treatment and Detention Facility

  
Larry Phillips, Facility Director

  
Susie Pennell, Fiscal Services Officer

  
Mary Fritz, DHS Audit Liaison

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
RUSHVILLE TREATMENT AND DETENTION FACILITY  
LIMITED SCOPE COMPLIANCE EXAMINATION  
For The Two Years Ended June 30, 2007

**COMPLIANCE REPORT**

**SUMMARY**

The limited scope compliance testing performed during this examination was conducted in accordance with *Government Auditing Standards* and in accordance with the Illinois State Auditing Act.

**ACCOUNTANTS' REPORT**

The Independent Accountants' Report on State Compliance, on Internal Control Over Compliance and on Supplementary Information for State Compliance Purposes relates only to those chapters of the "Audit Guide for Performing Financial Audits and Compliance Attestation Engagements of Illinois State Agencies" (*Audit Guide*) which are identified in the report as having compliance testing performed.

**SUMMARY OF FINDINGS**

<u>Number of</u>	<u>This Report*</u>	<u>Prior Report**</u>
Findings	7	6
Repeated findings	2	6
Prior recommendations implemented or not repeated	4	-

\* Details of findings are presented in a separately tabbed report section.

\*\* Previously reported in the Department of Human Services Financial Audit and Compliance Examination Report for the two years ended June 30, 2005. This constitutes the first separate examination of the facility.

**SCHEDULE OF FINDINGS**

CURRENT FINDINGS

<u>Item No.</u>	<u>Page</u>	<u>Description</u>
07-1	10	Inadequate Internal Controls Over Property Records
07-2	12	Inadequate Internal Controls Over Commodities Inventory
07-3	14	Inadequate Internal Controls Over Resident Commissary Operations
07-4	16	Weaknesses in Controls Over Locally Held Funds
07-5	18	Lack of Proper Document Retention
07-6	19	Charges for Services Policy and Rate Structure Not Established
07-7	20	Hiring Policies for Security Therapy Aides

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
RUSHVILLE TREATMENT AND DETENTION FACILITY  
LIMITED SCOPE COMPLIANCE EXAMINATION  
For The Two Years Ended June 30, 2007

**SCHEDULE OF FINDINGS (Continued)**

PRIOR FINDINGS NOT REPEATED

<u>Item No.</u>	<u>Page</u>	<u>Description</u>
07-8	21	Staff Resource Allocation
07-9	21	Weakness over Timekeeping
07-10	21	Inefficiencies in the Business Office
07-11	21	Inadequate Controls over Telecommunications

**EXIT CONFERENCE**

The findings and recommendations appearing in this report were discussed with the Facility personnel at an exit conference on December 6, 2007. Attending were:

Department of Human Services

Mary Fritz                      DHS Audit Liaison

Rushville Treatment and Detention Facility

Larry Phillips                  Facility Director  
Brian Thomas                  Director of Administration  
Susie Pennell                  Fiscal Services Officer

Office of the Auditor General

Lisa Warden                  Audit Manager

Doehring, Winders & Co. LLP

Robert Arnholt                Partner  
Matt Cekander                 Manager

Responses to the recommendations were provided by Mary Fritz in a letter dated December 21, 2007.

DOEHRING, WINDERS & CO. LLP  
*Certified Public Accountants  
& Business Advisers*  
1601 LAFAYETTE AVENUE  
MATTOON, ILLINOIS 61888

**INDEPENDENT ACCOUNTANTS' REPORT ON STATE COMPLIANCE,  
ON INTERNAL CONTROL OVER COMPLIANCE, AND ON  
SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES**

Honorable William G. Holland  
Auditor General  
State of Illinois

**Compliance**

As Special Assistant Auditors for the Auditor General, we performed a limited scope compliance examination of the State of Illinois Department of Human Services – Rushville Treatment and Detention Facility's (Facility) compliance with the requirements listed below, as more fully described in the Audit Guide for Performing Financial Audits and Compliance Attestation Engagements of Illinois State Agencies (*Audit Guide*) as adopted by the Auditor General, during the two years ended June 30, 2007. The management of the Facility is responsible for compliance with these requirements. Our responsibility is to express an opinion on the Facility's compliance based on our examination.

- A. The State of Illinois Department of Human Services – Rushville Treatment and Detention Facility has obligated, expended, received, and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The State of Illinois Department of Human Services – Rushville Treatment and Detention Facility has obligated, expended, received, and used public funds of the State in accordance with any limitations, restrictions, conditions or mandatory directions imposed by law upon such obligation, expenditure, receipt or use.
- C. The State of Illinois Department of Human Services – Rushville Treatment and Detention Facility has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations, except as noted.
- D. The State revenues and receipts collected by the State of Illinois Department of Human Services – Rushville Treatment and Detention Facility are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate and in accordance with law.
- E. Money or negotiable securities or similar assets handled by the State of Illinois Department of Human Services – Rushville Treatment And Detention Facility on behalf of the State or held in trust by the State of Illinois Department of Human Services – Rushville Treatment And Detention Facility have been properly and legally administered and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

## **Compliance (continued)**

Our limited scope compliance examination of the Facility was limited to the following areas of the *Audit Guide*:

- Chapter 8 – Personal Services Expenditures
- Chapter 9 – Contractual Services Expenditures
- Chapter 11 – Commodities Expenditures
- Chapter 17 – Revenues, Refunds and Receivables
- Chapter 18 – Appropriations, Transfers and Expenditures
- Chapter 22 – Review of Agency Functions and Planning Program
- Chapter 30 – Auditing Compliance With Agency Specific Statutory Mandates

The areas of the *Audit Guide* not examined at the Facility have had procedures performed on a Department-wide basis through the compliance examination of the Department of Human Services Central Office, and accordingly, any findings from the results of those procedures have been included in the Department of Human Services – Central Office compliance report. We have also performed certain procedures with respect to the accounting records of the Facility to assist in the performance of the Auditor General's financial statement audit of the entire Department of Human Services for the year ended June 30, 2007. The results of these additional procedures have been communicated to the Department of Human Services – Central Office auditors.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants; the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the Illinois State Auditing Act (Act); and the *Audit Guide* as adopted by the Auditor General pursuant to the Act; and, accordingly, included examining, on a test basis, evidence about the State of Illinois Department of Human Services - Rushville Treatment and Detention Facility's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the State of Illinois Department of Human Services – Rushville Treatment and Detention Facility's compliance with specified requirements.

As described in finding 07-1 in the accompanying Schedule of Findings and Recommendations, the Facility did not comply with requirements regarding the accounting and recordkeeping for property and equipment. More specifically, the Facility did not comply with the Illinois State Records Act (5 ILCS 160/8) which requires the Facility to preserve records containing adequate and proper documentation. Additionally, the Facility did not comply with the State Property Control Act (30 ILCS 605/4) which requires that the Facility be accountable for the supervision, control, and inventory of all property under its jurisdiction and control. Compliance with such requirements is necessary, in our opinion, for the Facility to comply with the requirement listed in the first paragraph of this report.

In our opinion, except for the noncompliance described in the preceding paragraph, the Facility complied, in all material respects, with the aforementioned requirements during the two years ended June 30, 2007. However, the results of our procedures disclosed other instances of noncompliance with those requirements, which are required to be reported in accordance with criteria established by the *Audit Guide*, issued by the Illinois Office of the Auditor General and which are described in the accompanying Schedule of Findings as findings 07-2, 07-3, 07-4, 07-5, 07-6, and 07-7.

As required by the *Audit Guide*, immaterial findings relating to instances of noncompliance excluded from this report have been reported in a separate letter to your office.



## **Internal Control**

The management of the Facility is responsible for establishing and maintaining effective internal control over compliance with the requirements listed in the first paragraph of this report. In planning and performing our limited scope compliance examination, we considered the Facility's internal control over compliance with the requirements listed in the first paragraph of this report in order to determine our examination procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the *Audit Guide*, issued by the Illinois Office of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of the Facility's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Facility's internal control over compliance. We have also performed certain procedures with respect to the accounting records of the Facility to assist in the performance of the Auditor General's financial statement audit of the entire Department of Human Services for the year ended June 30, 2007. The results of these additional procedures have been communicated to the Department of Human Services - Central Office auditors.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses as defined below.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with the requirements listed in the first paragraph of this report on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to comply with the requirements listed in the first paragraph of this report such that there is more than a remote likelihood that noncompliance with a requirement that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Recommendations as items 07-1, 07-2, 07-3, 07-4, 07-5, 07-6, and 07-7 to be significant deficiencies.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material noncompliance with a requirement listed in the first paragraph of this report will not be prevented or detected by the entity's internal control. Of the significant deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Recommendations, we consider item 07-1 to be a material weakness.

As required by the *Audit Guide*, immaterial findings relating to internal control deficiencies excluded from this report have been reported in a separate letter to your office.

The Facility's response to the findings identified in our examination are described in the accompanying Schedule of Findings and Recommendations. We did not examine the Facility's response and, accordingly, we express no opinion on it.

**Supplementary Information for State Compliance Purposes**

Our examination was conducted for the purpose of forming an opinion on compliance with the requirements listed in the first paragraph of this report. The accompanying supplementary information as listed in the table of contents as Supplementary Information for State Compliance Purposes is presented for purposes of additional analysis. We have applied certain limited procedures as prescribed by the *Audit Guide*, as adopted by the Auditor General, to the 2007 and 2006 Supplementary Information for State Compliance Purposes, except for the Schedule of Changes in State Property and information on Employee Overtime, Contractual Payroll Employees, Shared Resources, Facility Utilization, Annual Cost Statistics, and Service Efforts and Accomplishments on which we did not perform any procedures. However, we do not express an opinion on the supplementary information.

We have not applied procedures to the 2005 Supplementary Information for State Compliance Purposes, and accordingly, we do not express an opinion thereon.

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, Facility and Department of Human Services management, and is not intended to be and should not be used by anyone other than these specified parties.

*Doehring, Winders & Co. LLP*

December 26, 2007

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
RUSHVILLE TREATMENT AND DETENTION FACILITY  
CURRENT FINDINGS – STATE  
Two Years Ended June 30, 2007

**07-1 INADEQUATE INTERNAL CONTROLS OVER PROPERTY RECORDS**

The Treatment and Detention Facility (Facility) did not maintain sufficient controls over the accuracy and reporting of its property records.

We noted the following issues:

- During our cutoff testing, 6 of 19 (32%) items tested were recorded in the incorrect fiscal period. All 6 items related to fiscal year 2007 and were received in fiscal year 2007, but were not recorded until fiscal year 2008. These 6 items had an original cost totaling \$6,198. In addition, for two of these 19 (11%) items, detailed documentation could not be located by the Facility.
- For 15 of 43 (35%) property control additions and 12 of 25 (48%) property control deletions selected for testing, the detailed documentation could not be located by the Facility. In addition, of these 43 additions tested, 10 (23%) were recorded in the incorrect fiscal period. All 10 items related to fiscal year 2007 and were received in fiscal year 2007, but were not recorded until fiscal year 2008.
- The cost of 4 of 43 (9%) property additions selected for testing from the property control records differed from the invoice amounts. This difference totaled \$28,711.
- An item included in 1 of 18 (6%) property invoices selected for testing was not recorded in property control records. The item had an original cost of \$5,560.
- Two of 40 (5%) assets physically inspected were not tagged. These items were a medical breathing unit valued at \$2,124 and a food and beverage cart valued at \$114.
- Two of 40 (5%) assets selected for physical inspection could not be located by the Facility. These 2 items had an original cost totaling \$564.

Generally Accepted Accounting Principles require the proper valuation of property for financial reporting purposes. The Illinois State Records Act (5 ILCS 160/8) requires that agencies preserve documentation of records. Also, the Illinois Administrative Code (44 Ill. Adm. Code 5010.400) requires that agencies mark each piece of State-owned equipment with a unique six-digit identification number (44 Ill. Adm. Code 5010.210). The State Property Control Act (30 ILCS 605/4) also requires that the Facility be accountable for the supervision, control and inventory of all property under its jurisdiction and control.

Facility personnel stated the reasons for the issues noted were due to the large number of assets transferred from Joliet, some partial shipments received before year-end where the Facility was waiting for the remaining shipment before recording the assets, and the property control position turning over two times during the two years ended June 30, 2007.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
RUSHVILLE TREATMENT AND DETENTION FACILITY  
CURRENT FINDINGS – STATE (Continued)  
Two Years Ended June 30, 2007

**07-1 INADEQUATE INTERNAL CONTROLS OVER PROPERTY RECORDS (Continued)**

Inaccurate property recording and reporting and lack of supporting documentation and property tags reduces the reliability of the property records and can result in theft, loss, or unauthorized use of State assets. (Finding Code No. 07-1)

**RECOMMENDATION**

We recommend the Facility comply with Generally Accepted Accounting Principles and the applicable laws and administrative rules by ensuring all equipment under its jurisdiction is tagged and recorded accurately and timely on its property records. We further recommend the Facility maintain sufficient documentation to support the property control records.

**AGENCY RESPONSE**

Agree. Corrective action to comply with State Property Control Act and the Illinois Administrative Code has been taken. Storekeepers have been instructed to record receipt of property into Commodity Control System timely as well as into the Property Control System. The Facility will implement an Internal Audit Committee that will audit property control and other commodity items on a regular basis.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
RUSHVILLE TREATMENT AND DETENTION FACILITY  
CURRENT FINDINGS – STATE (Continued)  
Two Years Ended June 30, 2007

**07-2 INADEQUATE INTERNAL CONTROLS OVER COMMODITIES INVENTORY**

The Treatment and Detention Facility (Facility) had inadequate internal controls over the commodities inventory and over reporting inventory balances for financial reporting purposes.

The Facility tracked its commodities inventory on the Commodities Control System (CCS) which is the Department of Human Services' standardized system to track commodity activities. At June 30, 2007, the total value of the commodities inventory was \$105,972 as shown on CCS. During our testing of the commodities inventory, we noted the following issues:

- Four of 12 (33%) commodity items tested during the cutoff period at fiscal year-end 2007 were received prior to June 30, 2007, but the Facility did not record them into CCS until fiscal year 2008. The value of these 4 items totaled \$7,661.
- Eight of 25 (32%) requisitions tested during the cutoff period at fiscal year-end 2007 were not properly approved prior to filling the order. Also, the Facility could not provide copies of requisitions prior to May 2007.
- 14 of 25 (56%) requisitions were not tracked and accounted for.

Generally Accepted Accounting Principles require the proper valuation of inventory for financial reporting purposes. Good internal controls require accurate perpetual inventory records be maintained and inventory be properly valued. In addition, the Fiscal Control and Internal Auditing Act (FCIAA) (30 ILCS 10/3001) requires that agencies establish internal fiscal and administrative controls to provide assurance that resources are used efficiently; funds and property are safeguarded against waste, loss, unauthorized use, and misappropriation; and financial activity is properly recorded to ensure reliable financial reporting.

Facility officials stated they did the best they could with the physical limitations of the Facility and its available resources. At the end of fiscal 2007, the Facility hired a more experienced employee to oversee the commodities inventory.

Inaccurate inventory cost reporting reduces the reliability of the inventory information. In addition to potential misstatement of inventory balances, inadequate internal controls over commodities inventory may result in over-purchasing, waste, theft, loss, or unauthorized use of State assets, as well as noncompliance with FCIAA. (Finding Code No. 07-2)

**RECOMMENDATION**

We recommend the Facility improve its internal controls over the commodities inventory recording and tracking procedures, including not allowing orders to be filled without a properly approved requisition and requiring items received to be entered into CCS within a specified period of time. We further recommend the Facility periodically account for requisitions.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
RUSHVILLE TREATMENT AND DETENTION FACILITY  
CURRENT FINDINGS – STATE (Continued)  
Two Years Ended June 30, 2007

**07-2 INADEQUATE INTERNAL CONTROLS OVER COMMODITIES INVENTORY (Continued)**

**AGENCY RESPONSE**

Agree. The Facility will review all commodity items on the Commodity Control System and check for accurate costs based on issue quantity. A composition book will be used by the Storekeepers to record all incoming purchase requests and requisitions to improve the internal control over all receipts and issues.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
RUSHVILLE TREATMENT AND DETENTION FACILITY  
CURRENT FINDINGS – STATE (Continued)  
Two Years Ended June 30, 2007

**07-3 INADEQUATE INTERNAL CONTROLS OVER RESIDENT COMMISSARY OPERATIONS**

The Treatment and Detention Facility (Facility) had inadequate internal controls over the resident commissary (commissary) operations.

The Facility maintained a small commissary which allowed residents to exchange points earned from good behavior for goods from the commissary. During our examination of the commissary operations, we noted the following issues:

- The Commodity Control System (CCS), which the Facility used to track inventory in the warehouse, was not utilized for tracking the commissary inventory. After the Facility requisitioned commodities from the warehouse to the commissary, the Facility removed the inventory from CCS, so it was no longer tracked by CCS. The Facility tracked it on an electronic spreadsheet, but it was not up-to-date or accurate. Due to the lack of complete commissary inventory records, we were unable to verify the approximate \$13,000 in commissary expenditures for fiscal year 2007.
- The Facility did not have a proper data backup plan in place for the commissary tracking spreadsheet. In August 2006, the electronic spreadsheet in Microsoft Access crashed, and the Facility did not restore the program until March 2007. As of June 30, 2007, the data was not fully restored and was in the process of being recreated.
- The residents' points program is the method by which the residents purchased items from the commissary. The Facility continued to operate the commissary subsequent to the spreadsheet loss. In connection with the aforementioned program crash, several residents' point totals showed questionable negative balances which were not timely investigated and addressed.
- The Facility did not have proper segregation of duties in place over the commissary operations. One employee was responsible for maintaining the commissary inventory records, conducting physical inventory counts with the residents, updating residents' points records, and re-ordering commissary inventory.
- The Facility lacked formally documented policies and procedures over the commissary operations.

Generally Accepted Accounting Principles require the proper valuation of inventory for financial reporting purposes. Good internal controls over the commissary operations require proper segregation of custody and recordkeeping duties, accurate commissary inventory records including the points program, formal documentation of the policies and procedures, and proper safeguards in place for the inventory records. The Fiscal Control and Internal Auditing Act (FCIAA) (30 ILCS 10/3001) requires that agencies establish internal fiscal and administrative controls to provide assurance that resources are used efficiently; funds and property are safeguarded against waste, loss, unauthorized use, and misappropriation; and financial activity is properly recorded to ensure reliable financial reporting. In addition, the Statewide Accounting Management System (SAMS) Procedures 02.50.20 on Internal Controls requires detailed subsidiary records be maintained and periodically reconciled against the physical count. By not maintaining appropriate and accurate records, the overall inventory could be misstated.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
RUSHVILLE TREATMENT AND DETENTION FACILITY  
CURRENT FINDINGS – STATE (Continued)  
Two Years Ended June 30, 2007

**07-3 INADEQUATE INTERNAL CONTROLS OVER RESIDENT COMMISSARY OPERATIONS  
(Continued)**

Facility officials stated they did the best they could with the available staffing resources of the Facility and have since hired a second employee who will be involved with the commissary operations.

Accurate recording of inventory and proper controls over the commissary operations, including the residents point system, is necessary to properly manage the commissary inventory. Inadequate controls over commissary inventory may result in over-purchasing, waste, theft, loss, or unauthorized use of State assets, as well as noncompliance with FCIAA. (Finding Code No. 07-3, Previously reported as Finding Code No. 05-33, 03-35 in the Department of Human Services Financial Audit and Compliance Examination reports)

**RECOMMENDATION**

We recommend the Facility implement a system to track and value its commissary inventory and back up the information on a regular basis. Policies and procedures should also be implemented for accountability of the commissary operations. In addition, physical counts and the residents' points should be periodically reconciled by a person independent of the person who tracks the inventory and points.

**AGENCY RESPONSE**

Agree. The Facility has a sole source procurement for I-Tech to program and install a cashless vending inventory (CVI) system. This will be implemented in phases. Phase I will allow for vending machines to dispense items provided to residents by the state using their own unique vending card. Phase II will allow for commissary items to be dispensed to residents using the point system. This CVI system will track and record all inventory. If possible, the Facility will implement a Phase III, which will allow for commissary items and vended items to be dispensed using cash. This will depend on rules governing the Blind Vendors right to vend machines at the Facility and establishing accounting records.



STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
RUSHVILLE TREATMENT AND DETENTION FACILITY  
CURRENT FINDINGS – STATE (Continued)  
Two Years Ended June 30, 2007

**07-4 WEAKNESSES IN CONTROLS OVER LOCALLY HELD FUNDS**

The Treatment and Detention Facility (Facility) had inadequate controls over its locally held funds.

We noted the following issues with the Facility's locally held funds:

- The Facility lacked an adequate segregation of duties over custody and recordkeeping. The same employee was responsible for the receiving, recording, and sometimes depositing of the funds.
- Three of 50 (6%) cash receipts selected for testing were missing records of the amount, receipt date, source, and purpose.
- For the patient travel trust fund, on one of eight (13%) quarterly C-17 Receipt/Disbursement Reports (C-17), the Facility marked "Cash Basis." However, the Facility reported the disbursements on an accrual basis.
- For the resident trust fund, the Facility's disbursements shown on the June 30, 2007 C-17 differed from Facility records by \$880.
- Two of 80 (3%) disbursements selected for testing were missing the related invoice. The two expenditures totaled \$56.

The State Officers and Employees Money Disposition Act (30 ILCS 230/2a) requires every agency to keep a detailed itemized account of all moneys received including date of receipt, payor, purpose, and amount. Also, the Illinois State Records Act (5 ILCS 160/8) requires each agency to preserve records containing adequate and proper documentation of transactions of the agency. Also, good internal controls would require proper segregation of duties and reporting of locally held funds.

Facility officials cited staff shortage as the reason for the segregation of duties issue. Facility officials cited the transition from the Joliet to the Rushville location as the primary reason for the other exceptions noted.

Failure to maintain adequate supporting documentation results in less reliable records and results in noncompliance with the applicable laws and statutes. Further, inadequate internal controls increases the risk that errors and fraud could occur and not be detected. (Finding Code No. 07-4)

**RECOMMENDATION**

We recommend the Facility comply with applicable laws and statutes by implementing adequate controls over the locally held funds.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
RUSHVILLE TREATMENT AND DETENTION FACILITY  
CURRENT FINDINGS – STATE (Continued)  
Two Years Ended June 30, 2007

**07-4 WEAKNESSES IN CONTROLS OVER LOCALLY HELD FUNDS (Continued)**

**AGENCY RESPONSE**

Agree. The error in the Trust Fund checking account and reporting system was corrected. The Facility will comply with all rules regarding locally held funds and will implement adequate controls in document retention. The Facility will request a position (Office Specialist) to oversee some parts of the Business Office and to help segregate the duties.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
RUSHVILLE TREATMENT AND DETENTION FACILITY  
CURRENT FINDINGS – STATE (Continued)  
Two Years Ended June 30, 2007

**07-5 LACK OF PROPER DOCUMENT RETENTION**

The Facility did not retain proper documentation for some of its transactions.

During the examination period, we noted the following items:

- Nineteen of 60 (32%) payroll files selected for testing were missing proper documentation. The missing documentation from the payroll files included W-4 forms, payroll deduction cards, and insurance verification forms.
- Three of 25 (12%) attendance records selected for inactive or terminated employees could not be located by the Facility.
- The invoice was missing for three of 107 (3%) vouchers selected for testing. The value of these three vouchers totaled \$539.

According to the Illinois State Records Act (5 ILCS 160/8), "The head of each agency shall cause to be made and preserved records containing adequate and proper documentation of ... essential transactions of the agency designed to furnish information to protect the legal and financial rights of the state and of persons directly affected by the agency's activities." Also, SAMS (Procedure 17.10.20) requires that each State agency maintain all supporting documentation necessary to substantiate their expenditures.

Facility officials cited the transition from the Joliet to the Rushville location as the primary reason for the missing documents.

Failure to maintain adequate supporting documentation results in noncompliance with the State Records Act and increases the risk that errors and fraud could occur and not be detected. (Finding Code No. 07-5)

**RECOMMENDATION**

We recommend the Facility comply with the State Records Act and required SAMS procedures implementing adequate controls for document retention.

**AGENCY RESPONSE**

Agree. The majority of the records not found were in FY06 and were not located primarily due to the move from Joliet to Rushville. Record retention procedures were in place for FY07. The Facility will continue to control the document retention in order to comply with the State Records Act.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
RUSHVILLE TREATMENT AND DETENTION FACILITY  
CURRENT FINDINGS – STATE (Continued)  
Two Years Ended June 30, 2007

**07-6 CHARGES FOR SERVICES POLICY AND RATE STRUCTURE NOT ESTABLISHED**

The Treatment and Detention Facility (Facility) did not have a policy and rate structure in place for charging services to residents.

The Facility had not formally documented a policy on charging residents for services and a corresponding rate structure. Under the existing conditions, a resident may have access to assets to pay for services the Facility provides, but the resident would not be required to without a documented policy in place. At the end of fiscal year 2007, the Facility had approximately 300 residents. The Facility's expenditures for fiscal year 2007 and 2006 totaled \$22,009,778 and \$18,838,248, respectively.

Under the Sexually Violent Persons Commitment Act (725 ILCS 207/90), "Each person committed or detained under this Act who receives services provided directly or funded by the Department and the estate of that person is liable for the payment of sums representing charges for services to the person at a rate to be determined by the Department."

Facility officials stated they prioritized other items, including the move from the Joliet to the Rushville facility, ahead of drafting a policy on charging for services to the residents.

By not having this policy and a determined rate structure in place, the Facility was not in compliance with the Sexually Violent Persons Commitment Act and has not recouped any costs of services provided. (Finding Code No. 07-6)

**RECOMMENDATION**

We recommend the Facility formally document a policy on charging residents for services and a corresponding rate structure to comply with the Sexually Violent Persons Commitment Act.

**AGENCY RESPONSE**

Agree. There is no rate structure in place because there has to be a rule written to implement the Sexually Violent Persons Act. The Facility has spoken with DHS Legislation/Legal Liaison who is in the process of promulgating this rule. After the rule change, there will need to be a process established to charge for services. The Facility will formally document a policy which would state that the Facility can charge for services when a rate structure is established.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
RUSHVILLE TREATMENT AND DETENTION FACILITY  
CURRENT FINDINGS – STATE (Continued)  
Two Years Ended June 30, 2007

**07-7 HIRING POLICIES FOR SECURITY THERAPY AIDES**

No minimum education and experience requirements exist for Security Therapy Aides (STA) hired by the Treatment and Detention Facility (Facility).

The Facility is responsible for the treatment and detention of sexually violent persons released from the Department of Corrections who are still considered a danger to society. The basic line personnel that deal with committed persons at the Facility on a daily basis are the STAs. The position specification for the STA does not set a minimum education and experience requirement for applicants to ensure that newly hired employees have adequate core knowledge and experience, which may help to perform their job. The Department of Central Management Services (CMS) Class Specification requirements to become an STA Trainee "Requires ability to participate in and successfully complete the Security Therapy Aide training program." There are no educational or experience requirements such as a high school degree or GED. According to the job requirements, the position "Requires the capability to adjust to mentally ill individuals under conditions of maximum security." As of June 30, 2007, the Facility employed 166 STAs.

Other CMS job specifications for positions that require interaction with committed persons require the applicant to have the knowledge, skill, and mental development equivalent to completion of four years of high school as well as successful completion of an approved training program. Due to the nature of the job requirements, STAs should be required to possess, at a minimum, the knowledge, skill, and mental development equivalent to completion of four years of high school and should also successfully complete an approved training program.

Facility officials responded that they have requested changes to the STA job specification and will continue to work with CMS and the Division of Mental Health to formulate appropriate educational and experience requirements for STAs.

In recognition of the security risks inherent to the Facility, establishing employee qualifications consistent with those of other positions in the State that require interaction with committed persons would reinforce security and safety for persons at the Facility. (Finding Code No. 07-7, Previously reported as Finding Code No. 05-28, 03-30 in the Department of Human Services Financial Audit and Compliance Examination Reports)

**RECOMMENDATION**

We recommend the Facility continue working with the appropriate agencies to revise the educational and experience requirements for the CMS Class Specifications for STA Trainees and STAs.

**AGENCY RESPONSE**

Agree. The Facility will continue to work with DHS central level staff and CMS to set a minimum education requirement for STAs.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
RUSHVILLE TREATMENT AND DETENTION FACILITY  
LIMITED SCOPE COMPLIANCE EXAMINATION  
For The Two Years Ended June 30, 2007

**PRIOR FINDINGS NOT REPEATED - STATE**

**07-8 STAFF RESOURCE ALLOCATION**

In the prior examination, the Treatment and Detention Facility (Facility) had significant staff resource allocation issues. Staffing vacancies were noted in the following employment areas during the prior examination: security, facilities and quality assurance. We noted no significant vacancies or staffing shortages during the current examination period. (Previously reported as Finding Code No. 05-29, 03-31 in the Department of Human Services Financial Audit and Compliance Examination Reports)

**07-9 WEAKNESS OVER TIMEKEEPING**

In the prior examination, the Facility had timekeeping issues with Security Therapy Aides (STAs). Discrepancies were noted between the roll call sign in sheets and the official timekeeping records for STAs. We noted no significant problems or deficiencies during the current examination period. (Previously reported as Finding Code No. 05-30, 03-32 in the Department of Human Services Financial Audit and Compliance Examination Reports)

**07-10 INEFFICIENCIES IN THE BUSINESS OFFICE**

During current year testing, we noted the facility utilized the Consolidated Accounting and Reporting System (CARS) and not a spreadsheet for vendor payments. We also noted that the Facility was periodically removing released residents' information and was able to easily access the account detail information for the residents from the trust fund accounting system. No significant problems or deficiencies were noted during the current examination period. (Previously reported as Finding Code No. 05-31, 03-33 in the Department of Human Services Financial Audit and Compliance Examination Reports)

**07-11 INADEQUATE CONTROLS OVER TELECOMMUNICATIONS**

In the prior examination, the following deficiencies were noted with the telephone system: the Facility's policy on personal use of the phone system was not covered during employee orientation; each phone did not have a specific phone number assigned to it, making it difficult to trace unauthorized calls; and some of the phone lines were not used very often. During our testing for the current examination, we noted that these problems had been successfully addressed; therefore, this finding was not repeated. (Previously reported as Finding Code No. 05-32, 03-34 in the Department of Human Services Financial Audit and Compliance Examination Reports)

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
RUSHVILLE TREATMENT AND DETENTION FACILITY  
LIMITED SCOPE COMPLIANCE EXAMINATION  
For The Two Years Ended June 30, 2007

**SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES**

**SUMMARY**

Supplementary Information for State Compliance Purposes presented in this section of the report includes the following:

Fiscal Schedules and Analysis:

- Schedule of Appropriations, Expenditures and Lapsed Balances
- Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances
- Description of Locally Held Funds
- Schedule of Locally Held Funds - Cash Basis
- Schedule of Changes in State Property (not examined)
- Comparative Schedule of Cash Receipts and Deposits
- Analysis of Significant Variations in Expenditures
- Analysis of Significant Lapse Period Spending
- Schedule of Changes in Inventories

Analysis of Operations:

- Facility Functions and Planning Program
- Average Number of Employees
- Employee Overtime (not examined)
- Contractual Payroll Employees (not examined)
- Shared Resources (not examined)
- Facility Utilization (not examined)
- Annual Cost Statistics
  - Costs Per Year Per Resident (not examined)
  - Ratio of Employees to Residents (not examined)
  - Reported Employee Job Injuries (not examined)
  - Food Services (not examined)
- Service Efforts and Accomplishments (not examined)

The accountants' report that covers the Supplementary Information for State Compliance Purposes presented in the Compliance Report Section states the auditors have applied certain limited procedures as prescribed by the *Audit Guide*, as adopted by the Auditor General, except for the Schedule of Changes in State Property and information on Employee Overtime, Contractual Payroll Employees, Shared Resources, Facility Utilization, Annual Cost Statistics, and Service Efforts and Accomplishments on which the auditors did not perform any procedures. However, the auditors do not express an opinion on the supplementary information.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
RUSHVILLE TREATMENT AND DETENTION FACILITY  
LIMITED SCOPE COMPLIANCE EXAMINATION  
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES  
For The Year Ended June 30, 2007

APPROPRIATIONS (NET OF TRANSFERS)	EXPENDITURES THROUGH JUNE 30, 2007	LAPSE PERIOD EXPENDITURES JULY 1 TO AUGUST 31, 2007	TOTAL EXPENDITURES 14 MONTHS ENDED AUGUST 31, 2007	BALANCES LAPSED AUGUST 31, 2007
\$ 25,886,400	\$ 18,202,333	\$ 3,807,445	\$ 22,009,778	\$ 3,876,622
Total - Fiscal Year 2007	\$ 18,202,333	\$ 3,807,445	\$ 22,009,778	\$ 3,876,622

PUBLIC ACT 94-0798

GENERAL REVENUE FUND - 001

Sexually violent persons program

Total - Fiscal Year 2007

Note: The information reflected in this schedule was taken from the Facility's records and reconciled to records of the State Comptroller.



STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
RUSHVILLE TREATMENT AND DETENTION FACILITY  
LIMITED SCOPE COMPLIANCE EXAMINATION  
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES  
For The Year Ended June 30, 2006

APPROPRIATIONS (NET OF TRANSFERS)	EXPENDITURES THROUGH JUNE 30, 2006	LAPSE PERIOD EXPENDITURES JULY 1 TO AUGUST 31, 2006	TOTAL EXPENDITURES 14 MONTHS ENDED AUGUST 31, 2006	BALANCES LAPSED AUGUST 31, 2006
\$ 21,485,800	\$ 15,206,910	\$ 3,631,338	\$ 18,838,248	\$ 2,647,552
\$ 21,485,800	\$ 15,206,910	\$ 3,631,338	\$ 18,838,248	\$ 2,647,552

PUBLIC ACT 94-0015  
PUBLIC ACT 94-0798

GENERAL REVENUE FUND - 001  
Sexually violent persons program

Total - Fiscal Year 2006

Note: The information reflected in this schedule was taken from the Facility's records and reconciled to records of the State Comptroller.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
RUSHVILLE TREATMENT AND DETENTION FACILITY  
LIMITED SCOPE COMPLIANCE EXAMINATION  
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,  
EXPENDITURES AND LAPSED BALANCES  
For The Years Ended June 30,

	FISCAL YEAR		
	2007	2006	2005
	P.A. 94-0798	P.A. 94-0015 P.A. 94-0798	P.A. 93-0842
GENERAL REVENUE FUND - 001			
Appropriations (net of transfers)	<u>\$ 25,886,400</u>	<u>\$ 21,485,800</u>	<u>\$ 17,488,900</u>
EXPENDITURES			
Sexually violent persons program	<u>22,009,778</u>	<u>18,838,248</u>	<u>17,446,853</u>
Total Expenditures	<u>22,009,778</u>	<u>18,838,248</u>	<u>17,446,853</u>
LAPSED BALANCES	<u>\$ 3,876,622</u>	<u>\$ 2,647,552</u>	<u>\$ 42,047</u>

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
RUSHVILLE TREATMENT AND DETENTION FACILITY  
LIMITED SCOPE COMPLIANCE EXAMINATION  
DESCRIPTION OF LOCALLY HELD FUNDS  
For The Two Years Ended June 30, 2007

The locally held funds of the Facility are grouped into two fund categories, Governmental and Fiduciary funds. These are non-appropriated funds. The funds are not held in the State Treasury and are described as follows:

1. Governmental Funds

*General Fund*

The General Fund consists of the Patient Travel Trust Fund. This fund is used to record the activity of monies received from the State's General Revenue Fund for designated purposes.

The Patient Travel Trust Fund (SAMS fund number 1247) was established to provide transportation of residents without funds. The source of revenue is State appropriation. Expenditures are for travel or transfer costs incurred to transport residents to another facility or to their home upon release.

*Special Revenue Fund*

The Special Revenue Fund consists of the DHS Rehabilitation Fund. This fund is used to account for the proceeds of a specific revenue source that are legally restricted to expenditures for specific purposes.

The DHS Rehabilitation Fund (SAMS fund number 1144) was established to provide workshop services for individuals with the potential for gainful employment and independent living and for long-term employment of persons capable of working in a sheltered environment. The source of revenue is payments for services provided by residents to outside enterprises for workshop production. Expenditures are for materials, supplies, and resident wages for work performed.

2. Fiduciary Fund Type

*Agency Fund*

The Agency Fund consists of the DHS Resident's Trust Fund. Agency funds are used to account for assets held in a trustee capacity or as an agent for individuals, private organizations, other governments, or other funds.

The DHS Resident's Trust Fund (SAMS fund number 1143) is maintained as a depository for funds of residents while in residence at the Facility. Disbursements from the fund consist primarily of withdrawals of monies for recipients' personal use at the Facility or when released.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
RUSHVILLE TREATMENT AND DETENTION FACILITY  
LIMITED SCOPE COMPLIANCE EXAMINATION  
SCHEDULE OF LOCALLY HELD FUNDS - CASH BASIS  
For The Year Ended June 30, 2007

	1247 Patient Travel Trust Fund	1144 DHS Rehabilitation Fund	1143 Resident's Trust Fund
Balance - July 1, 2006	\$ 648	\$ 23	\$ 19,168
Receipts			
Resident Account Receipts	-	-	68,522
Appropriations from General Revenue Fund	12,000	-	-
Total Receipts	12,000	-	68,522
Disbursements			
Resident Account Disbursements	-	-	65,818
Disbursements for released residents	6,908	-	-
Total Disbursements	6,908	-	65,818
Balance - June 30, 2007	\$ 5,740	\$ 23	\$ 21,872

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
RUSHVILLE TREATMENT AND DETENTION FACILITY  
LIMITED SCOPE COMPLIANCE EXAMINATION  
SCHEDULE OF LOCALLY HELD FUNDS - CASH BASTS  
For The Year Ended June 30, 2006

	1247 Patient Travel Trust Fund	1144 DHS Rehabilitation Fund	1143 Resident's Trust Fund
Balance - July 1, 2005	\$ 1,805	\$ 23	\$ 11,176
Receipts			
Resident Account Receipts	-	-	79,365
Appropriations from General Revenue Fund	5,325	-	-
Total Receipts	5,325	-	79,365
Disbursements			
Resident Account Disbursements	-	-	71,373
Disbursements for released residents	6,482	-	-
Total Disbursements	6,482	-	71,373
Balance - June 30, 2006	\$ 648	\$ 23	\$ 19,168

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
RUSHVILLE TREATMENT AND DETENTION FACILITY  
LIMITED SCOPE COMPLIANCE EXAMINATION  
SCHEDULE OF CHANGES IN STATE PROPERTY  
For The Two Years Ended June 30, 2007  
(not examined)

	Buildings and building improvements	Site improvements	Equipment	Total
Balance June 30, 2005	\$ 8,758,558	\$ 43,080	\$ 1,626,339	\$ 10,427,977
Additions:				
Purchases	-	-	1,447,860	1,447,860
Transfers-in:				
Intra-agency	-	-	984,344	984,344
Used equipment additions	-	-	592	592
Adjustments	-	-	11,311	11,311
Total additions	-	-	2,444,107	2,444,107
Deductions:				
Transfers-out:				
Intra-agency	-	-	922,957	922,957
Scrap property	-	-	16,684	16,684
Adjustments	-	-	57,569	57,569
Total deductions	-	-	997,210	997,210
Balance June 30, 2006	8,758,558	43,080	3,073,236	11,874,874
Additions:				
Purchases	-	-	258,471	258,471
Transfers-in:				
Intra-agency	-	-	3,469,709	3,469,709
Used equipment additions	-	-	128,536	128,536
Adjustments	-	-	837	837
Total additions	-	-	3,857,553	3,857,553
Deductions:				
Transfers-out:				
Intra-agency	-	-	3,628,316	3,628,316
Inter-agency	8,758,558	43,080	267,538	9,069,176
Surplus property	-	-	2,784	2,784
Scrap property	-	-	10,854	10,854
Adjustment	-	-	394,008	394,008
Total deductions	8,758,558	43,080	4,303,500	13,105,138
Balance June 30, 2007	\$ -	\$ -	\$ 2,627,289	\$ 2,627,289

Note: See finding 07-1 related to internal controls over property records. The property balances at June 30, 2006 and 2007 have been reconciled to the property reports submitted to the Central Office of the Department of Human Services.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
RUSHVILLE TREATMENT AND DETENTION FACILITY  
LIMITED SCOPE COMPLIANCE EXAMINATION  
COMPARATIVE SCHEDULE OF CASH RECEIPTS AND DEPOSITS  
For The Year Ended June 30,

	FISCAL YEAR		
	2007	2006	2005
RECEIPTS			
Miscellaneous receipts	\$ 524	\$ 967	\$ 680
TOTAL RECEIPTS	<u>\$ 524</u>	<u>\$ 967</u>	<u>\$ 680</u>
DEPOSITS			
Receipts recorded by Facility	\$ 524	\$ 967	\$ 680
Add: Deposits in transit - Beginning of year	-	-	-
Deduct: Deposits in transit - End of year	-	-	-
DEPOSITS RECORDED BY THE STATE COMPTROLLER	<u>\$ 524</u>	<u>\$ 967</u>	<u>\$ 680</u>

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
RUSHVILLE TREATMENT AND DETENTION FACILITY  
LIMITED SCOPE COMPLIANCE EXAMINATION  
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES  
For The Two Years Ended June 30, 2007

Fiscal Year 2007

A comparative schedule of the significant variation in expenditures (15% or more) for the fiscal years ended June 30, 2007 and June 30, 2006 is shown below:

<u>EXPENDITURE ITEM</u>	<u>FISCAL YEAR ENDED JUNE 30</u>		<u>INCREASE (DECREASE)</u>	
	<u>2007</u>	<u>2006</u>	<u>AMOUNT</u>	<u>%</u>
Sexually violent persons program	\$ 22,009,778	\$ 18,838,248	\$ 3,171,530	16.84%

Facility management provided the following explanation for the significant variation identified above:

Sexually Violent Persons Program

The increase in the expenditures for the Sexually Violent Persons Program was due to the facility move from Joliet, Illinois to Rushville, Illinois and increased staffing as the number of committed residents had increased.

Fiscal Year 2006

There was no significant variation in expenditures (15% or more) for the fiscal years ended June 30, 2006 and June 30, 2005.



STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
RUSHVILLE TREATMENT AND DETENTION FACILITY  
LIMITED SCOPE COMPLIANCE EXAMINATION  
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING  
For The Two Years Ended June 30, 2007

There were no significant lapse period expenditures (20% or more) for the fiscal years ended June 30, 2007 and 2006.

STATE OF ILLINOIS  
 DEPARTMENT OF HUMAN SERVICES  
 RUSHVILLE TREATMENT AND DETENTION FACILITY  
 LIMITED SCOPE COMPLIANCE EXAMINATION  
 SCHEDULE OF CHANGES IN INVENTORIES  
 For The Two Years Ended June 30, 2007

	<u>Balance</u> <u>July 1, 2006</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2007</u>
GENERAL REVENUE FUND Warehouse	<u>\$ 15,301</u>	<u>\$ 342,350</u>	<u>\$ 251,679</u>	<u>\$ 105,972</u>

	<u>Balance</u> <u>July 1, 2005</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2006</u>
GENERAL REVENUE FUND Warehouse	<u>\$ 17,157</u>	<u>\$ 337,310</u>	<u>\$ 339,166</u>	<u>\$ 15,301</u>

Note: The inventory balances consist primarily of commodities and are valued at weighted average cost. See finding 07-2 related to internal controls over commodities inventory.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
RUSHVILLE TREATMENT AND DETENTION FACILITY  
LIMITED SCOPE COMPLIANCE EXAMINATION  
ANALYSIS OF OPERATIONS  
For The Two Years Ended June 30, 2007

## **FACILITY FUNCTIONS AND PLANNING PROGRAM**

### **Introduction**

The Rushville Treatment And Detention Facility (Facility) was established pursuant to the Sexually Violent Persons Commitment Act, 725 ILCS 207. The Facility receives General Revenue Fund appropriations for the ordinary and necessary expenditures of the Facility. This constitutes the first separate examination of the Facility, which was previously examined only as part of the Department of Human Services Central Office engagement.

### **Facility Functions**

The Facility is located in Rushville, Illinois. The Facility opened its doors on January 1, 1998 at the Sheridan, Illinois location and accepted its first resident. The required capacity of the Facility outgrew the Sheridan location, so it was moved to Joliet, Illinois. During 2006, the Joliet location reached its maximum capacity, and subsequently, the Facility moved to its current location in Rushville. The Rushville facility is designed to house approximately 500 residents.

The mission of the Facility is to provide state-of-the-art, sex offender-specific treatment in a safe, structured residential environment, focusing on the individualized needs of the residents, treating each resident respectfully, professionally, and with dignity. The Facility strives to reduce risk to society by facilitating life-long behavioral change in residents. The vision of the Facility is that residents be released and successfully reintegrated back into their communities.

The Facility Director through August 31, 2005 was Timothy Budz. The Acting Facility Director from September 1, 2005 to March 8, 2007 was Thomas Monahan. The Acting Facility Director from March 9, 2007 to October 15, 2007 was Brian Thomas. The current facility director is Larry Phillips (effective October 16, 2007).

The Facility's address is Rushville Treatment And Detention Facility, R.R.1, Box 6a, Rushville, Illinois 62681.

### **Facility Planning Program**

The Facility has focused its planning program on the relocation from Joliet to the current Rushville facility and finding a Facility Director. Long-term planning is accomplished through ongoing discussions and developments on policies and programs within the Facility and through interaction with the Department of Human Services. Short-term planning is accomplished during the annual budget process, which is when the Facility identifies various programs and issues to be addressed during the next fiscal year, in addition to its review of more routine operations of the Facility.

### **Auditor's Assessment of Facility's Planning Program**

We believe the Facility's planning program is adequate to meet the needs of the Facility.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
RUSHVILLE TREATMENT AND DETENTION FACILITY  
LIMITED SCOPE COMPLIANCE EXAMINATION  
ANALYSIS OF OPERATIONS  
For The Two Years Ended June 30, 2007

**AVERAGE NUMBER OF EMPLOYEES**

The following table, prepared from Facility records, presents the average number of full-time equivalent employees, by function, for the past three years.

	<u>Fiscal Year</u>		
	<u>2007</u>	<u>2006</u>	<u>2005</u>
Education and therapy aides	159	109	108
Administrative	23	25	30
Support and other	13	7	7
Total	<u>195</u>	<u>141</u>	<u>145</u>

**EMPLOYEE OVERTIME (not examined)**

Certain employees are eligible for overtime if the hours worked during a day exceed the employees' standard workweek hours. The standard workweek hours range from 37 ½ to 40 depending on an employee's job classification. In most cases, employees are compensated at 1 ½ times their normal hourly rate for overtime hours worked. A supervisor must approve all overtime. Certain employees may receive compensatory time off in lieu of pay depending on the position classification of the employee's job title.

The following table, prepared from Department records, presents the paid overtime and earned compensatory time incurred during the last three fiscal years.

	<u>Fiscal Year</u>		
	<u>2007</u>	<u>2006</u>	<u>2005</u>
Paid overtime hours worked during fiscal year	19,541	41,286	*
Value of overtime hours worked during fiscal year	<u>\$ 507,189</u>	<u>\$ 1,147,330</u>	<u>*</u>
Compensatory hours earned during fiscal year	6,070	6,900	*
Value of compensatory hours earned during fiscal year	<u>\$ 120,832</u>	<u>\$ 135,266</u>	<u>*</u>
Total paid overtime hours and earned compensatory hours during fiscal year	25,611	48,186	*
Total value of paid overtime hours and earned compensatory hours during fiscal year	<u>\$ 628,021</u>	<u>\$ 1,282,596</u>	<u>*</u>

\* The Facility did not have this statistic available for fiscal year 2005.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
RUSHVILLE TREATMENT AND DETENTION FACILITY  
LIMITED SCOPE COMPLIANCE EXAMINATION  
ANALYSIS OF OPERATIONS  
For The Two Years Ended June 30, 2007

**CONTRACTUAL PAYROLL EMPLOYEES (not examined)**

The Facility hires some individuals to perform personal services pursuant to a contract where the individual is deemed an "employee" under IRS regulations. The services provided by the contractual payroll employees were in the area of evaluation of the residents.

The following table prepared from Facility records presents the number of contractual payroll employees and amount expended for contractual payroll employees during fiscal year 2007, 2006 and 2005.

	2007	2006	2005
Contractual payroll employees paid during the fiscal year	6	7	4
Total amount expended for contractual payroll employees during the fiscal year	\$ 586,620	\$ 568,792	\$ 43,216

**SHARED RESOURCES (not examined)**

The Facility shares pharmaceutical services through McFarland Mental Health Center.

**FACILITY UTILIZATION (not examined)**

The Facility is situated on 60 acres in Rushville, IL and has five buildings on its grounds. Facility management has provided the information below outlining its occupancy and utilization of the buildings on the grounds of the Facility as of June 30, 2007.

Building	Type/Use	Square Feet	Status	%
Building A, Area A & B	Administration, Kitchen, Laundry, Mechanical Room, Visitor Area	36,544	Occupied	90%
Building A, Area C	Health Care, Special Control, Fox 1 & 2 Housing	28,941	Occupied	90%
Building H, Area A & B	Housing Units, Gym	41,125	Occupied	100%
Building H, Area C & D	Housing Units, Gym	41,125	Occupied	100%
Building H, Area E	Housing Unit	19,528	Occupied	33%
Building M	Maintenance, Warehouse	13,903	Occupied	100%
Building F1	Security Offices, Visitor Area, Entry Control, Roll Call	7,277	Occupied	100%
Building F2	Sally Port Security	260	Occupied	100%
Building B1	Bar Screen	613	Occupied	100%
Building B2	Generator	613	Occupied	100%

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
RUSHVILLE TREATMENT AND DETENTION FACILITY  
LIMITED SCOPE COMPLIANCE EXAMINATION  
ANALYSIS OF OPERATIONS  
For The Two Years Ended June 30, 2007

**COSTS PER YEAR PER RESIDENT (not examined)**

Comparative costs of resident care for the fiscal year ended June 30 are shown below:

	2007	Fiscal Year 2006	2005
Rated population	500	300	300
Average number of residents	292	248	216
Expenditures from appropriations	\$22,009,778	\$18,838,248	\$17,446,853
Less: equipment and capital improvements	258,471	1,447,860	42,717
Net expenditures	\$21,751,307	\$17,390,388	\$17,404,136
Net resident cost per year	\$74,491	\$70,123	\$80,575

Net expenditures for computing net resident cost per year represent total expenditures from appropriations, less equipment expenditures, divided by average number of residents.

The resident and cost figures noted above were prepared from Facility records.

**RATIO OF EMPLOYEES TO RESIDENTS (not examined)**

The following comparisons are prepared from Facility records for the fiscal years ended June 30:

	2007	2006	2005
Certified Capacity of Facility	500	300	300
Average number of residents	292	248	216
Average number of employees	195	141	145
Ratio of employees to residents	0.67 to 1	0.57 to 1	0.67 to 1

The Facility has contracted with vendors to provide food services and medical services. If these services were not provided by outside contractors, the Facility would need to hire additional employees. By taking into account these outsourced positions, the average number of employees and outsourced staff would be 226 and 195 for fiscal years 2007 and 2006. With the outsourced staff included in the Facility's average number of employees, the ratio increases to 0.77 to 1 and 0.79 to 1 for fiscal years 2007 and 2006, respectively. The Facility does not have the information available for outsourced personnel for fiscal year 2005.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
RUSHVILLE TREATMENT AND DETENTION FACILITY  
LIMITED SCOPE COMPLIANCE EXAMINATION  
ANALYSIS OF OPERATIONS  
For The Two Years Ended June 30, 2007

**REPORTED EMPLOYEE JOB INJURIES (not examined)**

The following comparisons are prepared from Facility records for the fiscal years ended June 30:

	2007	2006	2005
Number of reported employee injuries	11	18	24

**FOOD SERVICES (not examined)**

The following table, prepared from the Facility records, summarizes the number of meals served and the average cost per meal.

	2007	Fiscal Year 2006	2005
Meals served	354,372	274,031	**
Total food costs	*	*	**
Total labor costs	*	*	**
Total costs	\$ 810,450	\$ 626,710	**
Average food costs / meal	*	*	**
Average labor costs / meal	*	*	**
Total average cost / meal	\$ 2.29	\$ 2.29	**

\* Food services are contracted out; vendor does not provide a breakdown between labor and food costs.

\*\* The Facility did not have this statistic available for fiscal year 2005.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
RUSHVILLE TREATMENT AND DETENTION FACILITY  
LIMITED SCOPE COMPLIANCE EXAMINATION  
SERVICE EFFORTS AND ACCOMPLISHMENTS  
For The Two Years Ended June 30, 2007  
(not examined)

**MANAGEMENT ACCOMPLISHMENTS AT THE FACILITY**

During fiscal years 2006 and 2007, Facility management accomplished the transition from its Joliet location to the new Rushville location. As part of this transition, the new facility has been staffed, and ongoing training continues to develop the staff to assist them in their positions.

**STAFF DEVELOPMENT PROGRAMS AND PROGRAMS TO REDUCE STAFF AND RESIDENT INJURIES**

**TREATMENT AND DETENTION TRAINING PROGRAM**

The Training Program consists of 201 hours of didactic training for all new Security Therapy aides. There is an annual cycle training program for security therapy aides that consists of four modules presented throughout the fiscal year. Additionally, all Department of Human Service Mental Health employees are required to participate in a computer-based learning program annually that is offered online. These training sessions, included human resource development, medical resource training, operations, legal aspects, emergency operations, physical skills, and practical skills training.

**EDUCATIONAL PROGRAM STATISTICS**

Education classes at the Rushville Treatment and Detention Facility are offered to all residents achieving below a high school graduation level. Participation in the classes is voluntary; residents are offered the opportunity for improving their educational skills.

Educational classes for residents began January 2, 2007. Basic education classes are offered in literacy and mathematics. Residents receive three hours of classroom instruction weekly in both reading/language arts and mathematics. A total of 32 different residents enrolled in the Basic Education program at some time. As of June 30, 2007, enrollment was 19 residents for reading/language arts, and 14 residents enrolled for mathematics instruction.

GED classes (General Education Development) began February 22, 2007 for Facility residents. Residents receive 4.5 hours of classroom instruction weekly in differing GED concentration areas. A total of 20 different residents enrolled in the GED program since it began. As of June 30, 2007, enrollment in GED class was 12 residents.

Computer instruction began March 5, 2007. Residents receive one hour of instruction weekly in basic computer keyboarding, word processing, and/or spreadsheets. A total of 84 residents enrolled in the computer program since it began. As of June 30, 2007, there were 62 residents enrolled for computer instruction.



STATE OF ILLINOIS  
 DEPARTMENT OF HUMAN SERVICES  
 RUSHVILLE TREATMENT AND DETENTION FACILITY  
 LIMITED SCOPE COMPLIANCE EXAMINATION  
 SERVICE EFFORTS AND ACCOMPLISHMENTS  
 For The Two Years Ended June 30, 2007  
 (not examined)

**RESIDENT STATISTICS: COMMITTED, DETAINED, AND CONDITIONALLY RELEASED**

Below are the classifications used to describe the status of the residents and statistics on the classification of the residents during the last three fiscal years.

**Committed:** Residents whose legal case has been heard by the court, and the court determined the resident should be committed to the facility.

**Detained:** Residents who are held at the facility based on the court's preliminary judgment until their case is heard by the court. Once their case is decided by the court, the resident will either be committed to the facility or be released from the facility.

**Conditionally released:** The court has heard the case of a committed resident and determined that the resident should be under court supervision and be released from the facility.

	Year Ended June 30,		
	2007	2006	2005
Committed	182	161	147
Detained	125	110	81
Conditionally released	1	6	4