

REPORT DIGEST

ALTON MENTAL HEALTH CENTER

LIMITED SCOPE COMPLIANCE EXAMINATION

For the Two Years Ended:
June 30, 2009

Summary of Findings:

Total this report	2
Total last report	2
Repeated from last report	0

Release Date:
June 29, 2010



State of Illinois
Office of the Auditor General

WILLIAM G. HOLLAND
AUDITOR GENERAL

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the worldwide web at
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SYNOPSIS

- The Center failed to comply with contract requirements.
- The Center did not follow up on accounts receivable over a year old or report them as a collection problem to the Department of Human Services – Central Office.

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

ALTON MENTAL HEALTH 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).....	\$24,423,393	\$27,693,712	\$25,346,607
OPERATIONS TOTAL.....	\$24,420,093	\$27,690,412	\$25,343,307
% of Total Expenditures	99.99%	99.99%	99.99%
Personal Services	17,182,971	\$16,348,059	\$15,174,804
% of Operations Expenditures	70.36%	59.04%	59.88%
Average No. of Employees	259	256	261
Average Salary Per Employee.....	\$66,344	\$63,860	\$58,141
Other Payroll Costs (FICA, Retirement)	\$4,857,866	\$3,884,030	\$2,847,078
% of Operations Expenditures	19.89%	14.03%	11.23%
Commodities	\$377,794	\$385,280	\$385,934
% of Operations Expenditures	1.55%	1.39%	1.52%
Contractual Services.....	\$1,781,443	\$1,833,567	\$1,634,625
% of Operations Expenditures.....	7.30%	6.62%	6.45%
Expenditures.....	\$220,019	\$5,239,476	\$5,300,866
% of Operations Expenditures	0.9%	18.92%	20.92%
All Other Items.....	\$3,300	\$3,300	\$3,300
% of Operations Expenditures	0.01%	0.01%	0.01%
GRANTS TOTAL.....			
% of Total Expenditures			
• Cost of Property and Equipment	\$55,960,416	\$55,958,135	\$55,721,802
SELECTED ACTIVITY MEASURES			
(Not Examined)	FY 2009	FY 2008	FY 2007
Average Number of Residents.....	120	124	124
Ratio of Employees to Residents.....	2.16 to 1	2.06 to 1	2.10 to 1
Paid Overtime Hours & Earned Compensatory Hours.....	58,761	63,284	46,243
Value of Paid Overtime Hours & Earned Compensatory Hours	\$1,933,792	\$2,076,982	\$1,425,491
Cost Per Year Per Resident.....	*	\$253,628	\$205,920
* The Department had not calculated this statistic by the close of fieldwork.			
FACILITY DIRECTORS			
During Examination Period: Ms. Susan Shobe (7/1/07 through 1/5/10) Currently: Mr. Brian Thomas (1/6/10 through current)			

**FINDINGS, CONCLUSIONS, AND
RECOMMENDATIONS**

NONCOMPLIANCE WITH CONTRACT REQUIREMENTS

The Alton Mental Health Center (Center) failed to comply with contract requirements.

Medical services performed without required contract

We noted Professional medical services from three different vendors, totaling \$22,922, were performed prior to the execution of the required contract documents.

According to Center management the services were not anticipated to exceed \$5,000 and were necessary to be performed before a contract could be finalized. (Finding 1, page 9)

We recommended the Center strengthen controls to ensure contract agreements are approved and reduced to writing prior to the beginning of services.

Center agrees with auditors' recommendation

Center officials agreed with our recommendation and stated the Center will monitor medical expenditures by vendor and file written contracts with the State Comptroller's Office in a timely manner.

INADEQUATE MONITORING OF ACCOUNTS RECEIVABLE

The Alton Mental Health Center (Center) did not follow up on accounts receivable over a year old or report them as a collection problem to the Department of Human Services – Central Office.

Accounts receivable over a year old were not reported as collection problems

We noted accounts receivable, totaling \$21,031, were past due more than one year and were not referred to the Central Office for assistance in collection.

According to Center management, they were not reviewing all reports applicable for the entire accounts receivable balance. (Finding 2, page 10)

We recommended the Center comply with existing policies and procedures and review all accounts receivable reports to better notify the Central Office of collection problems.

Center agrees with auditors' recommendation

Center officials agreed with our recommendation and stated that the Center will review account receivable reports monthly to identify accounts with collection problems.

AUDITOR'S OPINION

We conducted a limited scope compliance examination of the Center as required by the Illinois State Auditing Act. Financial statements for the entire Department of Human Services will be presented in the Department's audit report.

WILLIAM G. HOLLAND, Auditor General

WGH:PDS:pp

SPECIAL ASSISTANT AUDITORS

Our Special Assistant Auditors were J.W. Boyle & Co., LTD.