

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
CHICAGO READ MENTAL HEALTH CENTER
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
CHICAGO READ MENTAL HEALTH CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2007

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DEPARTMENT OF HUMAN SERVICES
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CENTER OFFICIALS

Network Executive Director	Mr. Dan Wasmer
Hospital Administrator	Ms. Elaine Novak, M.S., OTR/L
Medical Director	Dr. Richard Malis
Business Office Administrator	Mr. Peter Cruz

The Center is located at:

4200 N. Oak Park Avenue
Chicago, IL 60634

Rod R. Blagojevich, *Governor*



Carol L. Adams, Ph.D., *Secretary*

Chicago-Read Mental Health Center
4200 No. Oak Park Avenue Chicago, Illinois 60634

April 28, 2008

Prado & Renteria, CPAs Prof. Corp.
1837 S. Michigan Ave.
Chicago, Illinois 60616

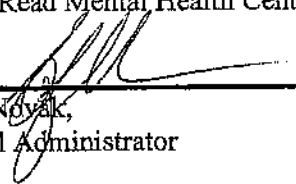
Ladies and Gentlemen:

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 Center. 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 Center'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 Center has materially complied with the assertions below.

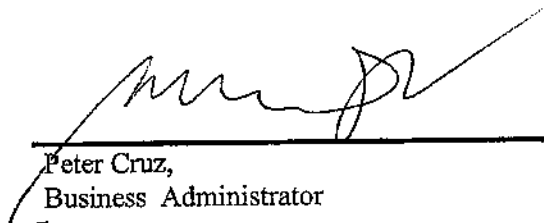
- A. The agency has obligated, expended, received and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The agency has obligated, expended, received and used public funds of the State in accordance with any limitations,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

Yours very truly,
Chicago Read Mental Health Center



Elaine Noyak,
Hospital Administrator



Peter Cruz,
Business Administrator

STATE OF ILLINOIS
 DEPARTMENT OF HUMAN SERVICES
 CHICAGO READ MENTAL HEALTH CENTER
 LIMITED SCOPE COMPLIANCE EXAMINATION
 For the Two Years Ended June 30, 2007

COMPLIANCE REPORT

SUMMARY

The limited State compliance testing performed in 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 Examinations 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	2	2
Repeated findings	1	2
Prior recommendations implemented or not repeated	1	1

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

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

<u>Item No.</u>	<u>Page</u>	<u>Description</u>
CURRENT FINDINGS		
07-1	9-10	Inadequate controls over accounts receivable
07-2	11	Statutory mandate for patient communication not followed
PRIOR FINDINGS NOT REPEATED		
07-3	12	The Center did not complete employee performance evaluations in a timely manner

EXIT CONFERENCE

Center officials waived an exit conference in a letter dated April 3, 2008. Responses to the recommendations were provided by Carol L. Adams, Secretary, Illinois Department of Human Services, in a letter dated April 24, 2008.



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 – Chicago Read Mental Health Center's (Center) 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 State of Illinois Department of Human Services – Chicago Read Mental Health Center is responsible for compliance with these requirements. Our responsibility is to express an opinion on the State of Illinois Department of Human Services – Chicago Read Mental Health Center's compliance based on our examination.

- A. The State of Illinois Department of Human Services – Chicago Read Mental Health Center 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 – Chicago Read Mental Health Center 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 – Chicago Read Mental Health Center has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. The State revenues and receipts collected by the State of Illinois Department of Human Services – Chicago Read Mental Health Center 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 – Chicago Read Mental Health Center on behalf of the State or held in trust by the State of Illinois Department of Human Services – Chicago Read Mental Health Center have been properly and legally administered and the accounting and recordkeeping relating thereto, is proper, accurate, and in accordance with law.

Our limited scope compliance examination of the Center 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 State of Illinois Department of Human Services – Chicago Read Mental Health Center 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.

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 – Chicago Read Mental Health Center’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 – Chicago Read Mental Health Center’s compliance with specified requirements.

In our opinion, the State of Illinois Department of Human Services – Chicago Read Mental Health Center complied, in all material respects, with the aforementioned requirements during the two years ended June 30, 2007. However, the results of our procedures disclosed 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 and Recommendations as findings 07-1 and 07-2.

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 State of Illinois Department of Human Services – Chicago Read Mental Health Center 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 State of Illinois Department of Human Services – Chicago Read Mental Health Center’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 State of Illinois Department of Human Services – Chicago Read Mental Health Center’s internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the State of Illinois Department of Human Services – Chicago Read Mental Health Center’s internal control over compliance.

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 and 07-2 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. We did not consider any of the deficiencies described in the accompanying Schedule of Findings and Recommendations to be material weaknesses.

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.

State of Illinois Department of Human Services – Chicago Read Mental Health Center’s response to the findings identified in our examination are described in the accompanying Schedule of Findings and Recommendations. We did not examine the State of Illinois Department of Human Services – Chicago Read Mental Health Center’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 the 2006 Supplementary Information for State Compliance Purposes, except for information on Employee Overtime, Contractual Payroll Employees, Shared Resources, Center Utilization, Annual Center 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, Center and Department of Human Services management, and is not intended to be and should not be used by anyone other than these specified parties.



Prado & Renteria, CPAs, Prof. Corp.

April 28, 2008

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
CHICAGO READ MENTAL HEALTH CENTER
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
For the Two Years Ended June 30, 2007

Current Findings

07-1 Finding – INADEQUATE CONTROLS OVER ACCOUNTS RECEIVABLE

The Center had inadequate controls over identifying a patient's ability to pay and following up on accounts receivable. Our tests of 25 accounts receivable totaling \$85,153 revealed the following discrepancies:

Financial Case Records

The Center did not maintain complete patient financial case records to support the initial setup of the patient's receivable in the billing system.

- 16 of 25 (64%) accounts receivable tested did not have a completed "Certification and Signature by Patient" (CS) form included in the IL-1 form on file. These accounts receivable totaled \$73,798.

The Illinois Department of Mental Health and Developmental Disabilities (DMHDD) Policy and Procedures Manual 01.04.02.03 states that when a recipient enters a facility, financial data is obtained from completed forms, questionnaires and interviews with recipient, relatives of recipient and other persons or organizations. Service charges are determined on basis of financial data and documentation obtained. In addition, the Center's Recipient Resource Unit manual states that the Center is required to perform a patient financial background investigation. The investigation extends to every individual or entity that, under statute, may have an obligation or responsibility for the payment of services charged the patient.

Notice of Determination

The Center did not send the "Notice of Determination" (DHS-612) within 60 days of admittance or did not complete it timely.

- 2 of 25 (8%) accounts receivable tested totaling \$4,243, did not reflect timely completion of the "Notice of Determination" (DHS-612). These notices were completed 11 days to 5 years after the 60 day period for sending a DHS-612 notice from date of admittance.

The Department of Mental Health and Developmental Disabilities (DMHDD) Policy and Procedure Manual 01.04.02.03 provides that debtor is to be notified of charges by form DMHDD-612, "Notice of Determination" prepared and mailed by Center staff. The Center's Recipient Resource Unit manual states that the Center is required to complete and issue to the recipient, a "Notice of Determination" within 60 days of admittance.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
CHICAGO READ MENTAL HEALTH CENTER
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
For the Two Years Ended June 30, 2007

Current Findings

**07-1 Finding – INADEQUATE CONTROLS OVER ACCOUNTS RECEIVABLE –
(Continued)**

Accounts Receivable Over 180 Days Old

The Center did not follow-up on accounts receivable up to 180 days old or report them as a collection problem to Central Office.

- 1 of 25 (4%) accounts receivable tested was outstanding over 180 days old and not reported as a problem account to DHS Central Office. This account receivable totaled \$455.

According to the Department of Mental Health and Developmental Disabilities (DMHDD) Policy and Procedure Manual No. 01.04.02.03, a regular recipient account is not due until end of 90-day period following the date of “Notice of Determination”. The Statewide Accounting System Manual (SAMS) Policy and Procedure No. 26.40.20 (page 1) states that agencies must place all debts over \$1,000 and more than 90 days past-due in the Comptroller’s Offset System. Therefore at 180 days, DMHDD Policy and Procedure No. 01.04.02.03 states that Form DMHDD-681, “Notice to DMHDD Central Office of Account Collection Problem” should be completed and used to notify DMHDD Central Office of an account collection problem and to request assistance in collection.

Center officials attributed the causes to staff loss in the Patient Resource Unit. Specifically, there remained only one person to perform the duties for this unit.

Inadequate identification of a patient’s ability to pay and failure to follow up on accounts receivable could result in losses to the State. (Finding Codes 07-1, 05-1 and 03-3)

Recommendation:

We recommend the Center comply with existing policies and procedures to process, bill and collect amounts owed.

Department Response:

Agree. The certification and signature by patient form (CS) are now part of the admission packet and being completed at the time of admission. Patient Resource Unit is now under the Health Information Department. Staff will provide assistance to Reimbursement Officer in completing notice of determination. Also, assistance will be provided in filing the report to the Central Office concerning collection problems.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
CHICAGO READ MENTAL HEALTH CENTER
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
For the Two Years Ended June 30, 2007

Current Findings

07-2 Finding – STATUTORY MANDATE FOR PATIENT COMMUNICATION NOT FOLLOWED

The Center did not complete patient communication restriction forms.

Our testing of 15 patient files indicated 2 (13%) of the files did not have documentation as to patient communication restrictions. Those two patients were from a unit for which patient communication was restricted by the Center.

The Mental Health & Developmental Disabilities Code (405 ILCS 5/2-103 (c)) states that communication by mail, telephone, and visitation may be reasonably restricted by the facility director only in order to protect the recipient or others from harm, harassment or intimidation, provided that notice of such restriction shall be given to all recipients upon admission. When communications are restricted, the facility shall advise the recipient that he has the right to require the facility to notify the affected parties of the restriction, and to notify such affected party when the restrictions are no longer in effect.

Center officials stated that unit nurses did not have a good understanding of the policy and failed to follow procedure for incoming patients.

Failure to complete restriction forms results in noncompliance with statutes. (Finding Code 07-2)

Recommendation:

We recommend that the center implement procedures to comply with State mandates.

Department Response:

Agree. The Center will ensure nursing staff and physicians are retrained on how to properly complete the Restriction of Right Forms and emergency procedures. Health Information Services will conduct an audit of Restriction of Right compliance.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
CHICAGO READ MENTAL HEALTH CENTER
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
For the Two Years Ended June 30, 2007

Prior Findings Not Repeated

07-3 Finding – THE CENTER DID NOT COMPLETE EMPLOYEE PERFORMANCE
EVALUATIONS IN A TIMELY MANNER

The Center did not conduct employee performance evaluations in accordance with administrative and Center policies.

Twenty-four personnel files out of fifty (48%) files tested did not include annual performance evaluations based on the employee's creditable service date. Our procedures revealed that thirteen employee performance evaluations were presented between one and seven months late, eight were past due as of the end of fieldwork and three had no record of a performance evaluation on file. (Finding Codes 05-2, 03-2 and 01-1)

Status – Not repeated as Center finding

Similar exceptions were noted while testing the current period. These exceptions will be consolidated with similar exceptions at other Centers and be reported as a Departmental level finding in the Central Office report.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
CHICAGO READ MENTAL HEALTH CENTER
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
- 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 Accounts Receivable

Analysis of Operations

- Center Functions and Planning Program
- Average Number of Employees
- Employee Overtime (not examined)
- Contractual Payroll Employees (not examined)
- Shared Resources (not examined)
- Center Utilization (not examined)
- Annual Center Statistics
 - Cost Per Year / Day Per Resident (not examined)
 - Ratio of Employees to Residents (not examined)
 - Reported Employee Job Injuries (not examined)
 - Food Service (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 information on Employee Overtime, Contractual Payroll Employees, Shared Resources, Center Utilization, Annual Center Statistics and Service Efforts and Accomplishments on which they did not perform any procedures. However, the accountants do not express an opinion on the supplementary information.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
CHICAGO READ MENTAL HEALTH CENTER
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
For the Fiscal Year Ended June 30, 2007

	APPROPRIATIONS NET OF TRANSFERS	EXPENDITURES THROUGH JUNE 30, 2007	LAPSE PERIOD EXPENDITURES JULY 1ST TO AUGUST 31, 2007	TOTAL EXPENDITURES 14 MONTHS ENDED AUGUST 31, 2007	BALANCES LAPSED AUGUST 31, 2007
PUBLIC ACTS 94-0798					
<u>GENERAL REVENUE FUND - 001</u>					
Personal Services	\$ 21,633,700	\$ 20,207,445	\$ 1,122,648	\$ 21,330,093	\$ 303,607
Employee retirement contributions paid by employer	-	-	-	-	-
State contributions to state employees' retirement system	2,490,500	2,324,298	128,986	2,453,284	37,216
State contributions to Social Security	1,496,600	1,415,474	81,054	1,496,528	72
Contractual Services	2,251,200	1,884,093	339,243	2,223,336	27,864
Travel	30,700	27,122	3,535	30,657	43
Commodities	507,900	435,921	45,853	481,774	26,126
Printing	9,900	9,827	-	9,827	73
Equipment	81,400	73,052	7,415	80,467	933
Telecommunications services	205,500	171,467	33,995	205,462	38
Operation of auto equipment	17,500	16,859	549	17,408	92
Expenses related to living skills program	20,000	14,800	5,150	19,950	50
Costs associated with behavioral health services	381,300	376,307	417	376,724	4,576
Total	<u>\$ 29,126,200</u>	<u>\$ 26,956,665</u>	<u>\$ 1,768,845</u>	<u>\$ 28,725,510</u>	<u>\$ 400,690</u>

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

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
CHICAGO READ MENTAL HEALTH CENTER
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
For the Fiscal Year Ended June 30, 2006

	APPROPRIATIONS NET OF TRANSFERS	EXPENDITURES THROUGH JUNE 30, 2006	LAPSE PERIOD EXPENDITURES JULY 1ST TO AUGUST 31, 2006	TOTAL EXPENDITURES 14 MONTHS ENDED AUGUST 31, 2006		BALANCES LAPSED AUGUST 31, 2006
				\$	\$	
GENERAL REVENUE FUND - 001						
Personal Services	\$ 20,971,000	\$ 19,930,189	\$ 920,113	\$ 20,850,302	\$	120,698
Employee retirement contributions paid by employer	188,900	188,801	-	188,801		99
State contributions to state employees' retirement system	1,640,700	1,549,883	71,563	1,621,446		19,254
State contributions to Social Security	1,471,600	1,397,226	65,920	1,463,146		8,454
Contractual Services	2,280,200	1,845,923	431,174	2,277,097		3,103
Travel	29,000	26,721	2,128	28,849		151
Commodities	555,600	521,245	27,418	548,663		6,937
Printing	9,900	6,015	3,741	9,756		144
Equipment	41,600	28,341	12,997	41,338		262
Telecommunications services	198,600	164,736	33,862	198,598		2
Operation of auto equipment	21,800	20,121	1,666	21,787		13
Expenses related to living skills program	-	-	-	-		-
Costs associated with behavioral health services	381,200	374,031	7,000	381,031		269
Total	\$ 27,790,200	\$ 26,053,232	\$ 1,577,582	\$ 27,630,814	\$	159,386

PUBLIC ACT 94-0015 & 94-0798

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

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
CHICAGO READ MENTAL HEALTH CENTER
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
Years Ended June 30,

	FISCAL YEARS		
	2007	2006	2005
	P.A. 94-0798	P.A. 94-0015 & 94-0798	P.A. 93-0842 & 93-0681
GENERAL REVENUE FUND - 001			
Appropriations (net of transfers)	<u>\$ 29,126,200</u>	<u>\$ 27,790,200</u>	<u>\$33,274,383</u>
EXPENDITURES			
Personal services	21,330,093	20,850,302	23,741,208
Employee retirement contributions paid by employer	-	188,801	33,583
State contributions to state employees' retirement system	2,453,284	1,621,446	3,717,022
State contributions to Social Security	1,496,528	1,463,146	1,616,677
Contractual services	2,223,336	2,277,097	2,447,549
Travel	30,657	28,849	33,268
Commodities	481,774	548,663	561,873
Printing	9,827	9,756	11,597
Equipment	80,467	41,338	64,734
Telecommunications services	205,462	198,598	197,489
Operations of auto equipment	17,408	21,787	32,235
Expenses related to living skills program	19,950	-	-
Costs associated with behavioral health services	376,724	381,031	370,200
Total Expenditures	<u>28,725,510</u>	<u>27,630,814</u>	<u>32,827,435</u>
LAPSED BALANCES	<u>\$ 400,690</u>	<u>\$ 159,386</u>	<u>\$ 446,948</u>

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
CHICAGO READ MENTAL HEALTH CENTER
DESCRIPTION OF LOCALLY HELD FUNDS
For the Two Years Ended June 30, 2007

The locally held funds of the Center are grouped into two fund categories. These are non-appropriated funds with the exception of the Living Skills Fund and Patient Travel Trust Fund, which are appropriated funds. The funds are not held in the State Treasury and are described as follows:

1. Governmental Funds

General Revenue Funds

The General Funds consist of the Living Skills Fund, Patient Travel Trust Fund and Petty Cash account. These fund and account are used to record the activity of monies received from the State's General Revenue Fund for designated purposes.

The Living Skills Fund (SAMS fund number 1214) was established to provide behavioral modification programs for residents. The source of revenue is State appropriation. The revenue is expended by distributing reward payments that are earned by residents by achievement of desired behavioral modifications.

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

The Petty Cash account is maintained for the purpose of making change, purchasing items of small cost, payment of postage due, and for other nominal expenditures that cannot be administered economically and efficiently through the customary vouchering system. Reimbursements to the account are from State General Revenue Fund appropriations for contractual services.

Special Revenue Funds

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

The DHS Other Special Trust Fund (SAMS fund number 1139) was established to provide for the special comfort, pleasure and amusement of the residents. The primary sources of revenue for the fund are a percentage of vending machine commissions and monies donated for resident use. Also, any unclaimed Resident's Trust Fund balance of a resident separated from the Center for two years is transferred to this fund with the provision that the resident is entitled to the money upon application. These funds are then used for activities and materials to help fulfill the recipients' needs in these areas.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
CHICAGO READ MENTAL HEALTH CENTER
DESCRIPTION OF LOCALLY HELD FUNDS
For the Two Years Ended June 30, 2007

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 Center. The fund also is used to receive Social Security monies obtained to pay for resident billings. Disbursements from the fund consist primarily of withdrawals of monies for recipients' personal use at the Center or when discharged as well as payments to the Department of Human Services Central Office for care and treatment charges billed to the recipient.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
CHICAGO READ MENTAL HEALTH CENTER
SCHEDULE OF LOCALLY HELD FUNDS - CASH BASIS
June 30, 2007

	1139 DHS Other Special Trusts Fund	1143 DHS Resident's Trust Fund	1214 Living Skills Fund	1247 Patient Travel Trust Fund	N/A Petty Cash Account
Balance - July 1, 2006	\$11,051	\$28,247	\$0	\$2,377	\$466
Receipts					
Investment Income	31				
Resident deposits		56,127			
Appropriations			14,800	11,500	5,458
Other	3,043				
Total Receipts	<u>\$3,074</u>	<u>\$56,127</u>	<u>\$14,800</u>	<u>\$11,500</u>	<u>\$5,458</u>
Disbursements					
Contractual services	338		573		
Travel				11,447	5,923
Resident activities	3,824		14,027		
Resident withdrawals		59,893		1,119	
Other	60	20	200		
Total Disbursements	<u>\$4,222</u>	<u>\$59,913</u>	<u>\$14,800</u>	<u>\$12,566</u>	<u>\$5,923</u>
Balance - June 30, 2007	<u>\$9,903</u>	<u>\$24,461</u>	<u>-</u>	<u>\$1,311</u>	<u>\$1</u>

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
CHICAGO READ MENTAL HEALTH CENTER
SCHEDULE OF LOCALLY HELD FUNDS - CASH BASIS
June 30, 2006

	1139 DHS Other Special Trusts Fund	1143 DHS Resident's Trust Fund	1214 Living Skills Fund	1247 Patient Travel Trust Fund	Petty Cash Account
Balance - July 1, 2005	\$14,502	\$8,600	\$0	\$2,282	\$158
Receipts					
Investment Income	65				
Resident deposits		46,066			
Appropriations				15,000	4,680
Other	2,503				
Total Receipts	<u>\$2,568</u>	<u>\$46,066</u>	<u>-</u>	<u>\$15,000</u>	<u>\$4,680</u>
Disbursements					
Contractual services	1,177				
Travel				12,999	4,372
Resident activities	4,756				
Resident withdrawals		26,419			
Appropriations returned				1,906	
Living skills program					
Other	86				
Total Disbursements	<u>\$6,019</u>	<u>\$26,419</u>	<u>-</u>	<u>\$14,905</u>	<u>\$4,372</u>
Balance - June 30, 2006	<u>\$11,051</u>	<u>\$28,247</u>	<u>-</u>	<u>\$2,377</u>	<u>\$466</u>

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
CHICAGO READ MENTAL HEALTH CENTER
SCHEDULE OF CHANGES IN STATE PROPERTY
For the Two Years Ended June 30, 2007

	Land and land improvements	Buildings and building improvements	Equipment	Total
<u>Balance June 30, 2005</u>	<u>\$ 4,538,126</u>	<u>\$18,390,527</u>	<u>\$ 2,040,146</u>	<u>\$24,968,799</u>
Additions:				
Purchases			46,162	46,162
Transfers-in:				
Intra-agency			207,199	207,199
Capital Development Board	64,249	1,789,515		1,853,764
Surplus Property				0
DAVTE Fund				0
Donations				0
Adjustments			12,307	12,307
Total Additions	<u>\$ 64,249</u>	<u>\$ 1,789,515</u>	<u>\$ 265,668</u>	<u>\$ 2,119,432</u>
Deductions:				
Transfers-out:				
Intra-agency			231,999	231,999
Surplus property				0
Scrap property				0
Condemned and lost property				0
Retirements			73,403	73,403
Adjustment			4,826	4,826
Total Deductions	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 310,228</u>	<u>\$ 310,228</u>
<u>Balance June 30, 2006</u>	<u>\$ 4,602,375</u>	<u>\$20,180,042</u>	<u>\$ 1,995,586</u>	<u>\$26,778,003</u>
Additions:				
Purchases			56,922	56,922
Transfers-in:				
Intra-agency			258,839	258,839
Capital Development Board		328,938		328,938
Surplus Property				0
DAVTE Fund				0
Donations				0
Adjustments			1,450	1,450
Total Additions	<u>\$ -</u>	<u>\$ 328,938</u>	<u>\$ 317,211</u>	<u>\$ 646,149</u>
Deductions:				
Transfers-out:				
Intra-agency			348,400	348,400
Surplus property				0
Scrap property				0
Condemned and lost property				0
Retirements			127,714	127,714
Adjustment			11,295	11,295
Total Deductions	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 487,409</u>	<u>\$ 487,409</u>
<u>Balance June 30, 2007</u>	<u>\$ 4,602,375</u>	<u>\$20,508,980</u>	<u>\$ 1,825,388</u>	<u>\$26,936,743</u>

Note: The property balances at June 30, 2006 and 2007 have been reconciled to the property reports submitted to the Office of the Comptroller.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
CHICAGO READ MENTAL HEALTH CENTER
COMPARATIVE SCHEDULE OF CASH RECEIPTS AND DEPOSITS
Years Ended June 30,

	FISCAL YEARS		
	2007	2006	2005
<u>RECEIPTS</u>			
Jury duty, witness fees, military duty	\$714	\$753	\$815
Refunds	1,334	2,103	636
Lost supply reimbursements (keys & pagers)	50	25	97
Telephone reimbursements	-	-	292
Miscellaneous other	92	20	-
TOTAL RECEIPTS	<u>\$2,190</u>	<u>\$2,901</u>	<u>\$1,840</u>
<u>DEPOSITS</u>			
Receipts recorded by Agency	\$2,190	\$2,901	\$1,840
Add: Deposits in transit - Beginning of year	77	137	173
Excess receipts recorded as deposit by Comptroller for Center		1,906	12
Deduct: Deposits in transit - End of year	(49)	(77)	(137)
Receipts not recorded by Comptroller for Center	<u>(1,334)</u>	<u>(2,103)</u>	<u>(636)</u>
DEPOSITS RECORDED BY COMPTROLLER	<u>\$884</u>	<u>\$2,764</u>	<u>\$1,252</u>

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
CHICAGO READ MENTAL HEALTH CENTER
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2007

Fiscal Year 2007

A comparative schedule of significant variations in expenditures (20% or more) for the fiscal years ended June 30, 2007 and June 30, 2006 are shown below:

	FISCAL YEAR ENDED		INCREASE	
	<u>JUNE 30</u>		<u>(DECREASE)</u>	
	<u>2007</u>	<u>2006</u>	<u>AMOUNT</u>	<u>%</u>
Employee retirement contributions paid by employer	\$0	\$188,801	\$(188,801)	(100)%
State contributions to state employees' retirement system	\$2,453,284	\$1,621,446	\$831,838	51%
Equipment	\$80,446	\$41,338	\$39,108	95%
Operation of auto equipment	\$17,408	\$21,787	\$(4,379)	(20)%
Living skills program	\$19,950	\$0	\$19,950	100%

Employee retirement contributions paid by employer

Employee retirement contributions paid by employer decreased as a result of the elimination of the Retirement pick up account per collective bargaining agreement.

State contributions to state employees' retirement system

State contributions to state employees' retirement system increased due to rate increase of about 11.525% plus cost of COLA and steps increases.

Equipment

Equipment increased due to the acquisition of two (2) passenger vans costing about \$31,015 and a deep fryer for the dietary department amounting to \$ 9,455.

Operation of auto equipment

Operation of Auto Equipment decreased as a result of the acquisition of two (2) passenger vans which contributed to the reduction of repair cost for the vehicles.

Living skills program

Living Skills program expenditures increased 100% as a result of receiving appropriations for the Living Skills program for fiscal year 2007 and none for fiscal year 2006.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
CHICAGO READ MENTAL HEALTH CENTER
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2007

Fiscal Year 2006

A comparative schedule of significant variations in expenditures (20% or more) for the fiscal years ended June 30, 2006 and June 30, 2005 are shown below:

	FISCAL YEAR ENDED		INCREASE (DECREASE)	
	<u>JUNE 30</u> <u>2006</u>	<u>2005</u>	<u>AMOUNT</u>	<u>%</u>
Employee retirement contributions paid by employer	\$188,801	\$33,583	\$155,218	462%
State contributions to state employees' retirement system	\$1,621,446	\$3,717,022	\$(2,095,576)	(56)%
Equipment	\$41,338	\$64,734	\$(23,396)	(36)%
Operation of auto equipment	\$21,787	\$32,234	\$(10,447)	(32)%

Employee retirement contributions paid by employer

Employee retirement contributions paid by employer increased due to annualized cost distribution on collective bargaining employees, and pick up of the balance of contribution.

State contributions to state employees' retirement system

State contributions to state employees' retirement system decreased due to FY04 legislation passed that suspended the contributions and allowed for the sale of bonds in FY05 to make the contribution to cover for the shortfall.

Equipment

Equipment decreased due to reduced appropriation to account for estimated purchase needs of: round tables for the units costing about \$5,390, a convection oven for the dietary department costing about \$9,900 and a mower for the ground crew amounting to \$6,450.

Operation of auto equipment

Operation of Auto Equipment decrease in appropriation was affected by the realignment of resources following the Metro Chicago Intake Plan.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
CHICAGO READ MENTAL HEALTH CENTER
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
For the Two Years Ended June 30, 2007

We have reviewed lapse period spending for fiscal years ended June 30, 2007 and 2006 and have identified significant lapse period spending (20% or more). A schedule of significant lapse period spending for fiscal year 2007 is shown below:

<u>EXPENDITURE ITEM</u>	<u>Fiscal Year Ended June 30, 2007</u>		
	<u>TOTAL EXPENDITURES</u>	<u>LAPSE PERIOD EXPENDITURES</u>	<u>PERCENTAGE</u>
Living skills program	\$19,950	\$5,150	26%

Living skills program

Significant lapse period spending was due to timing of goods and services incurred near the end of the fiscal year. The invoices were received and paid during the lapse period.

A schedule of significant lapse period spending for fiscal year ended June 30, 2006 is shown below:

<u>EXPENDITURE ITEM</u>	<u>Fiscal Year Ended June 30, 2006</u>		
	<u>TOTAL EXPENDITURES</u>	<u>LAPSE PERIOD EXPENDITURES</u>	<u>PERCENTAGE</u>
Printing	\$9,756	\$3,741	38%
Equipment	\$41,338	\$12,997	31%

Printing

Billings from the paper & printing revolving fund for items ordered during the fiscal year were received during the lapse period.

Equipment

Billings from various vendors for equipment ordered during the fiscal year were received during the lapse period.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
CHICAGO READ MENTAL HEALTH CENTER
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 Stores:				
Medical lab	\$19,347	\$25,833	\$36,591	\$8,589
Food supplies	121,201	208,737	281,308	48,630
Household and laundry	68,178	169,474	170,630	67,022
Other general stores	35,415	93,283	106,904	21,794
Mechanical Stores	1,577	119,038	119,751	864
Pharmacy	2,247	1,350,085	1,350,851	1,481
	<u>\$ 247,965</u>	<u>\$ 1,966,450</u>	<u>\$2,066,035</u>	<u>\$ 148,380</u>

	<u>Balance</u> <u>July 1, 2005</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2006</u>
General Stores:				
Medical lab	\$12,804	\$31,625	\$25,082	\$19,347
Food supplies	72,404	361,887	313,090	121,201
Household and laundry	82,517	132,051	146,390	68,178
Other general stores	34,053	85,128	83,766	35,415
Mechanical Stores	2,826	154,327	155,576	1,577
Pharmacy	1,660	718,931	718,344	2,247
	<u>\$ 206,264</u>	<u>\$ 1,483,949</u>	<u>\$1,442,248</u>	<u>\$ 247,965</u>

Note: The inventories consist primarily of commodities and medications and are valued at weighted average cost.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
CHICAGO READ MENTAL HEALTH CENTER
ANALYSIS OF ACCOUNTS RECEIVABLE
For the Two Years Ended June 30, 2007

The Department has accounts receivable of \$1,852,502, arising from operations of Chicago Read Mental Health Center at June 30, 2007. This total represents amount due from private assets, private insurance, Social Security Administration, etc. for resident care provided at Chicago Read Mental Health Center. The Department of Human Services Central Office prepares and mails the monthly billing statements, receives the payments and records the revenue and receivable in their general ledger. The Patient Resource Unit at the Center is responsible for determining billing amounts and is responsible for pursuing collection of delinquent accounts. The aging of outstanding accounts receivables and determination of an allowance for uncollectible accounts are the responsibility of the Department of Human Services - Central Office.

An aging of accounts receivable as of June 30, 2007, 2006 and 2005 prepared by the Department of Human Services Central Office and forwarded to the Center is as follows:

	<u>June 30,</u>		
	<u>2007</u>	<u>2006</u>	<u>2005</u>
Current (0-3 months)	\$335,959	\$157,322	\$99,180
Past due (4-6 months)	227,255	48,199	20,908
Past due (7-12 months)	276,898	49,125	42,605
Past due (over 12 months)	<u>781,094</u>	<u>784,918</u>	<u>1,159,415</u>
Subtotal	\$1,621,206	\$1,039,564	\$1,322,108
Court Cases	<u>231,296</u>	<u>200,855</u>	<u>148,678</u>
Total	<u>\$1,852,502</u>	<u>\$1,240,419</u>	<u>\$1,470,786</u>

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
CHICAGO READ MENTAL HEALTH CENTER
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2007

CENTER FUNCTIONS AND PLANNING PROGRAM

The functions and planning program of the Center are as follows:

FUNCTIONS

Chicago Read Mental Health Center (Center) is an inpatient hospital of the Department of Human Services (DHS). The Center provides comprehensive inpatient psychiatric health care services, in partnership with community providers, to adults without funding. The Center promotes the highest level of function and satisfaction of residents served by the Center. The Mental Health and Developmental Disabilities Code governs the procedures of the Center in regard to the treatment and care of the mentally ill. The Hospital Administrator, the Network Manager and the Director of the Department and Human Services administer the operations of the institution.

Admissions to the facility are adults who come from an area that includes the northern half of Chicago, all of Evanston and some northern Cook County suburbs. The Center is currently funded for 130 beds. The Center actively pursues and maintains a close relationship with the network of community providers in the surrounding areas to ensure appropriate and efficient admission, treatment and return to the community. The Center is located at 4200 North Oak Park Avenue in Chicago.

PLANNING PROGRAM

The Center has a formal strategic planning program. The Governing Body based on broad guidelines established by DHS determines plans and objectives for the Center. In addition, each program/service at the Center develops goals and objectives in consideration of the goals of the Center as a whole. The Center has various Councils/Committees to address the needs of the Hospital. The councils/committees meet on a periodic basis and include: Governing Body, Quality Council, Clinical Executive Committee, Hospital Education & Training Committee and the Environmental & Safety Committee.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
CHICAGO READ MENTAL HEALTH CENTER
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2007

The long-term and short-term plans for the Center are designed to improve the quality of the treatment and provide safe environments for the patients and include the following:

1. Enhance patient and staff safety.
2. Continue work to transform the hospital to one that is best practice, recovery-oriented, person-centered, culturally-sensitive and community-focused.
3. Timeliness and completion of Medical Records documentation.
4. Enhance the ability of all of the staff at Chicago Read to access and use information technology in order to provide a safe and efficient work environment.
5. Ensure that the hospital is sufficiently staffed to address patient acuity, patient care needs and safety.
6. Utilization of resources.
7. Timely performance appraisals of assigned subordinates.
8. Enhance staff support systems and further staff education and clinical skills.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
CHICAGO READ MENTAL HEALTH CENTER
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2007

AVERAGE NUMBER OF EMPLOYEES

The following table, prepared from Center 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>
Rehabilitation services	-	-	-
Adult inpatient services	-	-	-
Central admissions	-	-	-
Medical, surgical and clinical services	197	201	218
Staff development	-	-	-
Superintendent's office	-	-	-
Administrative services	45	50	61
Engineering	18	18	22
Business management	-	-	-
Other support services	51	51	58
Dietary	-	-	-
	<hr/>	<hr/>	<hr/>
Total Employees	<u>311</u>	<u>320</u>	<u>359</u>

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
CHICAGO READ MENTAL HEALTH CENTER
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2007

EMPLOYEE OVERTIME (not examined)

Certain employees are eligible for overtime if the hours worked during a week exceed the 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>2007</u>	<u>June 30,</u> <u>2006</u>	<u>2005</u>
Paid overtime hours worked during fiscal year	<u>78,543</u>	<u>76,614</u>	<u>81,751</u>
Value of overtime hours worked during fiscal year	<u>\$2,850,282</u>	<u>\$2,595,597</u>	<u>\$2,748,108</u>
Compensatory hours earned during fiscal year	<u>9,444</u>	<u>6,873</u>	<u>7,841</u>
Value of compensatory hours earned during fiscal year	<u>\$367,107</u>	<u>\$207,873</u>	<u>\$180,186</u>
Total paid overtime hours and earned compensatory hours during fiscal year	<u>87,987</u>	<u>83,487</u>	<u>89,592</u>
Total value of paid overtime hours and earned compensatory hours during fiscal year	<u>\$3,217,389</u>	<u>\$2,803,470</u>	<u>\$2,928,294</u>

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
CHICAGO READ MENTAL HEALTH CENTER
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2007

CONTRACTUAL PAYROLL EMPLOYEES (not examined)

The Center hires some individuals to perform personal services pursuant to a contract where the individual is deemed an “employee” under IRS regulations. Some of the services provided by the contractual payroll employees were in the areas of patient/consumer advocate, risk manager, network family consultant, and psychiatric interns.

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

	<u>2007</u>	<u>2006</u>	<u>2005</u>
Contractual payroll employees paid during the fiscal year	<u>5</u>	<u>9</u>	<u>9</u>
Total amount expended for contractual payroll employees during the fiscal year	<u>\$141,802</u>	<u>\$223,968</u>	<u>\$196,870</u>

SHARED RESOURCES (not examined)

During fiscal year 2007, a Senior Public Service Administrator (SPSA) worked at Chicago Read Mental Health Center but John J. Madden Mental Health Center assumed 100% of the payroll cost.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
CHICAGO READ MENTAL HEALTH CENTER
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2007

CENTER UTILIZATION (not examined)

Chicago Read Mental Health Center (Center) is situated on 52 acres in Chicago, IL. The Center has eleven buildings on its grounds. Center management has provided the information below outlining their occupancy and/or utilization of the buildings on the grounds of the Center as of June 30, 2007.

<u>Building</u>	<u>Type/Use</u>	<u>Square feet</u>	<u>Status</u>	<u>%</u>
A-Building	Inpatient/offices	23,800	Occupied	50%
B-Building	Inpatient/offices	23,800	Occupied	50%
C-Building	Inpatient/offices	23,800	Occupied	100%
D-Building	Inpatient/offices	23,800	Occupied	100%
E-Building	Cafeteria/offices/kitchen/stores	38,100	Occupied	100%
F-Building	Offices	32,300	Occupied	100%
G-Building	Intake/security/pharmacy	19,000	Occupied	100%
H-Building	Dept. Rehab/auditorium social hall/Post Office	40,400	Occupied	100%
J-Building	Inpatient (transferred from Chester)	26,700	Occupied	100%
K-Building	Offices/court/laundry	24,900	Occupied	100%
Engineering	Shops/offices/garages storage	48,480	Occupied	100%

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
CHICAGO READ MENTAL HEALTH CENTER
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2007

COST PER YEAR/DAY PER RESIDENT (not examined)

The following schedule represents costs per resident based upon the Department of Human Services Management Cost System. This includes costs for depreciation and an allocation of costs incurred by the Department's Central Office and other State agencies.

	<u>2007</u>	<u>Fiscal Year</u> <u>2006</u>	<u>2005</u>
Cost per year per resident	<u>*</u>	<u>\$273,243</u>	<u>\$258,096</u>
Cost per day per resident	<u>*</u>	<u>\$749</u>	<u>\$707</u>

* - The Department had not calculated this statistic by the close of fieldwork.

RATIO OF EMPLOYEES TO RESIDENTS (not examined)

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

	<u>2007</u>	<u>2006</u>	<u>2005</u>
Certified Capacity of Center	<u>130</u>	<u>130</u>	<u>180</u>
Average number of residents	<u>121</u>	<u>126</u>	<u>152</u>
Average number of employees	<u>311</u>	<u>320</u>	<u>359</u>
Ratio of employees to residents	<u>2.57 to 1</u>	<u>2.54 to 1</u>	<u>2.36 to 1</u>

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
CHICAGO READ MENTAL HEALTH CENTER
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2007

REPORTED EMPLOYEE JOB INJURIES (not examined)

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

	<u>2007</u>	<u>2006</u>	<u>2005</u>
Number of reported employee injuries	<u>64</u>	<u>95</u>	<u>102</u>

FOOD SERVICES (not examined)

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

	Fiscal Year		
	<u>2007</u>	<u>2006</u>	<u>2005</u>
Meals served	<u>161,300</u>	<u>161,235</u>	<u>152,478</u>
Total food costs	\$271,182	\$280,704	\$275,835
Total labor costs	<u>679,474</u>	<u>715,775</u>	<u>624,810</u>
Total costs	<u>\$950,656</u>	<u>\$996,479</u>	<u>\$900,645</u>
Average food costs / meal	\$1.68	\$1.74	\$1.81
Average labor costs / meal	<u>4.21</u>	<u>4.44</u>	<u>4.10</u>
Total average cost / meal	<u>\$5.89</u>	<u>\$6.18</u>	<u>\$5.91</u>

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
CHICAGO READ MENTAL HEALTH CENTER
SERVICE EFFORTS AND ACCOMPLISHMENTS
For the Two Years Ended June 30, 2007
(not examined)

Over the past two years, Chicago Read Mental Health Center has had the following services efforts and accomplishments:

Fiscal Year 2007

Safety Accomplishments

- Enhanced the Risk Assessment Tool to include an assessment of the potential for violence and elopement.
- Initiated SAMSHA Grant: Building Alternatives to Restraints and Seclusion. Redefined steering committee and expanded membership. Developed 7 workgroups which resulted in designing a name and logo; initiating a staff newsletter; implementing numerous trainings on recovery and person-centered approaches; installing free local calling on the patient care units; placing recovery-oriented posters throughout the hospital; and acquiring better television reception.
- Implemented Surveillance Team consisting of Safety Officer, Infection Control Nurse, Housekeeping Coordinator, Patient Advocate and Hospital Administrator. Using a standardized tool patient care units are assessed for safety on a 6-week cycle.
- Completed Joint Commission triennial survey and received full accreditation for 3 years.
- Revised pass policy which resulted in decreased patient elopements by 33% over past year.
- Increased recovery-oriented programming including introducing Wellness Recovery Action Planning (WRAP).
- Moved more programming from the Central Rehab area to make it more accessible for patients onto the patient care units.
- The Living Skills Program was initiated on the extended care units whose programs are aimed at preparing patients for future employment.
- Initiated having the Chicago Public Library Book Mobile Unit establish a routine arrangement with Chicago Read.

Census Management Accomplishments

- Continued to manage the bed resources resulting in a continued decrease in average length of stay for the hospital and the admitting units. Continued to decrease overall length of stay hospital-wide from FY06's 20.2 days to FY07's 18.4 days. For the admitting units only, decreased length of stay from 14.8 days in FY06 to 13.1 days in FY06.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
CHICAGO READ MENTAL HEALTH CENTER
SERVICE EFFORTS AND ACCOMPLISHMENTS
For the Two Years Ended June 30, 2007
(not examined)

Fiscal Year 2006

Safety Accomplishments

- Implemented Joint Commission 2006 National Patient Safety Goals.
- Implemented cellular phone system to increase efficient communication among staff.
- Completed reduction of bed capacity from 180 to 130 beds. Closed Central Intake Unit and worked collaboratively with Madden Mental Health Center to develop the Region 1 Central Screening and Referral System. Additionally, Chicago Read opened specialty programs (40 beds) providing extended treatment for patients who require an extended stay.
- All clinical staff were issued Intranet access and GroupWise accounts. In addition to improving communication, it provided access to Internet resources.
- Fully implemented Catalyst system, a patient acuity system to determine and monitor appropriate staffing levels.
- Developed Human Resource Database to manage personnel and evaluation information.

Census Management Accomplishments

- Opened the Intake Stabilization Unit (ISU) designed to stabilize, treat and refer patients who have a diagnosis of Primary Substance Abuse to the appropriate DASA services. Greatly expanded our DASA CoLocation Program to have DASA counselors on site to initiate the appropriate referrals to DASA services. This program design decreased the average length of stay for this population from 15 days to 5 days.
- Continued to decrease overall length of stay hospital-wide from FY05's 26.6 days to FY06's 20.2 days. For the admitting units only, decreased length of stay from 19.5 days in FY05 to 14.8 days in FY06.