

**STATE OF ILLINOIS**  
**DEPARTMENT OF HUMAN SERVICES**  
**ILLINOIS SCHOOL FOR THE VISUALLY IMPAIRED**  
**LIMITED SCOPE COMPLIANCE EXAMINATION**  
**For the Two Years Ended June 30, 2009**

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
ILLINOIS SCHOOL FOR THE VISUALLY IMPAIRED  
LIMITED SCOPE COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2009

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**SCHOOL OFFICIALS**

Superintendent (1/2/08 - Current)	Mr. Reggie Clinton
Superintendent (7/1/07 – 1/2/08)	Ms. Joan Forney
Business Office Administrator (6/16/08 - Current)	Mr. William Suttles
Business Office Administrator, acting (11/14/07 – 6/21/08)	Ms. Nancy Bradbury
Business Office Administrator (7/1/07 – 11/30/07)	Mr. John Wilcox

The School is located at:

658 East State Street  
Jacksonville, Illinois 62650

# Illinois School for the Visually Impaired

658 East State Street • Jacksonville, IL 62650  
Voice 217-479-4400 • TTY 217-479-4416 • Fax 217-479-4479

*Operated by the Illinois Department of Human Services, Office of Rehabilitation Services.  
Accredited by the North Central Association of Colleges and Schools.*



## MANAGEMENT ASSERTION LETTER

December 18, 2009

Honorable William G. Holland  
Auditor General  
740 East Ash Street  
Springfield, IL 62703-3154

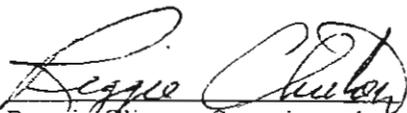
Auditor General Holland:

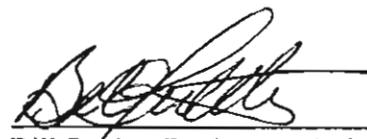
We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the Illinois School for the Visually Impaired (School). We are responsible for and we have established and maintained an effective system of, internal controls over compliance requirements. We have performed an evaluation of the School's compliance with the following assertions during the two-year period ended June 30, 2009. Based on this evaluation, we assert that during the years ended June 30, 2008 and June 30, 2009, the School has materially complied with the assertions below.

- A. The School 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 School 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 School 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 School 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 School 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,

Illinois School for the Visually Impaired

  
Reggie Clinton, Superintendent

  
Bill Suttles, Business Administrator

*The mission of ISVI is to serve as a statewide resource offering students experiencing visual impairments quality services which will enable them to become personally productive and self-sufficient citizens.*

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
ILLINOIS SCHOOL FOR THE VISUALLY IMPAIRED  
LIMITED SCOPE COMPLIANCE EXAMINATION  
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**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 (Report) relates only to those chapters of the "Audit Guide for Performing Financial Audits and Compliance Attestation Examinations of Illinois State Agencies" which are identified in the Report as having compliance testing performed and does not contain scope limitations, disclaimers, but contains a report qualification for compliance and internal control.

**SUMMARY OF FINDINGS**

<u>Number of</u>	<u>This Report</u>	<u>Prior Report</u>
Findings	2	3
Repeated findings	0	0
Prior recommendations implemented or not repeated	3	2

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

**SCHEDULE OF FINDINGS**

FINDINGS (STATE COMPLIANCE)

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
09-1	9	Unacceptable inventory valuation	Material Weakness Material Noncompliance
09-2	10	Inadequate controls over locally held funds	Significant Deficiency Noncompliance

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**SCHEDULE OF FINDINGS (continued)**

PRIOR FINDINGS NOT REPEATED (STATE COMPLIANCE)

<u>Item No.</u>	<u>Page</u>	<u>Description</u>
A	12	Fire code violations
B	12	Lack of independent review of payroll vouchers
C	12	Internal control weaknesses

**EXIT CONFERENCE**

The findings and recommendations appearing in this report were discussed with Department and School personnel at an exit conference on November 19, 2009. Attending were:

Department of Human Services

Jamie Nardulli, Audit Liaison (via teleconference)

Illinois School for the Visually Impaired

Reggie Clinton, Superintendent

William Suttles, Business Administrator

Office of the Auditor General

Teresa Davis, Audit Manager

Heather York, Audit Supervisor

Responses to the recommendations were provided by Michelle Saddler, Department of Human Services' Secretary per correspondence dated December 17, 2009.

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OFFICE OF THE AUDITOR GENERAL  
WILLIAM G. HOLLAND

**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**

We have performed a limited scope compliance examination of the State of Illinois Department of Human Services – Illinois School for the Visually Impaired’s (School) compliance with the requirements listed below, as more fully described in the Audit Guide for Performing Financial Audits and Compliance Attestation Examinations of Illinois State Agencies (*Audit Guide*) as adopted by the Auditor General, during the two years ended June 30, 2009. The management of the State of Illinois Department of Human Services - Illinois School for the Visually Impaired is responsible for compliance with these requirements. Our responsibility is to express an opinion on the State of Illinois Department of Human Services - Illinois School for the Visually Impaired’s compliance based on our examination.

- A. The State of Illinois Department of Human Services - Illinois School for the Visually Impaired 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 - Illinois School for the Visually Impaired 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 - Illinois School for the Visually Impaired 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 - Illinois School for the Visually Impaired 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 - Illinois School for the Visually Impaired on behalf of the State or held in trust by the State of Illinois Department of Human Services - Illinois School for the Visually Impaired have been properly and legally administered and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

INTERNET ADDRESS: AUDITOR@MAIL.STATE.IL.US

RECYCLED PAPER • SOYBEAN INKS

Our limited scope compliance examination of the School 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 School 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 conducted our examination 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 - Illinois School for the Visually Impaired's compliance with those requirements listed in the first paragraph of this report 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 - Illinois School for the Visually Impaired's compliance with specified requirements.

As described in finding 09-1 in the accompanying Schedule of Findings, the State of Illinois Department of Human Services - Illinois School for the Visually Impaired did not comply with requirements regarding:

- C. The State of Illinois Department of Human Services - Illinois School for the Visually Impaired has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.

Compliance with such requirement is necessary, in our opinion, for the State of Illinois Department of Human Services - Illinois School for the Visually Impaired to comply with the requirements listed in the first paragraph of this report.

In our opinion, except for the noncompliance described in the preceding paragraph, the State of Illinois Department of Human Services - Illinois School for the Visually Impaired complied, in all material respects, with the requirements listed in the first paragraph of this report during the two years ended June 30, 2009. However, the results of our procedures disclosed other instances of noncompliance, 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 finding 09-2.

## **Internal Control**

The management of the State of Illinois Department of Human Services - Illinois School for the Visually Impaired 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 - Illinois School for the Visually Impaired's internal control over compliance with the requirements listed in the first paragraph of this report as a basis for designing 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 - Illinois School for the Visually Impaired's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the State of Illinois Department of Human Services - Illinois School for the Visually Impaired's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying Schedule of Findings we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

A *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 and correct noncompliance with the requirements listed in the first paragraph of this report on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material noncompliance with a requirement listed in the first paragraph of this report will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies in internal control over compliance as described in the accompanying Schedule of Findings as finding 09-1 to be a material weakness.

A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in finding 09-2 in the accompanying Schedule of Findings to be significant deficiencies.

As required by the *Audit Guide*, immaterial findings excluded from this report have been reported in a separate letter.

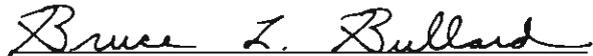
The State of Illinois Department of Human Services - Illinois School for the Visually Impaired's responses to the findings identified in our examination are described in the accompanying Schedule of Findings. We did not examine the State of Illinois Department of Human Services - Illinois School for the Visually Impaired's responses and, accordingly, we express no opinion on them.

## 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 2009 and the 2008 Supplementary Information for State Compliance Purposes, except for information on the Schedule of Changes in Inventories, Employee Overtime, Contractual Payroll Employees, Shared Resources, School Utilization, Annual School 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 2007 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, School and Department of Human Services management, and is not intended to be and should not be used by anyone other than these specified parties.

  
BRUCE L. BULLARD, CPA  
Director of Financial and Compliance Audits

December 18, 2009

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
ILLINOIS SCHOOL FOR THE VISUALLY IMPAIRED  
**SCHEDULE OF FINDINGS (STATE COMPLIANCE)**  
For the Two Years Ended June 30, 2009

09-1. **FINDING** (Unacceptable inventory valuation)

The Illinois School for the Visually Impaired (School) does not have an acceptable commodities inventory valuation method.

All of the School's commodities inventory on hand are valued at the most recent purchase price, which is not an acceptable valuation method. As a result, we could not determine whether the June 30, 2009 commodities inventory values were reasonable.

The Statewide Accounting Management System (Procedure 3.60.20) requires each State agency to use the first in – first out method of valuation (FIFO) or the average cost method, if it approximates FIFO to value inventory.

School management stated they were not aware that the valuation method used by their current inventory system was not acceptable.

Failure to establish an acceptable commodities inventory valuation method could result in incorrect year end commodities inventory balances being submitted to the Office of the State Comptroller to be included in the Statewide Comprehensive Annual Financial Report. (Finding Code No. 09-1)

**RECOMMENDATION**

We recommend the School establish an acceptable method for valuing its commodities inventory to help maintain accurate inventory records as required by the Statewide Accounting Management System.

**SCHOOL RESPONSE**

Agree. The Illinois School for the Visually Impaired (School) will work on replacing the School's current inventory system with the Commodity Control System that the Department of Human Services is currently using.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
ILLINOIS SCHOOL FOR THE VISUALLY IMPAIRED  
**SCHEDULE OF FINDINGS (STATE COMPLIANCE)**  
For the Two Years Ended June 30, 2009

09-2. **FINDING** (Inadequate controls over locally held funds)

The Illinois School for the Visually Impaired (School) prepared and submitted inaccurate June 30, 2008 and 2009 Locally Held Funds Reports (C-17 Reports) to the Office of the State Comptroller.

We noted the following errors with the Locally Held Fund Reports submitted to the Office of the State Comptroller:

- The June 30, 2008 DHS/DORS Agency Fund C-17 Report overstated receipts \$4,162 and overstated disbursements \$4,345 and the DHS/DORS Special Revenue Fund overstated receipts \$3,425 and overstated disbursements \$3,212. The receipts and disbursements in both funds were overstated due to the School including DHS/DORS Special Revenue Fund transactions in with the Agency Fund transactions. In addition, the School records cash refunds as a receipt instead of recognizing the refund as a reduction of disbursements.
- The June 30, 2008 DHS/DORS Permanent Trust Fund receipts were not reported correctly. The School recorded a donation totaling \$113,835 as investment income instead of a private donation on the C-17 Report.
- The June 30, 2009 DHS/DORS Agency Fund C-17 Report overstated receipts \$1,494 and overstated disbursements \$1,560 and the DHS/DORS Special Revenue Fund overstated receipts \$5,001 and overstated disbursements \$4,982. The receipts and disbursements in both funds were overstated due to the School recording cash refunds as a receipt instead of recognizing the refund as a reduction of disbursements.

The Statewide Accounting Management System (SAMS) (Procedure 33.13.20) requires each agency to submit accurate quarterly reports of receipts and disbursements of all locally held funds to the Office of the State Comptroller via the “Report of Receipts and Disbursements for Locally Held Funds.”

School management stated the locally held fund errors occurred due to misinterpretation regarding how to record the transactions.

Failure to provide accurate C-17 Reports to the Office of the State Comptroller prevents the Office from maintaining accurate year-to-date receipts and disbursements for the School. (Finding Code No. 09-2)

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ILLINOIS SCHOOL FOR THE VISUALLY IMPAIRED  
**SCHEDULE OF FINDINGS (STATE COMPLIANCE)**  
For the Two Years Ended June 30, 2009

**RECOMMENDATION**

We recommend the School strengthen its controls over the reporting of locally held funds maintained by the School by ensuring all funds are properly reported to the Office of the State Comptroller as required by SAMS.

**SCHOOL RESPONSE**

Agree. The Illinois School for the Visually Impaired will implement a system to only record the actual amount expended during the fiscal year from locally held funds. This process will start on the next Report of Receipts and Disbursements for Locally Held Funds (C-17 Report) due in January 2010 for quarter ending 12/31/09.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
ILLINOIS SCHOOL FOR THE VISUALLY IMPAIRED  
**PRIOR FINDINGS NOT REPEATED (STATE COMPLIANCE)**  
For the Two Years Ended June 30, 2009

A. **FINDING** (Fire code violations)

During the prior examination, the Illinois School for the Visually Impaired (School) had campus buildings that failed to comply with fire safety standards.

During the current examination, the School took the necessary steps to ensure that the campus buildings were in compliance with fire safety standards. The last State Fire Marshal inspection performed March 2008 noted no deficiencies. (Finding Code No. 07-1)

B. **FINDING** (Lack of independent review of payroll vouchers)

During the prior examination, 38 of 96 (40%) payroll vouchers tested did not have evidence of a review by an individual independent of the payroll function.

During the current examination, the Illinois School for the Visually Impaired improved the payroll process and an independent review of payroll vouchers was implemented. (Finding Code No. 07-2)

C. **FINDING** (Internal control weaknesses)

During the prior examination, the Illinois School for the Visually Impaired (School) failed to maintain adequate internal controls over locally held fund expenditures, and had inadequate segregation of duties within the commodity inventory, property control and accounts receivable functions.

During the current examination, the School implemented new internal controls over the locally held funds, in which the School only accepts original receipts for reimbursement. The School also has implemented compensating controls in the commodity inventory, property and accounts receivable functions to ensure there is an adequate segregation of duties. (Finding Code No. 07-3)

STATE OF ILLINOIS  
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**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 (not examined)
- Analysis of Accounts Receivable

Analysis of Operations

- School Functions and Planning Program
- Average Number of Employees
- Employee Overtime (not examined)
- Contractual Payroll Employees (not examined)
- Shared Resources (not examined)
- School Utilization (not examined)
- Annual School Statistics
  - Cost Per Year/Day Per Student (not examined)
  - Ratio of Employees to Students (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 accountants have applied certain limited procedures as prescribed by the *Audit Guide* as adopted by the Auditor General, except for information on the Schedule of Changes in Inventories, Employee Overtime, Contractual Payroll Employees, Shared Resources, School Utilization, Annual School 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  
ILLINOIS SCHOOL FOR THE VISUALLY IMPAIRED  
**SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
For the Fiscal Year Ended June 30, 2009

PUBLIC ACT 95-0734	Appropriations (Net of Transfers)	Expenditures Through June 30	Lapse Period Expenditures July 1 to August 31	Total Expenditures 14 Months Ended August 31	Balances Lapsed August 31
<b>General Revenue Fund - 001</b>					
Personal Services	\$ 7,201,400	\$ 6,272,299	\$ 712,154	\$ 6,984,453	\$ 216,947
Student compensation	16,400	12,025	0	12,025	4,375
State contributions to State employees' retirement system	1,023,800	915,862	94,177	1,010,039	13,761
State contributions to Social Security	386,700	338,760	32,994	371,754	14,946
Contractual Services	753,000	625,850	122,331	748,181	4,819
Travel	9,500	5,414	1,571	6,985	2,515
Commodities	349,300	273,801	47,255	321,056	28,244
Printing	2,400	0	2,400	2,400	0
Equipment	27,300	26,729	452	27,181	119
Telecommunications services	52,100	39,612	11,840	51,452	648
Operation of auto equipment	21,200	17,494	3,477	20,971	229
Technology Equipment	199,000	75,488	19,860	95,348	103,652
Subtotal - Fund 001	<u>\$ 10,042,100</u>	<u>\$ 8,603,334</u>	<u>\$ 1,048,511</u>	<u>\$ 9,651,845</u>	<u>\$ 390,255</u>
<b>Vocational Rehabilitation Fund - 081</b>					
Secondary transitional experience program	<u>\$ 42,900</u>	<u>\$ 40,005</u>	<u>\$ 0</u>	<u>\$ 40,005</u>	<u>\$ 2,895</u>
<b>GRAND TOTAL - ALL FUNDS</b>	<u><u>\$ 10,085,000</u></u>	<u><u>\$ 8,643,339</u></u>	<u><u>\$ 1,048,511</u></u>	<u><u>\$ 9,691,850</u></u>	<u><u>\$ 393,150</u></u>

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

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
ILLINOIS SCHOOL FOR THE VISUALLY IMPAIRED  
**SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
For the Fiscal Year Ended June 30, 2008

PUBLIC ACT 95-0348	Appropriations (Net of Transfers)	Expenditures Through June 30	Lapse Period Expenditures July 1 to August 31	Total Expenditures 14 Months Ended August 31	Balances Lapsed August 31
<b>General Revenue Fund - 001</b>					
Personal Services	\$ 7,097,400	\$ 6,277,334	\$ 734,761	\$ 7,012,095	\$ 85,305
Student compensation	16,400	9,733	0	9,733	6,667
State contributions to State					
employees' retirement system	1,178,200	755,054	71,549	826,603	351,597
State contributions to Social Security	381,300	337,722	32,547	370,269	11,031
Contractual Services	705,300	555,056	124,597	679,653	25,647
Travel	13,800	8,242	17	8,259	5,541
Commodities	248,900	205,806	21,665	227,471	21,429
Printing	2,500	0	2,490	2,490	10
Equipment	30,000	13,272	11,226	24,498	5,502
Telecommunications services	58,100	41,279	13,624	54,903	3,197
Operation of auto equipment	32,500	27,667	4,369	32,036	464
Technology Equipment	229,000	170,534	33,922	204,456	24,544
Subtotal - Fund 001	<u>\$ 9,993,400</u>	<u>\$ 8,401,699</u>	<u>\$ 1,050,767</u>	<u>\$ 9,452,466</u>	<u>\$ 540,934</u>
<b>Vocational Rehabilitation Fund - 081</b>					
Secondary transitional experience program	<u>\$ 42,900</u>	<u>\$ 32,338</u>	<u>\$ 0</u>	<u>\$ 32,338</u>	<u>\$ 10,562</u>
<b>GRAND TOTAL - ALL FUNDS</b>	<u><u>\$ 10,036,300</u></u>	<u><u>\$ 8,434,037</u></u>	<u><u>\$ 1,050,767</u></u>	<u><u>\$ 9,484,804</u></u>	<u><u>\$ 551,496</u></u>

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

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
ILLINOIS SCHOOL FOR THE VISUALLY IMPAIRED  
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS,  
EXPENDITURES AND LAPSED BALANCES**  
For the Fiscal Years Ended June 30,

	FISCAL YEAR		
	2009	2008	2007
	P.A. 95-0734	P.A. 95-0348	P.A. 94-0798
<b>General Revenue Fund - 001</b>			
Appropriations (net of transfers)	\$ 10,042,100	\$ 9,993,400	\$ 8,920,000
<b>EXPENDITURES</b>			
Personal services	6,984,453	7,012,095	6,669,338
Student compensation	12,025	9,733	15,254
State contributions to State employees' retirement system	1,010,039	826,603	556,486
State contributions to Social Security	371,754	370,269	352,735
Contractual services	748,181	679,653	655,847
Travel	6,985	8,259	8,574
Commodities	321,056	227,471	427,077
Printing	2,400	2,490	2,500
Equipment	27,181	24,498	86,468
Telecommunications services	51,452	54,903	51,575
Operations of auto equipment	20,971	32,036	23,921
Technology Equipment	95,348	204,456	0
Total Expenditures	9,651,845	9,452,466	8,849,775
LAPSED BALANCES	\$ 390,255	\$ 540,934	\$ 70,225
<b>Vocational Rehabilitation Fund - 081</b>			
Appropriations (net of transfers)	\$ 42,900	\$ 42,900	\$ 42,900
<b>EXPENDITURES</b>			
Secondary transitional experience program	40,005	32,338	7,418
Total Expenditures	40,005	32,338	7,418
LAPSED BALANCES	\$ 2,895	\$ 10,562	\$ 35,482
<b>GRAND TOTAL - ALL APPROPRIATED FUNDS</b>			
Appropriations (net of transfers)	\$ 10,085,000	\$ 10,036,300	\$ 8,962,900
Total Expenditures	9,691,850	9,484,804	8,857,193
Lapsed Balances	\$ 393,150	\$ 551,496	\$ 105,707

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
ILLINOIS SCHOOL FOR THE VISUALLY IMPAIRED  
**DESCRIPTION OF LOCALLY HELD FUNDS**  
For the Two Years Ended June 30, 2009

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

1. Governmental Funds

General Funds

The Petty Cash account is maintained for the purpose of 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 Fund consists of the DHS / DORS Special Revenue 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 / DORS Special Revenue Fund (SAMS fund number 1149) is maintained to account for monies generated from profits on vending machine sales, private donations, student activity fees or various other sources. This fund is comprised of a number of sub-accounts.

Permanent Trust Fund

The Permanent Trust Fund consists of the DHS / DORS Permanent Trust Fund. This fund is used to account for assets held in a trustee capacity for individuals, private organizations, other governments and/or other funds to be used for purposes that benefit the School or its students.

The DHS / DORS Permanent Trust Fund (SAMS fund number 1150) accounts for bequests and other assets in a trustee capacity to be expended in accordance with any restrictions imposed upon the assets. This fund is comprised of a number of sub-accounts.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
ILLINOIS SCHOOL FOR THE VISUALLY IMPAIRED  
**DESCRIPTION OF LOCALLY HELD FUNDS**  
For the Two Years Ended June 30, 2009

2. Fiduciary Fund Type

Agency Fund

The Agency Fund consists of the DHS / DORS Agency 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 / DORS Agency Fund (SAMS fund number 1147) is maintained as a depository for funds of students while at the School. Disbursements from the fund consist primarily of withdrawals of monies for students' personal use and class projects at the School. The fund also is used as a clearing account for student compensation and for general receipts.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
ILLINOIS SCHOOL FOR THE VISUALLY IMPAIRED  
**SCHEDULE OF LOCALLY HELD FUNDS - CASH BASIS**  
For the Year Ended June 30, 2009

	1149 DHS/DORS Special Revenue Fund	1147 DHS/DORS Agency Fund	1150 DHS/DORS Permanent Trust Fund	Petty Cash Account
Balance - July 1, 2008	\$ 60,071	\$ (1,547)	\$ 154,005	\$ 8
<b>Receipts</b>				
Interest income	218	139	2,534	
Sales	9,114	2,495		
Donations	7,770	850		
Student deposits		23,871		
Appropriations	8,440	27,625		1,171
Student activity fees	1,250			
Transportation reimbursement	49,974			
Transfers in		6,225		
Other	987	610		
<b>Total Receipts</b>	<u>77,753</u>	<u>61,815</u>	<u>2,534</u>	<u>1,171</u>
<b>Disbursements</b>				
Commodities	5,348	2,348	5,343	
Contractual services	4,341	11,267		1,164
Sales expense	5,025	1,330		
Student withdrawals		22,078		
Student activities	2,744	1,552		
Transportation expense	43,472			
Transfers out		6,225		
Other	2,705	13,931		
<b>Total Disbursements</b>	<u>63,635</u>	<u>58,731</u>	<u>5,343</u>	<u>1,164</u>
Balance - June 30, 2009	<u>\$ 74,189</u>	<u>\$ 1,537</u>	<u>\$ 151,196</u>	<u>\$ 15</u>

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
ILLINOIS SCHOOL FOR THE VISUALLY IMPAIRED  
**SCHEDULE OF LOCALLY HELD FUNDS - CASH BASIS**  
For the Year Ended June 30, 2008

	1149 DHS/DORS Special Revenue Fund	1147 DHS/DORS Agency Fund	1150 DHS/DORS Permanent Trust Fund	Petty Cash Account
Balance - July 1, 2007	\$ 67,488	\$ 3,188	\$ 40,692	\$ 289
<b>Receipts</b>				
Interest income	203	231	3,182	
Sales	8,195	2,485		
Donations	5,500	1,330	113,835	
Student deposits		24,527		
Appropriations	15,016	28,446		1,831
Student activity fees	5,768			
Transportation reimbursement	15,142			
Transfers in		5,761		
Other	487	559		
Total Receipts	<u>50,311</u>	<u>63,339</u>	<u>117,017</u>	<u>1,831</u>
<b>Disbursements</b>				
Commodities	11,002	2,363	3,704	
Contractual services	6,128	16,587		2,112
Sales expense	2,977	1,815		
Student withdrawals		27,173		
Student activities	8,686	1,423		
Transportation expense	28,600			
Transfers out		5,761		
Other	335	12,952		
Total Disbursements	<u>57,728</u>	<u>68,074</u>	<u>3,704</u>	<u>2,112</u>
Balance - June 30, 2008	<u>\$ 60,071</u>	<u>\$ (1,547)</u>	<u>\$ 154,005</u>	<u>\$ 8</u>

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
ILLINOIS SCHOOL FOR THE VISUALLY IMPAIRED  
**SCHEDULE OF CHANGES IN STATE PROPERTY**  
For the Two Years Ended June 30, 2009

	Land and land improvements	Buildings and building improvements	Site improvements	Equipment	Total
Balance June 30, 2007	\$ 18,000	\$ 16,865,280	\$ 1,693,821	\$ 2,439,378	\$ 21,016,479
Additions:					
Purchases				176,360	176,360
Transfers-in:					
Intra-agency				1,059,146	1,059,146
Inter-agency				6,000	6,000
Capital Development Board					0
Adjustments				29,256	29,256
Total Additions	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,270,762</u>	<u>1,270,762</u>
Deductions:					
Transfers-out:					
Intra-agency				1,159,496	1,159,496
Inter-agency				73,271	73,271
Surplus property				3,712	3,712
Scrap property				26,230	26,230
Adjustments				2,429	2,429
Total Deductions	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,265,138</u>	<u>1,265,138</u>
Balance June 30, 2008	<u>\$ 18,000</u>	<u>\$ 16,865,280</u>	<u>\$ 1,693,821</u>	<u>\$ 2,445,002</u>	<u>\$ 21,022,103</u>
Additions:					
Purchases				148,175	148,175
Transfers-in:					
Intra-agency				401,444	401,444
Inter-agency					0
Capital Development Board		477,132			477,132
Adjustments				10,092	10,092
Total Additions	<u>0</u>	<u>477,132</u>	<u>0</u>	<u>559,711</u>	<u>1,036,843</u>
Deductions:					
Transfers-out:					
Intra-agency				383,117	383,117
Inter-agency				15,845	15,845
Surplus property					0
Scrap property				8,176	8,176
Adjustments				16,795	16,795
Total Deductions	<u>0</u>	<u>0</u>	<u>0</u>	<u>423,933</u>	<u>423,933</u>
Balance June 30, 2009	<u>\$ 18,000</u>	<u>\$ 17,342,412</u>	<u>\$ 1,693,821</u>	<u>\$ 2,580,780</u>	<u>\$ 21,635,013</u>

Note: School management indicated the balance at June 30, 2008 and June 30, 2009 have been reconciled to the property reports submitted to the Office of the State Comptroller.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
ILLINOIS SCHOOL FOR THE VISUALLY IMPAIRED  
**COMPARATIVE SCHEDULE OF CASH RECEIPTS AND DEPOSITS**  
For the Years Ended June 30,

	FISCAL YEAR		
	2009	2008	2007
<b><u>GENERAL REVENUE FUND - 001</u></b>			
<b><u>RECEIPTS</u></b>			
Jury duty, witness fees, military duty	\$ 29	\$ 85	\$ 135
Copy charges	34	12	16
Lost keys	0	30	0
Telephone reimbursements	0	5	16
Refunds / rebates	91	12	21
Miscellaneous other	<u>1,509</u>	<u>167</u>	<u>184</u>
<b>TOTAL RECEIPTS</b>	<b><u><u>\$ 1,663</u></u></b>	<b><u><u>\$ 311</u></u></b>	<b><u><u>\$ 372</u></u></b>
<b><u>DEPOSITS</u></b>			
Receipts recorded by School	\$ 1,663	\$ 311	\$ 372
Add: Deposits in transit - Beginning of year	145	52	657
Deduct: Deposits in transit - End of year	737	145	52
Prior year refunds applied to appropriations	<u>0</u>	<u>0</u>	<u>(661)</u>
<b>DEPOSITS RECORDED BY COMPTROLLER</b>	<b><u><u>\$ 1,071</u></u></b>	<b><u><u>\$ 218</u></u></b>	<b><u><u>\$ 316</u></u></b>

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
ILLINOIS SCHOOL FOR THE VISUALLY IMPAIRED  
**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES**  
For the Two Years Ended June 30, 2009

**Fiscal Year 2009**

A comparative schedule of significant variations in expenditures (20% or more) for the fiscal years ended June 30, 2009 and June 30, 2008 are shown below:

	<u>FISCAL YEAR</u> <u>ENDED JUNE 30</u>		<u>INCREASE</u> <u>(DECREASE)</u>	
	<u>2009</u>	<u>2008</u>	<u>AMOUNT</u>	<u>%</u>
<b><u>General Revenue Fund (001)</u></b>				
State contributions to State employees' retirement system	\$1,010,039	\$826,603	\$183,436	22.19%
Student compensation	\$12,025	\$9,733	\$2,292	23.55%
Commodities	\$321,056	\$227,471	\$93,585	41.14%
Operation of auto equipment	\$20,971	\$32,036	\$(11,065)	(34.54)%
Technology equipment	\$95,348	\$204,456	\$(109,108)	(53.36)%
<b><u>Vocational Rehabilitation Fund (081)</u></b>				
Secondary Transitional Experience Program (STEP)	\$40,005	\$32,338	\$7,667	23.71%

School management provided the following explanations for the significant variations identified above.

**General Revenue Fund (001)**

State contributions to State employees' retirement system

The increase of \$183,436 in the State contributions to State employees' retirement system was due to the overall State employee retirement rate increasing from 16.561% in fiscal year 2008 to 21.049% in fiscal year 2009.

Student compensation

The increase of \$2,292 was due to more employment opportunities for students.

Commodities

The increase of \$93,585 was due to the costs for food being covered by Federal Lunch Program funds in fiscal year 2008, but in fiscal year 2009 the General Revenue Fund was used for the purchase of food.

Operation of auto equipment

The decrease of \$11,065 was due to lower costs for fuel in fiscal year 2009 than in fiscal year 2008.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
ILLINOIS SCHOOL FOR THE VISUALLY IMPAIRED  
**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES**  
For the Two Years Ended June 30, 2009

**Fiscal Year 2009 (continued)**

**General Revenue Fund (001) (continued)**

Technology equipment

The decrease of \$109,108 was due to the School purchasing various software and Braille machines during fiscal year 2008, which lowered the need for new equipment in fiscal year 2009.

**Vocational Rehabilitation Fund (081)**

Secondary Transitional Experience Program (STEP)

The increase of \$7,667 STEP expenditures was due to the growth of the program which required additional job coaches.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
ILLINOIS SCHOOL FOR THE VISUALLY IMPAIRED  
**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES**  
For the Two Years Ended June 30, 2009

**Fiscal Year 2008**

A comparative schedule of significant variations in expenditures (20% or more) for the fiscal years ended June 30, 2008 and June 30, 2007 are shown below:

	<u>FISCAL YEAR</u>		<u>INCREASE</u>	
	<u>ENDED JUNE 30</u>		<u>(DECREASE)</u>	
	<u>2008</u>	<u>2007</u>	<u>AMOUNT</u>	<u>%</u>
<b><u>General Revenue Fund (001)</u></b>				
State contributions to State employees' retirement system	\$826,603	\$556,486	\$270,117	48.54%
Student compensation	\$9,733	\$15,254	\$(5,521)	(36.19)%
Commodities	\$227,471	\$427,077	\$(199,606)	(46.74)%
Equipment	\$24,498	\$86,468	\$(61,970)	(71.67)%
Operation of auto equipment	\$32,036	\$23,921	\$8,115	33.92%
Technology equipment	\$204,456	\$0	\$204,456	100.00%
<b><u>Vocational Rehabilitation Fund (081)</u></b>				
Secondary Transitional Experience Program (STEP)	\$32,338	\$7,418	\$24,920	335.94%

School management provided the following explanations for the significant variations identified above.

**General Revenue Fund (001)**

State contributions to State employees' retirement system

The increase of \$270,117 in State contributions to State employees' retirement system was due to the overall State employee retirement rate increasing from 11.525% in fiscal year 2007 to 16.561% in fiscal year 2008.

Student compensation

The decrease of \$5,521 is due to lower reimbursement rates and fewer employment opportunities for students.

Commodities

The decrease of \$199,606 is largely due to the technology equipment appropriation being new in fiscal year 2008. Therefore, items previously purchased from the commodities appropriation were purchased out of the technology equipment appropriation.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
ILLINOIS SCHOOL FOR THE VISUALLY IMPAIRED  
**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES**  
For the Two Years Ended June 30, 2009

**Fiscal Year 2008 (continued)**

**General Revenue Fund (001) (continued)**

Equipment

Equipment expenditures decreased by \$61,970 in fiscal year 2008 due to the technology equipment line being appropriated. Therefore, items were purchased as technology equipment instead of equipment.

Operation of auto equipment

Increase of \$8,115 is due to increased fuel prices and increases in general repair costs.

Technology equipment

The increase of \$204,456 is due to technology equipment not being appropriated separately in prior years.

**Vocational Rehabilitation Fund (081)**

Secondary Transitional Experience Program (STEP)

The increase of \$24,920 in expenditures is due to salaries of job coaches that were needed to provide expanded program services.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
ILLINOIS SCHOOL FOR THE VISUALLY IMPAIRED  
**ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING**  
For the Two Years Ended June 30, 2009

We have reviewed lapse period spending for fiscal years ended June 30, 2009 and 2008 and have identified significant lapse period spending (20% or more).

**Fiscal Year Ended June 30, 2009**

A schedule of significant lapse period spending for fiscal year 2009 is shown below:

<b><u>General Revenue Fund (001)</u></b>	<b><u>TOTAL EXPENDITURES</u></b>	<b><u>LAPSE PERIOD EXPENDITURES</u></b>	<b><u>PERCENTAGE</u></b>
Travel	\$6,985	\$1,571	22.49%
Printing	\$2,400	\$2,400	100.00%
Telecommunications services	\$51,452	\$11,840	23.01%
Technology equipment	\$95,348	\$19,860	20.83%

School management provided the following explanations for the significant lapse period expenditures identified above.

**General Revenue Fund (001)**

Travel

Significant lapse period spending of \$1,571 was due to School employees attending a conference at the end of the fiscal year.

Printing

Significant lapse period spending of \$2,400 was due to printing costs from an order of School calendars that was submitted in June 2009 and not paid until July 2009.

Telecommunications services

Significant lapse period spending of \$11,840 was due to the School not receiving telephone service bills until July and August from the Department of Central Management Services.

Technology equipment

Significant lapse period spending of \$19,860 was due to the School purchasing technology equipment at the end of the fiscal year, but did not receive invoices until lapse period.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
ILLINOIS SCHOOL FOR THE VISUALLY IMPAIRED  
**ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING**  
For the Two Years Ended June 30, 2009

**Fiscal Year Ended June 30, 2008**

A schedule of significant lapse period spending for fiscal year 2008 is shown below:

<b><u>General Revenue Fund (001)</u></b>	<b><u>TOTAL EXPENDITURES</u></b>	<b><u>LAPSE PERIOD EXPENDITURES</u></b>	<b><u>PERCENTAGE</u></b>
Printing	\$2,490	\$2,490	100.00%
Equipment	\$24,498	\$11,226	45.82%
Telecommunications services	\$54,903	\$13,624	24.81%

School management provided the following explanations for the significant lapse period expenditures identified above.

**General Revenue Fund (001)**

Printing

Significant lapse period spending of \$2,490 was due to printing costs from an order of School calendars that was submitted in June 2008 and not paid until July 2008.

Equipment

Significant lapse period spending of \$11,226 was attributed to the purchase of mowers prior to June 30 and paid for during lapse period.

Telecommunications services

Significant lapse period spending of \$13,624 resulted from the School not receiving telephone service bills until July and August from the Department of Central Management Services.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
ILLINOIS SCHOOL FOR THE VISUALLY IMPAIRED  
**SCHEDULE OF CHANGES IN INVENTORIES**  
For the Two Years Ended June 30, 2009  
(not examined)

	<u>Balance</u> <u>July 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2009</u>
Office and educational supplies	\$ 3,012	\$ 3,546	\$ 4,542	\$ 2,016
Food supplies	10,890	105,729	73,907	42,712
Household, laundry and cleaning supplies	4,413	12,174	7,952	8,635
Total	<u>\$ 18,315</u>	<u>\$ 121,449</u>	<u>\$ 86,401</u>	<u>\$ 53,363</u>

	<u>Balance</u> <u>July 1, 2007</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2008</u>
Office and educational supplies	\$ 655	\$ 6,380	\$ 4,023	\$ 3,012
Food supplies	13,631	64,426	67,167	10,890
Household, laundry and cleaning supplies	3,394	14,201	13,182	4,413
Total	<u>\$ 17,680</u>	<u>\$ 85,007</u>	<u>\$ 84,372</u>	<u>\$ 18,315</u>

Note: The inventories consist of commodity items that are valued using the most recent purchase price of each item, which is not an acceptable valuation method as noted in finding 09-1. As a result, we were unable to report on the commodities inventory balances at June 30, 2008 and June 30, 2009. Inventory amounts were obtained from School records.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
ILLINOIS SCHOOL FOR THE VISUALLY IMPAIRED  
**ANALYSIS OF ACCOUNTS RECEIVABLE**  
For the Years Ended June 30,

DHS/DORS Special Revenue Fund

The School bills the student’s home school district for the students’ bus trips to and from the School during the various breaks in the school year. The money is accounted for in the locally held fund and is used to fund future transportation costs. The School also advances money to teachers and employees to take students on field trips and requests reimbursement from the General Revenue Fund. An aging of accounts receivable for amounts due from local school districts and the General Revenue Fund for these purposes is as follows:

	<b>June 30,</b>		
	<u><b>2009</b></u>	<u><b>2008</b></u>	<u><b>2007</b></u>
Current (0-3 months)	<u>\$10,477</u>	<u>\$16,507</u>	<u>\$12,251</u>

DHS/DORS Agency Fund

The School advances money to student accounts to purchase necessary medicine for students with insufficient funds to pay. Other advances may occur when students’ account balances are not sufficient to cover the amount requisitioned. The School also pays students from locally held funds and requests reimbursement from the General Revenue Fund. An aging of accounts receivable from students is as follows:

	<b>June 30,</b>		
	<u><b>2009</b></u>	<u><b>2008</b></u>	<u><b>2007</b></u>
Current (0-3 months)	<u>\$423</u>	<u>\$1,341</u>	<u>\$3,163</u>

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
ILLINOIS SCHOOL FOR THE VISUALLY IMPAIRED  
**ANALYSIS OF OPERATIONS**  
For the Two Years Ended June 30, 2009

SCHOOL FUNCTIONS AND PLANNING PROGRAM

School Functions

The Illinois Department of Human Services – Illinois School for the Visually Impaired (School) is located at 658 East State Street in Jacksonville, Illinois. The School was established in 1849 and operates pursuant to the Disabled Persons Rehabilitation Act (20 ILCS 2405/1 et seq).

The Department of Human Services (Department) is mandated to operate the residential school for the education of children with visual impairments, and to provide in connection therewith such academic, vocational, and related services as may be required. The School fulfills this duty by implementing a comprehensive curriculum, emphasizing independence and vocational skills, with instruction in Braille and daily living skills, orientation and mobility training, assistive technology evaluation and instruction, adaptive physical education, family and consumer science education, and industrial arts education. Children in pre-kindergarten, elementary, middle school, high school and extended high school are eligible for admission to the School after proper diagnosis and evaluation in accordance with procedures prescribed by the Department.

The School also administers five outreach programs. An annual parent-infant institute is conducted which provides information, diagnostic assessments, and networking opportunities for parents of infants/toddlers who are blind or visually impaired. The School provides a program for infants/toddlers from birth to age three that provides evaluation and ongoing in-home services for families of infants/toddlers who are blind or visually impaired. Evaluations are also conducted for children of school age who attend public schools. Twice per year the School cosponsors a Lions Low Vision Clinic which provides eye examinations and assistive devices for students who are visually impaired. Annually, a summer camp for students who are blind or visually impaired is held on the School campus.

Planning Program

The School is one of several State facilities operated by the Department. The School is accredited by the North Central Association (NCA) and completed an accreditation cycle in May 2007. As part of the NCA accreditation process, the School developed goals within the framework of a school improvement plan. The School also developed a capital projects/renovations plan which is updated annually to assess capital improvements and additions needed to each building on the School's grounds, and also developed specific plans and objectives based on particular needs of the students. To facilitate the planning process, the administration of the School regularly monitored the performance of the School and its mandatory functions.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
ILLINOIS SCHOOL FOR THE VISUALLY IMPAIRED  
**ANALYSIS OF OPERATIONS**  
For the Two Years Ended June 30, 2009

SCHOOL FUNCTIONS AND PLANNING PROGRAM – Continued

The School's long-range goals are as follows:

- Curriculum – To develop and implement new curricula aligned to the Illinois Learning Standards and Illinois Social and Emotional Standards in Social Studies, Science, and Mathematics.
- Outreach – To provide necessary information about the School, offer assistance to local educational agencies concerning the education of students who are visually impaired, and implement a program entitled GATES (Goals, Advocacy, Transition, Empowerment, Shortcourses) which is an intensive short-term program designed to provide specific, direct instruction in the Expanded Core Curriculum and individually identified areas of need for students who are blind or visually impaired.
- Technology – To continue to build on the availability of computer resources and assistive technology at all grade levels and adopt and implement a computerized database system with modules for demographics, attendance, grade reporting, discipline, food service, and IEP development.
- Residential – To implement the Transition Living Curriculum into the dormitory program with monitoring of individual checklists for students in independent living/self care, play and leisure, and social competence.
- Infrastructure – To replace the telephone system throughout campus.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
ILLINOIS SCHOOL FOR THE VISUALLY IMPAIRED  
**ANALYSIS OF OPERATIONS**  
For the Two Years Ended June 30, 2009

AVERAGE NUMBER OF EMPLOYEES

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

	<u>Fiscal Year ending June 30,</u>		
	<u>2009</u>	<u>2008</u>	<u>2007</u>
Business Administration	20	17	17
Child Care	37	38	36
Dietary	11	12	12
Educators	36	39	37
Housekeeping	7	7	7
Maintenance	15	16	14
Nurses	3	3	3
Social Services	<u>3</u>	<u>3</u>	<u>3</u>
Total Employees	<u>132</u>	<u>135</u>	<u>129</u>

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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 fiscal year 2009, 2008 and 2007.

	Fiscal Year		
	<u>2009</u>	<u>2008</u>	<u>2007</u>
Paid overtime hours worked during fiscal year	6,467	8,485	10,650
Compensatory hours earned during fiscal year	<u>13,442</u>	<u>17,096</u>	<u>16,535</u>
Total paid overtime hours and earned compensatory hours during fiscal year	<u>19,909</u>	<u>25,581</u>	<u>27,185</u>
Value of overtime hours worked during fiscal year	\$195,512	\$255,358	\$294,592
Value of compensatory hours earned during fiscal year	<u>\$286,027</u>	<u>\$348,793</u>	<u>\$311,170</u>
Total value of paid overtime hours and earned compensatory hours during fiscal year	<u>\$481,539</u>	<u>\$604,151</u>	<u>\$605,762</u>

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CONTRACTUAL PAYROLL EMPLOYEES (not examined)

The School 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 substitute teachers, athletic coaches, and job coaches.

The following table prepared from Department records presents the number of contractual payroll employees and amount expended for contractual payroll employees during fiscal year 2009, 2008 and 2007.

	Fiscal Year		
	<u>2009</u>	<u>2008</u>	<u>2007</u>
Contractual payroll employees paid during the fiscal year	<u>0</u>	<u>14</u>	<u>14</u>
Total amount expended for contractual payroll employees during the fiscal year	<u>\$0</u>	<u>\$32,067</u>	<u>\$56,891</u>

SHARED RESOURCES (not examined)

The Illinois School for the Visually Impaired has four offices in the Library and Classrooms Building (CDB #V0113) being utilized by the Department of Human Services Hard of Hearing/Deaf/Blind Services.

The School shares the business administrator and the dietary manager on a 50/50 basis with the Illinois School for the Deaf. The individuals are paid from July 1<sup>st</sup> through December 31<sup>st</sup> by the Illinois School for the Visually Impaired, and are paid from January 1<sup>st</sup> through June 30<sup>th</sup> by the Illinois School for the Deaf.

The School also shares the timekeeping/payroll administrative assistant and the public service administrator on a 50/50 basis with the Illinois School for the Deaf. These individuals are paid from July 1<sup>st</sup> through December 31<sup>st</sup> by the Illinois School for the Deaf, and are paid from January 1<sup>st</sup> through June 30<sup>th</sup> by the Illinois School for the Visually Impaired.

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SCHOOL UTILIZATION (not examined)

The Illinois School for the Visually Impaired is situated on 14 acres in Jacksonville, Illinois. The School has 12 buildings on its grounds. School management has provided the information below outlining their occupancy and/or utilization of the buildings on the grounds of the School as of June 30, 2009.

<u>Building</u>	<u>Type/Use</u>	<u>Square Feet</u>	<u>Status</u>	<u>Utilization</u>
Frank Hall Building	Administration / Classrooms	66,555	Occupied	100%
Dietary/Laundry/Storeroom/ Greenhouse	Food preparation / Dining / Laundry / Storeroom / Greenhouse	19,747	Occupied	100%
Gymnasium/Pool	Gym / Swimming	16,235	Occupied	100%
Powerhouse	Powerhouse	4,105	Occupied	100%
Leo Flood Bldg Media Center	Classrooms / Library	32,665	Occupied	100%
Unit #18 Dorm	Dormitory	24,846	Occupied	100%
Maintenance Shop Building	Maintenance	6,654	Occupied	100%
Joshua Rhoads Auditorium	Auditorium / Teen Center	10,378	Occupied	100%
Mobile Home	Guest Housing	1,100	Unoccupied	0%
Garage	Storage for vehicles and Grounds equipment	5,067	Occupied	100%
Transitional Living Center	Dormitory / Teaching independent living	11,850	Occupied	100%
New Dorm	Dormitory	28,000	Occupied	100%

COST PER YEAR/DAY PER STUDENT (not examined)

The following schedule represents costs per student 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.

	Fiscal Year		
	<u>2009</u>	<u>2008</u>	<u>2007</u>
Cost per year per student	<u>\$77,080</u>	<u>\$83,706</u>	<u>\$93,156</u>
Cost per day per student	<u>\$274</u>	<u>\$298</u>	<u>\$331</u>

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RATIO OF EMPLOYEES TO STUDENTS (not examined)

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

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Average number of students	<u>62</u>	<u>62</u>	<u>95</u>
Average number of employees	<u>131</u>	<u>135</u>	<u>129</u>
Ratio of employees to students	<u>2.11 to 1</u>	<u>2.18 to 1</u>	<u>1.36 to 1</u>

REPORTED EMPLOYEE JOB INJURIES (not examined)

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

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Number of reported employee injuries	<u>7</u>	<u>11</u>	<u>19</u>

FOOD SERVICES (not examined)

The following table, prepared from the School records, summarizes the number of meals served and the average cost per meal for the fiscal years ended June 30:

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Meals served	<u>27,119</u>	<u>28,998</u>	<u>27,545</u>
Total food costs	\$102,510	\$ 61,531	\$106,009
Total labor costs	<u>314,500</u>	<u>312,820</u>	<u>380,328</u>
Total costs	<u>\$417,010</u>	<u>\$374,351</u>	<u>\$486,337</u>
Average food costs / meal	\$ 3.78	\$ 2.12	\$ 3.85
Average labor costs / meal	<u>11.60</u>	<u>10.79</u>	<u>13.81</u>
Total average cost / meal	<u>\$15.38</u>	<u>\$12.91</u>	<u>\$17.66</u>

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SERVICE EFFORTS AND ACCOMPLISHMENTS (not examined)

- Increased capacity for monitoring student computer use, updated all computers on campus to Windows XP, installed Microsoft Office Suite on all campus computers, and added technology in the auditorium to aid with training opportunities and student recreation.
- Started a new cycle of the North Central Association (NCA) Accreditation process. As part of this process, a school improvement plan will be developed, a documentation report completed, and an external team from NCA will visit the School.
- Participated in numerous student events, including Dots for Tots, Braille Challenge, Jukebox Classic, Louis Braille Celebration, Forensics, Uno Fest, Cookie Bake-Off, Bingo, talent show, hosted NCASB Championships, various recreation events, and sporting events.
- Continued a program whereby college students serve as participants at the School. College students from Illinois State University participated in Field Base Experiences, MacMurray College students toured the School, and students in MacMurray's nursing program completed clinical experiences.
- Hosted a Parent-Infant Institute, "Opening Doors," for infants/toddlers from ages birth to five who are blind or visually impaired, and their families. During the Institute, the infants/toddlers received evaluations by experts in the field of vision, and families were provided information on raising a child who is blind or visually impaired.
- Hosted week-long summer camps for students who are blind or visually impaired.
- Cosponsored the Lions Low Vision Clinic where students who are blind or visually impaired from the State of Illinois receive evaluations of their eye conditions resulting in recommendations for assistive technology, which is then purchased through the clinic.
- The School was represented at numerous conferences by the School's Development Representative. Several School personnel also had the opportunity to present and attend the Illinois Association for the Education and Rehabilitation of the Blind and Visually Impaired Conference.
- Continued to look for expansion opportunities for the work study program in both on-campus and off-campus work sites during the school year and during the summer months.