

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES

ANN M. KILEY DEVELOPMENTAL 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
ANN M. KILEY DEVELOPMENTAL CENTER
For the Two Years Ended June 30, 2007

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STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ANN M. KILEY DEVELOPMENTAL CENTER
For the Two Years Ended June 30, 2007

CENTER OFFICIALS

Interim Facility Director (5/17/07 to Current)	Mr. Waverly Robinson
Facility Director (1/17/07 to 5/16/07)	Vacant
Facility Director (1/1/05 to 1/16/07)	Ms. Suzanne McWilliams
Interim Assistant Facility Director (5/24/07 to Current)	Ms. Dorothy McCaffrey
Interim Assistant Facility Director (5/19/07 to 5/23/07)	Vacant
Assistant Facility Director (8/1/05 to 5/18/07)	Ms. Ellen Hodges
Director of Fiscal & Support	Mr. Edward Fojtik

The Center is located at:

1401 West Dugdale Rd.
Waukegan, IL 60085



Office of Developmental Disabilities
Ann M. Kiley Center
1401 W. Dugdale Road • Waukegan, IL 60085-6287
847-249-0600 • FAX 847-249-0677 • TT 847-249-8961

STATE COMPLIANCE EXAMINATION
MANAGEMENT ASSERTION LETTER

Martin & Shadid, CPAs, P.C.
3810 N. Prospect Road
Peoria, IL 61614

January 9, 2008

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 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 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 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. State revenues and receipts collected by the 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 Center on behalf of the State or held in trust by the Center have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate and in accordance with law.

Yours very truly,

Ann M. Kiley Developmental Center

(Waverly Robinson, Interim Facility Director)

(Edward Fojtik, Director of Fiscal & Support)

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ANN M. KILEY DEVELOPMENTAL CENTER
For the Two Years Ended June 30, 2007

COMPLIANCE REPORT

SUMMARY

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

ACCOUNTANTS' REPORT

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

SUMMARY OF FINDINGS

<u>Number of</u>	<u>This Report</u>	<u>Prior Report</u>
Findings	4	4
Repeated findings	1	2
Prior recommendations implemented or not repeated	3	2

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	Inadequate Documentation Regarding Restraint Use
07-2	11	Incomplete Resident Files
07-3	12	Inadequate Inventory Controls
07-4	13	Inadequate Monitoring of Accounts Receivable

<u>Item No.</u>	<u>Page</u>	<u>Description</u>
PRIOR FINDINGS NOT REPEATED		
07-5	14	Untimely Performance Evaluations
07-6	14	Inadequate Controls over Cafeteria Cash Receipts
07-7	14	Lack of Approvals for Leaves of Absence

EXIT CONFERENCE

Center management waived having an exit conference per correspondence dated December 11, 2007. Responses to the recommendations were provided by Ms. Carol Adams in a letter dated December 21, 2007.

**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 – Ann M. Kiley Developmental 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 – Ann M. Kiley Developmental Center is responsible for compliance with these requirements. Our responsibility is to express an opinion on the State of Illinois Department of Human Services – Ann M. Kiley Developmental Center's compliance based on our examination.

- A. The State of Illinois Department of Human Services – Ann M. Kiley Developmental 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 – Ann M. Kiley Developmental 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 – Ann M. Kiley Developmental 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 of the State of Illinois Department of Human Services – Ann M. Kiley Developmental 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 – Ann M. Kiley Developmental Center on behalf of the State or held in trust by the State of Illinois Department of Human Services – Ann M. Kiley Developmental 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 – Ann M. Kiley Developmental 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 Service – Central Office compliance report. We have also performed certain procedures with respect to the accounting records of the State of Illinois Department of Human Services – Ann M. Kiley Developmental Center to assist in the performance of the Auditor General's financial statement audit of the entire Department of Human Services for the year ended June 30, 2007. The results of these additional procedures have been communicated to the Department of Human Services – Central Office auditors.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants; the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the Illinois State Auditing Act (Act); and the *Audit Guide* as adopted by the Auditor General pursuant to the Act; and, accordingly, included examining, on a test basis, evidence about the State of Illinois Department of Human Services – Ann M. Kiley Developmental 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 – Ann M. Kiley Developmental Center's compliance with specified requirements.

In our opinion, the State of Illinois Department of Human Services – Ann M. Kiley Developmental 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, 07-2, 07-3, and 07-4.

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 – Ann M. Kiley Developmental 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 – Ann M. Kiley Developmental 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 – Ann M. Kiley Developmental 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 – Ann M. Kiley Developmental Center's internal control over compliance. We have also performed certain procedures with respect to the accounting records of the Center to assist in the performance of the Auditor General's financial statement audit of the entire Department of Human Services for the year ended June 30, 2007. The results of these additional procedures have been communicated to the Department of Human Services – Central Office auditors.

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

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with the requirements listed in the first paragraph of this report on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to comply with the requirements listed in the first paragraph of this report such that there is more than a remote likelihood that noncompliance with a requirement that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Recommendations as items 07-1, 07-2, 07-3, and 07-4 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 – Ann M. Kiley Developmental Center’s response to the findings identified in our examination are described in the accompanying Schedule of Findings and Recommendations. We did not examine State of Illinois Department of Human Services – Ann M. Kiley Developmental Center’s responses 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, 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.

Martini & Shedd, CPAs, P.C.

January 9, 2008

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ANN M. KILEY DEVELOPMENTAL CENTER
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
For the Two Years Ended June 30, 2007

Current Findings

07-1. Finding – Inadequate Documentation Regarding Restraint Use

The Center was not in compliance with Section 5 of the Mental Health and Developmental Disabilities Code regarding the use of restraints.

Of the 25 files tested, three residents had been restrained during the examination period. All restraint records for these three residents were examined and the following exceptions were noted:

- The Mental Health and Developmental Disabilities Code (405 ILCS 5/2-108(c)) requires the person who orders the use of restraint to inform the Facility Director, or designee, in writing within 24 hours.

Three of the three residents tested (100%) had “Restraint Monitoring Records” completed and filed in the Facility Director’s office. However the forms were not date stamped, therefore the 24-hour requirement could not be verified.

Center officials stated they had not considered the fact that documenting receipt of the restraint form would be necessary to comply with the mandate.

- The Mental Health and Developmental Disabilities Code (405 ILCS 5/2-108(d)) requires the Facility Director review all restraint orders daily.

Three of the three residents tested (100%) had restraint orders on file that did not contain evidence of the Facility Director’s review.

Center officials stated the Facility Director reviews restraint orders daily, however this review was not documented. Documentation only exists if inquiries are made regarding the use of restraints.

- The Mental Health and Developmental Disabilities Code (405 ILCS 5/2-108(e)) states that restraint may be employed during all or part of one 24 hour period, the period commencing with the initial application of the restraint. However, once restraint has been employed during one 24 hour period, it shall not be used again on the same recipient during the next 48 hours without the prior written authorization of the facility director.

One of the three residents examined (33%) was restrained during consecutive days, however prior written authorization was not provided by the Facility Director.

Center officials said they interpreted the mandate to mean authorization was only necessary if restraints were applied within 48 hours of the initial application, rather than 48 hours after the end of the initial 24-hour period. It was noted Ann M. Kiley Center Policy and Procedure RS 22.2 pertaining to restraint use complied with the statutory language.

Failure to maintain adequate documentation regarding the use of restraints is noncompliance with State law and could affect quality of care. (Finding Code No. 07-1)

Recommendation

We recommend documentation regarding restraint use be adequately maintained in accordance with State statute.

Department Response

Agree. The use of restraint will be communicated to the Facility Director, in writing within 24 hours. A log will be initiated to indicate the Facility Director's review of restraint orders, on a daily basis. Identified staff will be re-trained in the proper definition and notification of "extended restraint", which will be in compliance with Kiley Developmental Center policy RS 22.2 and the State statute.

Finding – Incomplete Resident Files

The Center's resident files did not contain all required documentation.

Our review of 25 resident files disclosed the following exceptions:

- Seven of the 25 files examined were for discharged residents, however three of the seven (43%) did not have Notice of Discharge Forms on file. The Mental Health and Developmental Disabilities Code (405 ILCS 5/4-704(a)) requires written notice of discharge be given at least 14 days prior to discharge. The purpose of this notice is to inform the individual and/or guardian of the reason for discharge and provide instructions regarding the right to object to discharge.

Center officials said the social worker for these three residents mailed the Notice of Discharge Forms to the guardians but did not maintain copies in the resident file or obtain proof of mailing.

- Two of 25 resident files examined (8%) either did not contain evidence of a monthly review of the habilitation plan or did not contain a fully completed and up-to-date plan. The Mental Health and Developmental Disabilities Code (405 ILCS 5/4-309(c)) requires the habilitation plan be prepared within 14 days of admission and be reviewed at least monthly.

Center officials said the resident had no monthly habilitation plan on file but only resided at the Center for approximately three months. The incomplete habilitation plan was for a current resident and due to time constraints, staff may not have been able to document monthly reviews in a timely manner.

Failure to maintain complete resident files is noncompliance with State law and could affect the quality of care. (Finding Code No. 07-2)

Recommendation

We recommend Notice of Discharge Forms be maintained and monthly habilitation plans be prepared and reviewed in accordance with State statute.

Department Response

Agree. Kiley Developmental Center policy RS 21.0, Habilitation Services, is being revised to address the timely completion of habilitation plans. Following the completion of the revision of policy, all Habilitation Program Coordinators will be trained in policy revision. The social worker, who failed to maintain a clinical record copy of the Notice of Discharge forms for the three individuals cited in the audit, was trained on the procedure for completing and retaining the Notice of Discharge.

07-3. Finding – Inadequate Inventory Controls

Inventory adjustments resulting from physical inventories were not made in a timely manner.

A previous compliance examination finding revealed that the Center was maintaining two independent inventory systems and was not utilizing ideal physical counting procedures. The observation of physical inventory counts during the current compliance examination revealed business staff performed recounts, tags were used and counting procedures were improved to ensure all items physically located in the warehouse were counted. In addition, the Center now only uses the State Warehouse Control System to maintain its commodities records.

However, some improvement is still needed. In our current testing we noted four of the 40 inventory items selected from the Commodity Control System (CCS) report, totaling \$8,763, could not be located because they were no longer on hand. This amount represented 15% of total commodity inventory.

DHS Policy and Procedures Directive 01.06.65.02 states “Adjustments shall be calculated and input by business office staff.” Good internal controls require procedures exist to ensure all discrepancies noted during physical inventories be investigated and subsequent adjustments made if necessary.

According to Center officials, this oversight occurred as a result of no procedures being in place to follow up on inventory adjustments. The Center’s fiscal year 2006 annual inventory had previously revealed this discrepancy, however due to a lack of internal controls over inventory adjustments, the adjustment was never made.

A lack of controls over inventory adjustments resulted in an overstatement of the Center’s fiscal year 2006 inventory. The Center’s inventory balances as of June 30, 2006 and June 30, 2007 were \$60,115 and \$79,824, respectively. (Finding Code No.07-3, 05-3)

Recommendation

We recommend internal controls be implemented to ensure all adjustments resulting from physical inventories be made in a timely manner.

Department Response

Agree. The adjustments cited in the audit were completed. Beginning July 1, 2007, two stores staff and two business office staff began taking a weekly sample count of twenty items taken from the weekly commodities status report. Any necessary adjustments are entered on a weekly basis.

07-4. Finding – Inadequate Monitoring of Accounts Receivable

The Center did not adequately monitor accounts receivable.

Center personnel did not make collection attempts in regards to delinquent individual accounts. There were also no efforts made to update resident files regarding collection status or document correspondence with debtors to obtain explanations for non-payment.

Two of the ten residents tested (20%), with accounts receivable balances as of June 30, 2007, had delinquent account balances but collection attempts were not made by the Center in accordance with DHS policy. These accounts receivable balances totaled \$3,691 as of June 30, 2007.

Department of Human Services Policy 02.08.01.040 requires facility resource staff to monitor accounts receivable monthly and document account status in the resident's file. When an account is between three and six months late the RE-2 (DHS automated system) automatically generates a Collection Activities Delinquent Notice (IL462-0642) which is to be mailed by facility staff as a collection effort. After 180 days DHS assumes responsibility of accounts receivable and all applicable collection attempts.

Center officials stated they thought all recipient accounts receivables were handled by the Department of Human Services. In addition, the position of Reimbursement Officer was vacant as of May 15, 2007, therefore many of this employee's duties were not being performed.

Failure to attempt collection does not help facilitate the timely collection of debt. This could lead to more effort required by DHS personnel and lengthier periods without payment. Accounts receivable balances as of June 30, 2006 and June 30, 2007 were \$209,956 and \$291,857, respectively. (Finding Code No. 07-4)

Recommendation

We recommend the Center monitor accounts receivable and attempt collection as required by Department policy.

Department Response

Agree. The Reimbursement Officer position was filled on October 16, 2007. Training in the required monitoring of accounts receivable/collection procedures is being arranged with reimbursement officers from other facilities via the DHS Central Office Revenue Management Unit.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ANN M. KILEY DEVELOPMENTAL CENTER
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
For the Two Years Ended June 30, 2007

Prior Findings Not Repeated

07-5. Finding – Untimely Performance Evaluations

Written performance evaluations were not prepared and submitted on an annual basis. In 21 of the 50 employee personnel files examined (42%) performance evaluations had been completed late or not at all. (Finding Code No. 05-1)

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.

07-6. Finding Inadequate Controls over Cafeteria Cash Receipts

The Center did not maintain adequate controls over cafeteria cash receipts, which approximated \$20,000 a year. Actual cash deposits were often higher than the cafeteria daily sales register report and differences could not be reconciled. The Center also did not prepare quarterly profit and loss statements, nor conduct an annual inventory of goods on hand. (Finding Code No. 05-2)

Status: Not Repeated

Current testing did not reveal similar exceptions. Sales appeared to be recorded properly and deposits reconciled to sales receipts. The Center also prepared quarterly profit and loss statements and conducted an annual inventory.

07-7. Finding – Lack of Approvals for Leaves of Absence

The Center did not comply with Departmental policies and procedures regarding the authorization of employees to go on leaves of absence. Proper documentation was not maintained for four of the seven employees (57%) whose leaves of absence were examined. (Finding Code No. 05-4)

Status: Not Repeated

Five employees on leave of absence during the current examination period were tested and similar exceptions were not noted. The Center maintained leaves of absence documentation in compliance with DIHS' Administrative Directives.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ANN M. KILEY DEVELOPMENTAL CENTER
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)
- 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 Services (not examined)
- Service Efforts and Accomplishments (not examined)

The accountants' report that covers the Supplementary Information for State Compliance Purposes presented in the Compliance Report Section states the auditors have applied certain limited procedures as prescribed by the *Audit Guide*, as adopted by the Auditor General, except for information on Employee Overtime, Contractual Payroll Employees, 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
ANN M. KILEY DEVELOPMENTAL 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	
				ENDED AUGUST 31, 2007	BALANCES LAPSED AUGUST 31, 2007
	\$ 26,691,800	\$ 19,800,833	\$ 873,447	\$ 20,674,280	\$ 17,520
PERSONAL SERVICES					
Employee retirement contributions paid by employer	-	-	-	-	-
State contributions to state employees' retirement system	2,372,100	2,269,925	109,129	2,379,054	2,046
State contributions to Social Security	1,517,200	1,452,545	64,590	1,517,135	65
Contractual Services	2,071,600	1,731,672	318,961	2,050,633	20,967
Travel	7,100	3,820	2,565	6,385	715
Commodities	1,056,800	941,547	93,479	1,035,026	21,774
Printing	12,000	11,912	-	11,912	88
Equipment	39,600	20,465	394	20,859	18,741
Telecommunications services	115,500	97,117	18,297	115,414	86
Operation of auto equipment	89,500	66,267	19,400	87,667	1,633
Expenses related to living skills program					
Total	13,500	13,500	-	13,500	-
	\$ 27,986,500	\$ 26,411,603	\$ 1,491,262	\$ 27,902,865	\$ 83,635

PUBLIC ACTS 94-0798

GENERAL REVENUE FUND - 001

Personal Services	
Employee retirement contributions paid by employer	
State contributions to state employees' retirement system	
State contributions to Social Security	
Contractual Services	
Travel	
Commodities	
Printing	
Equipment	
Telecommunications services	
Operation of auto equipment	
Expenses related to living skills program	
Total	

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
ANN M. KILFEY DEVELOPMENTAL 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
PUBLIC ACT 94-0015 & 94-0798					
GENERAL REVENUE FUND--001					
Personal Services	\$ 20,161,500	\$ 19,310,912	\$ 837,500	\$ 20,148,412	\$ 13,088
Employees retirement contributions paid by employer	165,700	165,663	-	165,663	37
State contributions to state employees' retirement system	1,562,800	1,496,139	64,921	1,561,060	1,740
State contributions to Social Security	1,475,700	1,415,931	61,860	1,477,791	1,909
Contractual Services	1,853,000	1,595,023	216,367	1,811,390	41,710
Travel	7,200	6,525	624	7,149	51
Commodities	1,031,600	892,118	116,221	1,008,339	23,261
Printing	17,400	12,545	4,346	16,891	509
Equipment	44,300	5,838	37,311	43,149	1,151
Telecommunications services	121,500	103,020	18,469	121,469	31
Operation of auto equipment	34,700	71,782	12,777	84,559	141
Expenses related to living skills program	13,500	13,500	-	13,500	-
Total	\$ 26,543,000	\$ 25,088,996	\$ 1,370,376	\$ 26,459,372	\$ 83,628

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
ANN M. KILEY DEVELOPMENTAL CENTER
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
Years Ended June 30,

	FISCAL YEARS		
	2007	2006	2005
		P.A. 94-0015	P.A. 93-0842
	P.A. 94-0798	& 94-0798	& 93-0681
GENERAL REVENUE FUND - 001			
Appropriations (net of transfers)	\$ 27,986,500	\$ 26,543,000	\$28,178,330
EXPENDITURES			
Personal services	20,674,280	20,148,412	20,218,062
Employee retirement contributions paid by employer	-	165,663	27,430
State contributions to state employees' retirement system	2,370,054	1,561,060	3,158,260
State contributions to Social Security	1,517,135	1,477,791	1,453,793
Contractual services	2,050,633	1,811,390	1,909,880
Travel	6,385	7,149	4,879
Commodities	1,035,026	1,008,339	964,886
Printing	11,912	16,891	14,086
Equipment	20,859	43,149	6,098
Telecommunications services	115,414	121,469	92,638
Operations of auto equipment	87,667	84,559	83,248
Expenses related to living skills program	13,500	13,500	13,500
Total Expenditures	<u>27,902,865</u>	<u>26,459,372</u>	<u>27,946,760</u>
LAPSED BALANCES	<u>\$ 83,635</u>	<u>\$ 83,628</u>	<u>\$ 231,570</u>

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ANN M. KILEY DEVELOPMENTAL 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 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 General Funds consist of the Living Skills Fund and Petty Cash account. This 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 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 and the DHS Rehabilitation Fund. These funds are used to account for the proceeds of a specific revenue source that are legally restricted to expenditures for specific purposes.

The DHS Other Special Trusts 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 is 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 resident's needs in these areas.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ANN M. KILEY DEVELOPMENTAL CENTER
DESCRIPTION OF LOCALLY HELD FUNDS
For the Two Years Ended June 30, 2007

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

2. Fiduciary Fund Type

Agency Fund

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

The DHS Resident's Trust Fund (SAMS fund number 1143) is maintained as a depository for funds of residents while in residence at the 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
ANN M. KILEY DEVELOPMENTAL CENTER
SCHEDULE OF LOCALLY HELD FUNDS - CASH BASIS
June 30, 2007

	1144 DHS Rehabilitation Fund	1139 DHS Other Special Trusts Fund	1143 DHS Resident's Trust Fund	1214 Living Skills Fund	N/A Petty Cash Account
Balance - July 1, 2006	\$1,291	\$23,671	\$259,190	\$2,960	\$600
Receipts					
Income from Sales	15,033				
Investment Income		45	7,438		
Resident deposits			1,599,191		
Donations		29,800			
Appropriations				13,500	408
Vending machine commissions		2,298			
Unclaimed funds					
Reimbursements					
Other					
Total Receipts	<u>\$15,033</u>	<u>\$32,143</u>	<u>\$1,606,629</u>	<u>\$13,500</u>	<u>\$408</u>
Disbursements					
Cost of sales	11,133				
Operating expenses					408
Contractual services	3,688	1,274			
Travel					
Resident activities		23,989	183,338		
Equipment					
Resident withdrawals			1,422,070		
Appropriations returned					400
Living skills program				12,759	
Other					
Total Disbursements	<u>\$14,821</u>	<u>\$25,263</u>	<u>\$1,605,408</u>	<u>\$12,759</u>	<u>\$808</u>
Balance - June 30, 2007	<u>\$1,503</u>	<u>\$30,551</u>	<u>\$260,411</u>	<u>\$3,701</u>	<u>\$200</u>

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ANN M. KILEY DEVELOPMENTAL CENTER
SCHEDULE OF LOCALLY HELD FUNDS - CASH BASIS
June 30, 2006

	1144 DHS Rehabilitation Fund	1139 DHS Other Special Trusts Fund	1143 DHS Resident's Trust Fund	1214 Living Skills Fund	N/A Petty Cash Account
Balance - July 1, 2005	\$1,738	\$17,047	\$246,680	\$2,975	\$600
Receipts					
Income from Sales	18,279				
Investment Income		45	5,855		
Resident deposits			1,634,955		
Donations		27,632			
Appropriations				13,500	1,200
Vending machine commissions		2,383			
Unclaimed funds					
Reimbursements					
Other					
Total Receipts	<u>\$18,279</u>	<u>\$30,060</u>	<u>\$1,640,810</u>	<u>\$13,500</u>	<u>\$1,200</u>
Disbursements					
Cost of sales	12,983				
Operating expenses					1,200
Contractual services	5,743	818			
Travel					
Resident activities		22,618	184,517		
Equipment					
Resident withdrawals			1,443,783		
Appropriations returned					
Living skills program				13,515	
Other					
Total Disbursements	<u>\$18,726</u>	<u>\$23,436</u>	<u>\$1,628,300</u>	<u>\$13,515</u>	<u>\$1,200</u>
Balance - June 30, 2006	<u>\$1,291</u>	<u>\$23,671</u>	<u>\$259,190</u>	<u>\$2,960</u>	<u>\$600</u>

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ANN M. KILEY DEVELOPMENTAL CENTER
SCHEDULE OF CHANGES IN STATE PROPERTY
For the Two Years Ended June 30, 2007

	Land and land improvements	Buildings and building improvements	Site improvements	Capital lease equipment	Equipment	Total
Balance June 30, 2005	\$ 595,348	\$ 18,855,710	\$ 1,946,773	\$ -	\$ 1,710,726	\$ 23,108,557
Additions:						
Purchases					10,990	10,990
Transfers-in:						
Intra-agency					249,811	249,811
Capital Development Board Surplus Property DAVTE Fund		530,308	64,249			594,557
Donations						
Adjustments					7,447	7,447
Total Additions	<u>\$ -</u>	<u>\$ 530,308</u>	<u>\$ 64,249</u>	<u>\$ -</u>	<u>\$ 268,248</u>	<u>\$ 862,805</u>
Deductions:						
Transfers-out:						
Intra-agency					640,488	640,488
Surplus property						
Scrap property						
Condemned and lost property						
Retirements					170,601	170,601
Adjustment					7	7
Total Deductions	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 811,096</u>	<u>\$ 811,096</u>
Balance June 30, 2006	<u>\$ 595,348</u>	<u>\$ 19,386,018</u>	<u>\$ 2,011,022</u>	<u>\$ -</u>	<u>\$ 1,167,878</u>	<u>\$ 23,160,266</u>
Additions:						
Purchases					66,072	66,072
Transfers-in:						
Intra-agency					168,117	168,117
Capital Development Board Surplus Property DAVTE Fund		649,082				649,082
Donations						
Adjustments					117,328	117,328
Total Additions	<u>\$ -</u>	<u>\$ 649,082</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 351,517</u>	<u>\$ 1,000,599</u>
Deductions:						
Transfers-out:						
Intra-agency					296,208	296,208
Surplus property						
Scrap property						
Condemned and lost property						
Retirements					189,414	189,414
Adjustment					2	2
Total Deductions	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 485,624</u>	<u>\$ 485,624</u>
Balance June 30, 2007	<u>\$ 595,348</u>	<u>\$ 20,035,100</u>	<u>\$ 2,011,022</u>	<u>\$ -</u>	<u>\$ 1,033,771</u>	<u>\$ 23,675,241</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
ANN M. KILEY DEVELOPMENTAL CENTER
COMPARATIVE SCHEDULE OF CASH RECEIPTS AND DEPOSITS
Years Ended June 30,

	<u>FISCAL YEARS</u>		
	<u>2007</u>	<u>2006</u>	<u>2005</u>
<u>RECEIPTS</u>			
Employee pay/lost keys, identification badges	\$ 33	\$ 42	\$ 39
Jury duty, witness fees, military duty	97	122	225
Subpoena fees for records	-	40	31
Living skills returned	-	2,975	-
Vendor rebates	60	14	353
Insurance reimbursements	-	-	-
Telephone reimbursements	-	-	1
Miscellaneous other	45	-	-
TOTAL RECEIPTS	<u>\$ 235</u>	<u>\$ 3,193</u>	<u>\$ 649</u>
<u>DEPOSITS</u>			
Receipts recorded by Agency	\$ 235	\$ 3,193	\$ 649
Add: Deposits in transit - Beginning of year	-	9	-
Deduct: Deposits in transit - End of year	<u>(30)</u>	<u>-</u>	<u>(9)</u>
DEPOSITS RECORDED BY COMPTROLLER	<u>\$ 205</u>	<u>\$ 3,202</u>	<u>\$ 640</u>

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ANN M. KILEY DEVELOPMENTAL 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 (DECREASE)	
	<u>2007</u>	<u>2006</u>	<u>AMOUNT</u>	<u>%</u>
Employee retirement contributions paid by employer	\$0	\$165,663	(\$165,663)	(100%)
State contributions to state employees' retirement system	\$2,370,054	\$1,561,060	\$808,994	52%
Printing	\$11,912	\$16,891	(\$4,979)	(29%)
Equipment	\$20,859	\$43,149	(\$22,290)	(52%)

Employee retirement contributions paid by employer

In fiscal year 2006 there was a 1% payout rate for bargaining unit employees. This agreement ended January 1, 2006 and there was no pension pick-up appropriated in fiscal year 2007.

State contributions to state employees' retirement system

The \$808,994 increase was due to the appropriated payout rates. The fiscal year 2006 rate was 7.791% and the fiscal year 2007 rate was 11.525%.

Printing

The \$4,979 decrease in printing expenditures in fiscal year 2007 was due to higher levels of inventory at the end of fiscal year 2006. This allowed for fewer purchases in fiscal year 2007.

Equipment

The \$22,290 decrease in equipment expenditures in fiscal year 2007 was due to a van ordered in fiscal year 2007 was not received until after the lapse period had closed. Therefore, this was a fiscal year 2008 expenditure.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ANN M. KILEY DEVELOPMENTAL 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 JUNE 30		INCREASE (DECREASE)	
	<u>2006</u>	<u>2005</u>	<u>AMOUNT</u>	<u>%</u>
Employee retirement contributions paid by employer	\$165,663	\$27,430	\$138,233	504%
State contributions to state employees' retirement system	\$1,561,060	\$3,158,260	(\$1,597,200)	(51%)
Travel	\$7,149	\$4,879	\$2,270	47%
Printing	\$16,891	\$14,086	\$2,805	20%
Equipment	\$43,149	\$6,098	\$37,051	608%
Telecommunication services	\$121,469	\$92,638	\$28,831	31%

Employee retirement contributions paid by employer

A decrease occurred in fiscal year 2005 when AFSCME members were required to pay retirement contributions, which were formerly paid by the employer. In fiscal year 2006 there was a 1% payout rate for bargaining unit employees.

State contributions to state employees' retirement system

The \$1,597,200 decrease was due to the appropriated payout rates. The rate was 16.1% in fiscal year 2005 and 7.791% in fiscal year 2006.

Travel

Fiscal year 2005 had a decrease in travel expenses when employee travel was curtailed in order to transfer funds into the commodity line item to use for food expenditures. Travel was restored in fiscal year 2006.

Printing

The printing purchases were restricted in fiscal year 2005 in order to make any discretionary funds available to transfer into the commodity line item. Printing expenses returned to normal levels in fiscal year 2006.

Equipment

Fiscal year 2005 equipment purchases were not made in order to transfer funds into the commodity line time to use for food expenditures. Surplus funds from other lines were available in fiscal year 2006 allowing transfers into the equipment line.

Telecommunications

The \$28,831 increase occurred in fiscal year 2006 due to the conversion/installation of the Nextel phone system.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ANN M. KILEY DEVELOPMENTAL CENTER
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
For the Two Years Ended June 30, 2007

A schedule of significant lapse period spending for the fiscal year ended June 30, 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>
Travel	\$6,385	\$2,565	40%
Operation of auto equipment	\$87,667	\$19,400	22%

Travel

Significant lapse period expenditures occurred in fiscal year 2007 due to excessive travel required near the end of the fiscal year, necessitating payment during the lapse period. Travel expenses incurred were to Bloomington, IL for the Special Olympics and to Springfield, IL for a clinical updates conference.

Operation of auto equipment

Significant lapse period spending was due to the timing of a funds transfer into the Operations of Auto Equipment line. The transfer was received and invoice paid during the lapse period.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ANN M. KILEY DEVELOPMENTAL CENTER
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
For the Two Years Ended June 30, 2007

A schedule of significant lapse period spending for the 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	\$16,891	\$4,346	26%
Equipment	\$43,149	\$37,311	86%

Printing

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

Equipment

Significant lapse period spending was due to equipment and furniture ordered prior to June that was delivered and paid for during the lapse period.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ANN M. KILEY DEVELOPMENTAL CENTER
SCHEDULE OF CHANGES IN INVENTORIES
For the Two Years Ended June 30, 2007

	Balance July 1, 2006	Additions	Deletions	Balance June 30, 2007
General Stores:				
Medical lab	\$ 4,990	\$ 46,976	\$ 40,705	\$ 11,261
Food supplies	1,138	805,801	805,801	1,138
Household and laundry	41,188	160,386	149,234	52,340
Other general stores	12,799	86,240	83,955	15,084
Pharmacy	<u>92,156</u>	<u>1,027,871</u>	<u>1,000,045</u>	<u>119,982</u>
	<u>\$ 152,271</u>	<u>\$ 2,127,274</u>	<u>\$ 2,079,740</u>	<u>\$ 199,805</u>

	Balance July 1, 2005	Additions	Deletions	Balance June 30, 2006
General Stores:				
Medical lab	\$ 13,432	\$ 27,693	\$ 36,135	\$ 4,990
Food supplies	1,138	716,705	716,705	1,138
Household and laundry	46,447	139,190	144,449	41,188
Other general stores	7,402	124,682	119,285	12,799
Pharmacy	<u>99,208</u>	<u>959,646</u>	<u>966,698</u>	<u>92,156</u>
	<u>\$ 167,627</u>	<u>\$ 1,967,916</u>	<u>\$ 1,983,272</u>	<u>\$ 152,271</u>

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

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ANN M. KILEY DEVELOPMENTAL CENTER
AGED ANALYSIS OF ACCOUNTS RECEIVABLE
FOR THE TWO YEARS ENDED JUNE 30, 2007

The Department has accounts receivable of \$291,857, arising from operations of Ann M. Kiley Developmental Center at June 30, 2007. This total represents amount due from private assets, private insurance, Social Security Administration, etc. for resident care provided at Ann M. Kiley Developmental 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)	\$133,285	\$198,631	\$153,428
Past due (4-6 months)	42,754	2,670	1,584
Past due (7-12 months)	85,678	1,659	1,474
Past due (over 12 months)	<u>30,140</u>	<u>6,996</u>	<u>19,258</u>
Total	<u>\$291,857</u>	<u>\$209,956</u>	<u>\$175,744</u>

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ANN M. KILEY DEVELOPMENTAL CENTER
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2007

CENTER FUNCTIONS AND PLANNING PROGRAM:

The Ann M. Kiley Developmental Center provides residential, educational and training services and support for developmentally disabled persons. The services and support are conducted in an atmosphere that imitates the lifestyles of a normal community and seeks to help residents acquire the skills necessary to return to their homes or less restricted community living facilities.

The Center's services and support are coordinated with the Department of Human Services. The services and support are established to ensure an interdisciplinary approach to serving the needs of the developmentally disabled person. The success of the services and support is determined by accreditation by a nationally recognized accrediting body (Council on Accreditation of Rehabilitation Facilities). To implement this coordinated effort, the Executive Committee designs services and support and establishes procedures for executing and evaluating the Center's administration and operation. Our review of the Center's formal planning program disclosed that the plan is consistent with the Center's statutory mandate and is functioning properly.

In order to comply with the Center's function, the Facility Director has established "standing" committees. An Executive Committee reviews the effects of the "standing" committees. The Executive Committee assists the Facility Director in the design of services and support; and in developing and implementing policy-making and management procedures. Broadly, the Committee operates as a consulting and advisory body and has the overall responsibility of reviewing and evaluating all areas pertinent to the administration and operation of the Ann M. Kiley Developmental Center.

The Executive Committee is composed of the Assistant Facility Director, Director of Fiscal and Support Services, Unit Administrators, Training Coordinator, Medical Director, Psychological Services Director, Nursing Administrator, Central Activities Supervisor/EEO Officer, Community Living Coordinator, Pharmacy Director, Quality Enhancement Officer, Director of Human Resources, Director of Program Development and Evaluation, Labor Relations Administrator, Dietician, Internal Security Investigator, Human Rights Committee Chairperson and Chief Engineer. The Facility Director chairs the Committee.

The Center has developed a five-year plan which identifies the goals and objectives for each year. This five-year plan is continuously being re-evaluated and revisions are made, if necessary. Within this plan, goals and objectives are divided among the units. The majority of the Center's goals and objectives pertain to improving the living environment and quality of life for its residents. However, administrative goals and objectives are included within this same five-year plan. Quality enhancement audits and satisfaction surveys are also conducted on a yearly basis. These surveys are completed by residents' parents or guardians, and help the Center determine how satisfied they are with the quality of care.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ANN M. KILEY DEVELOPMENTAL 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.

	Fiscal Year		
	<u>2007</u>	<u>2006</u>	<u>2005</u>
Mental health technicians and supervisors	257	270	272
Support service workers and supervisors	23	24	24
Medical, dental and pharmacy	29	30	31
Office and clerical	19	19	24
Resident treatment*	35	40	34
Administrative	13	16	17
Other	<u>9</u>	<u>8</u>	<u>9</u>
Total Employees	<u>385</u>	<u>407</u>	<u>411</u>

* Includes workshop instructors and activity therapists

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ANN M. KILEY DEVELOPMENTAL 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, 2006</u>	<u>2005</u>
Paid overtime hours worked during fiscal year	<u>157,948</u>	<u>140,878</u>	<u>151,840</u>
Value of overtime hours worked during fiscal year	<u>\$3,725,561</u>	<u>\$3,146,920</u>	<u>\$3,247,706</u>
Compensatory hours earned during fiscal year	<u>476</u>	<u>779</u>	<u>2,850</u>
Value of compensatory hours earned during fiscal year	<u>\$14,011</u>	<u>\$21,482</u>	<u>\$66,181</u>
Total paid overtime hours and earned compensatory hours during fiscal year	<u>158,424</u>	<u>141,657</u>	<u>154,690</u>
Total value of paid overtime hours and earned compensatory hours during fiscal year	<u>\$3,739,572</u>	<u>\$3,168,402</u>	<u>\$3,313,887</u>

CONTRACTUAL PAYROLL EMPLOYEES (not examined)

The Center did not hire any individuals to perform personal services pursuant to a contract where the individual is deemed an "employee" under IRS regulations.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ANN M. KILEY DEVELOPMENTAL CENTER
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2007

CENTER UTILIZATION (not examined)

Ann M. Kiley Developmental Center (Center) is situated on 37 acres in Waukegan, IL. The Center has 55 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.

Building	Type/Use	Square feet	Status	%
A-Building	Administration, Recreational, Medical	56,065	Occupied	100%
B-Building	Engineering/Stores	17,528	Occupied	100%
C-Building (5 buildings)	School/Unit Buildings	2,524	Occupied	80%
D-Building (48 buildings)	Residential	126,384	Occupied*	88%

* - Four of the D-Buildings were being utilized, but not by the Center. Beginning in January 2007, these four buildings were leased to Easter Seals Metropolitan Chicago.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ANN M. KILEY DEVELOPMENTAL 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>\$135,751</u>	<u>\$138,355</u>
Cost per day per resident	*	\$372	\$379

* - 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>480</u>	<u>480</u>	<u>480</u>
Average number of residents	<u>241</u>	<u>254</u>	<u>261</u>
Average number of employees	<u>385</u>	<u>407</u>	<u>411</u>
Ratio of employees to residents	<u>1.60 to 1</u>	<u>1.60 to 1</u>	<u>1.57 to 1</u>

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>91</u>	<u>87</u>	<u>68</u>

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ANN M. KILEY DEVELOPMENTAL CENTER
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2007

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>263,895</u>	278,130	<u>285,795</u>
Total food costs	\$779,229	\$736,272	\$724,584
Total labor costs	<u>317,000</u>	<u>286,000</u>	<u>290,356</u>
Total costs	<u>\$1,096,229</u>	<u>\$1,022,272</u>	<u>\$1,014,940</u>
Average food costs / meal	\$2.95	\$2.65	\$2.54
Average labor costs / meal	<u>1.20</u>	<u>1.03</u>	<u>1.02</u>
Total average cost / meal	<u>\$4.15</u>	<u>\$3.68</u>	<u>\$3.56</u>

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ANN M. KILEY DEVELOPMENTAL CENTER
SERVICE EFFORTS AND ACCOMPLISHMENTS
For the Two Years Ended June 30, 2007
(not examined)

The Ann M. Kiley Developmental Center (Center) attained three year accreditation in its triennial survey by the Council on Accreditation of Rehabilitation Facilities (CARF) with specific recognition in several areas, including: committed and long-standing staff; commitment to facility mission despite funding challenges; excellent performance and outcomes indicator system; continued physical plant and remodeling efforts; comprehensive medical services; excellent transition and follow-up supports for persons who have been discharged; and participation in clinical consultation to community providers, resulting in positive outcomes. The Center will be undergoing their next CARF survey in FY'08.

The Center experienced leadership changes during FY'07 with the resignation of the Facility Director, Suzanne McWilliams, and the retirement of the Assistant Facility Director, Ellen Hodge. Waverly Robinson was appointed as the Interim Facility Director and Dorothy McCaffrey, Director of Nursing Service, was appointed as the Interim Assistant Facility Director. Under the new leadership the Center continues to move forward with plans to enhance the services provided at the Center.

The Center completed a consolidation of three Units down to two Units. This was accomplished by the successful discharges of a number of individuals and the reorganization of staff. Nursing services were consolidated into one location, resulting in a stronger comradery and continuity of services.

The Center continued to hire and train new Direct Support Staff to ensure adequate staffing levels. A new Director of Psychological Services was also hired.

Adult residents are enrolled in vocational programs until they retire. On average, 124 residents attended programs offered by community-based agencies with the remaining 119 residents serving the Center's vocational programs. In addition to the vocational programs, evening adult education programs were offered dealing with topics such as job interview skills, banking, reading, shopping, socialization, and animal care.

The Center successfully discharged 28 individuals to community settings in FY'06 and FY'07. As a result, the Center was within range of reaching their budgeted census.

The Center secured funding during FY'07 to complete replacement of roofs, gutters, and aluminum soffits. The project is due to be completed April 30, 2008. This will help save man-hours of repairs and stop the continuous damage from leaky roofs. These changes to the exterior make it relatively maintenance-free, saving hours of painting every year.

The Center secured funding and replaced the main freezer locker in the Food Service department, saving the Facility significant money in both operating expense of the freezer and the potential for food loss.

The Center began taking the steps necessary to install video-conferencing. With video-conferencing capabilities the Center will save significant money by no longer paying for video-conferencing services at another location. Other savings include time lost for travel to other locations to participate in the conferences. With video-conferencing capabilities, the Center should see an increase in the number of people able to participate in a variety of seminars and informational meetings.

The Center provided on-going training to staff on Abuse/Neglect and Active Treatment by conducting shift changes at each of the homes during the year. A committee has been formed to evaluate the effectiveness of the training and enhance the services being provided.

The Staff Development department secured the services of DHS Bureau of Training and Development to provide training in several areas including: Supervisory Training, Diversity in the Workplace, Real Colors, Conflict Resolutions, and Team Building. These trainings are currently on going.